

ANNUAL FINANCIAL REPORT

OF

CARLINGFORD BOWLING, SPORTS AND RECREATION CLUB LIMITED
ABN 67 000 110 976

FOR THE YEAR ENDED

30 JUNE 2023

TABLE OF CONTENTS

	PAGE NO.
Directors' Report	1
Audit Independence Declaration	5
Independent Auditor Report	6
Directors' Declaration	8
Statement of Comprehensive Income	9
Statement of Changes in Equity	10
Statement of Financial Position	11
Statement of Cash Flows	12
Notes to and Forming Part of the Financial Statements	13

CARLINGFORD BOWLING, SPORTS & RECREATION CLUB LIMITED
ABN 67 000 110 976

DIRECTORS' REPORT

Your directors present their report on the financial statements of Carlingford Bowling, Sports & Recreation Club Limited ('the company') for the year ended 30 June 2023.

INFORMATION ON DIRECTORS

The names of directors who held office at any time during, or since the end of the year, are set out below together with the information on each director's experience, qualifications and special responsibilities:

Names of directors	Occupation/ Qualifications	Position/Special Responsibilities	Years as Director
David Gleeson - appointed Chairperson	Business Owner Builder	Chairperson	3
Graham Bale	Retired	Vice Chairperson	12
David Pocock	Retired	Director	2
Judy Turner	Retired	Director	4
Garry Cassidy - resigned 10.08.22	Accountant	Treasurer	2
Grant Gudmunson	Builder	Director	2
Kathy Uren	Retired	Director	3
Harshavardhan Joshi - appointed 28.11.22	Marketing Manager	Director	1
Alan Blake - appointed 28.11.22	Retired	Director	1

MEETINGS OF DIRECTORS

During the financial year 20 meetings of directors were held and attended as follows:

Name	Directors Meetings	
	No eligible to attend	Attended
Graham Bale	20	20
Judy Turner	20	20
Garry Cassidy - resigned 10.08.22	2	0
David Gleeson	20	20
Kathy Uren	20	19
David Pocock	20	19
Grant Gudmunson	20	14
Harshavardhan Joshi - appointed 28.11.22	20	14
Alan Blake - appointed 28.11.22	12	12

COMPANY SECRETARY

Shaun Johns was Company Secretary of the Company for the whole of the financial year and continues in office at the date of this report. Shaun joined the Club on 6 April 2010 and has been the Secretary Manager since that date. Shaun has 27 years of experience in the club industry, is a member of Clubs NSW, Clubs Directors Institute and Club Managers Association of NSW.

CORPORATE INFORMATION

The club is a 'not for profit' entity, registered as a company limited by guarantee. It does not issue shares to its members. Under its constitution it does not have the capacity to issue dividends to its members. Any surplus on winding up will be distributed to an organisation which has similar objects as dictated by the Constitution.

The club has varying classes of membership as set out below:

If the company is wound up, the Constitution states that each member is required to contribute a maximum of \$5 each towards any outstanding obligations of the company. As at 30 June 2023 the number of members was 6,156 (2022:5,135).

DETAILS ON MEMBERS

Each class of membership in the company:

Class	Number		Liability of members on a wind up	
	2023	2022	2023	2022
Ordinary Members (Non Bowling)	5,119	4,123	\$25,595	\$20,615
Ordinary Members (Bowling)	375	348	\$1,875	\$1,740
Social Life Members	638	638	\$3,190	\$3,190
Honorary Life Members	24	26	\$120	\$130
Total	6,156	5,135	\$30,780	\$25,675

SHORT AND LONG TERM OBJECTIVES OF THE ENTITY

The club's objectives are to focus on:

1. the development and delivery of premium club facilities and services to its members and guests
2. to foster the game of bowls
3. the promotion of the social welfare of its members and community sports and recreational organisations

STRATEGY FOR ACHIEVING THOSE OBJECTIVES

The strategy for achieving the objectives has been to:

1. update the premises to reflect the quality of appearance of the club
2. constantly monitor and improve the services of the gaming, bar and bistro areas
3. attract quality entertainment to the venue at reasonable prices
4. support the Men's and Ladies bowling activities
5. support local sporting and community organisations

PRINCIPAL ACTIVITIES

The principal activities of the company during the financial year were those of a licensed club. No significant changes in the nature of these activities occurred during the year.

HOW THOSE ACTIVITIES ASSISTED IN ACHIEVING THE CLUB'S OBJECTIVES

The cash flows of the club will continue to be employed in enhancing the abovementioned facilities, meeting the needs of the debt reduction program and the provision of donations to the local sporting and community support organisations and public schools through the Club Grants Scheme.

HOW THE CLUB MEASURES ITS PERFORMANCE

The club measures its performance based on:

- a. the number of members and guests that the club has attracted in the year which was 31,492 compared to 2022 which was 27,139.

GOING CONCERN

The financial statements have been prepared on a going concern basis, which assumes the continuity of normal business operations, and the realisation of assets and settlement of liabilities in the ordinary course of business. The COVID-19 pandemic has created uncertainty in local and global economies, and is likely to impact normal business operations in the immediate future. The company has completed a comprehensive forecast for the next twelve months operations, and remains confident that it will be able to continue as a going concern.

OPERATING RESULTS

The net profit of the company before depreciation and borrowing costs was \$253,189 (2022: profit \$8,369,102.- this included the surplus on the sale of Brush Park)

	2023 \$	2022 \$
Operating profit/(loss) before depreciation and amortisation, and finance charges	253,189	(157,300)
Less:		
Depreciation and amortisation expense	(594,080)	(439,866)
Borrowing costs	(10,990)	(41,026)
Profit on sale of Brush Park property	-	9,007,294
Profit/(Loss) for the year	<u>(351,881)</u>	<u>8,369,102</u>

Significant factors affecting the performance were:


- COVID-19 club reopening
- increased performances were in the area of poker machines
- operating costs exceeded budget
- investment in the club's gaming room
- investment in the upgrades of the older poker machines
- investment in the club's premises, greens and grounds
- significant wet weather early part of year
- the club lost 60 days of bowling

AUDITOR'S INDEPENDENCE DECLARATION

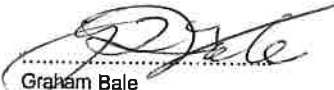
A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is included in this report on the following page.

RESOLUTION

This report is made in accordance with a resolution of the Board of directors and is signed for and on behalf of the directors by:



.....
David Gleeson
Chairperson



.....
Graham Bale
Vice Chairperson

Signed and dated in Sydney this 19th day of October 2023

W L BROWNE & ASSOCIATES FCA PTY LTD

ABN 28 240 035 156

JOHN CHEADLE F.C.A.

john@wlbrowne.com.au

Suite 8, 924 Pacific Highway
Gordon NSW 2072
PO Box 294, Gordon NSW 2072
Telephone: 02 9498 5250

AUDITOR'S INDEPENDENCE DECLARATION

Lead Auditor's Independence Declaration Under Section 307C of the Corporations Act 2001

To the Directors of Carlingford Bowling, Sports & Recreation Club Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2023 there have been:

- (i) No contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) No contraventions of any applicable code of professional conduct in relation to the audit.


John C Cheadle
Registered Company Auditor

Dated: 29/10/23

W L BROWNE & ASSOCIATES FCA PTY LTD

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JOHN CHEADLE F.C.A.

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INDEPENDENT AUDIT REPORT TO THE MEMBERS OF CARLINGFORD BOWLING, SPORTS & RECREATION CLUB LIMITED

Report on the Audit of the Financial Report

Opinion

I have audited the accompanying financial report of Carlingford Bowling, Sports & Recreation Club Limited (the Company), which comprises the Statement of Financial Position as at 30 June 2023, Statement of profit or loss and other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In my opinion, the accompanying financial report of the Company is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2023 and of its financial performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Regulations 2001.

Basis of Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described as in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Information Other than in the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information obtained at the date of this auditor's report comprises the information included in the company's annual report for the year ended 30 June 2023, but does not include the financial report and my auditor's report thereon.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed on the other information obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibility of Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibility for the Audit of the Financial Report


My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the directors with a statement that I have complied with the relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.


John C. Cheadle-Chartered Accountant
W L Browne & Associates
Suite 8, 924 Pacific Highway, Gordon NSW 2072
Dated: 19/10/25

CARLINGFORD BOWLING, SPORTS & RECREATION CLUB LIMITED
ABN 67 000 110 976

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements comprising the statement of financial position, statement of comprehensive income, statement of cash flows, statement of changes in equity and accompanying notes to the financial statements:
 - (a) comply with Accounting Standards - Reduced Disclosure Requirements and the Corporations Regulations 2001; and
 - (ii) give a true and fair view of the financial position of the company as at 30 June 2023 and of the performance for the year ended on that date.
2. In the directors' opinion, there are reasonable grounds to believe that the Club will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors dated ^{19th} day of October 2023

.....
David Gleeson
Chairperson

.....
Graham Bale
Vice Chairperson

CARLINGFORD BOWLING, SPORTS & RECREATION CLUB LIMITED
ABN 67 000 110 976

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 \$	2022 \$
Revenue from continuing operations			
Trading revenue - net poker machine		2,247,506	1,376,645
Trading revenue - other		1,503,829	859,466
Other revenue		359,825	312,036
Total revenue from continuing operation	2	<u>4,111,160</u>	<u>2,548,147</u>
Expenses			
Employee cost and entitlements		(1,014,038)	(776,476)
Poker Machine taxes		(331,790)	(100,865)
Other expenses		(2,512,143)	(1,828,106)
Total expenses	2	<u>(3,857,971)</u>	<u>(2,705,447)</u>
Profit/(Loss) before income tax expense, finance costs and depreciation		253,189	(157,300)
Finance costs		(10,990)	(41,026)
Depreciation		(594,080)	(439,866)
Profit/(Loss) for the year before income tax		(351,881)	(638,192)
Income tax expense	1(i)	-	-
Net Profit/(Loss) from continuing operations after income tax expense attributable to members		(351,881)	(638,192)
Other comprehensive income			
Profit on sale of Brush Park property	2	-	9,007,294
Total comprehensive income for the year attributable to members		<u>(351,881)</u>	<u>8,369,102</u>

The above statements should be read in conjunction with
the accompanying notes to the financial statements

CARLINGFORD BOWLING, SPORTS & RECREATION CLUB LIMITED
ABN 67 000 110 976

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023

	Note	Revaluation Reserve \$	Accumulated Funds \$	Total \$
Balance as at 30 June 2021		5,660,624	2,235,892	7,896,516
Brush Park		(3,556,157)	56,156	(3,500,001)
Profit for the year		<u>-</u>	<u>8,369,102</u>	<u>8,369,102</u>
Balance as at 30 June 2022		2,104,467	10,661,150	12,765,617
Loss for the year		-	(351,881)	(351,881)
Brush Park - write off legal fees			(40,883)	(40,883)
Balance as at 30 June 2023		<u>2,104,467</u>	<u>10,268,386</u>	<u>12,372,853</u>

The above statements should be read in conjunction with
the accompanying notes to the financial statements

CARLINGFORD BOWLING, SPORTS & RECREATION CLUB LIMITED
ABN 67 000 110 976

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	Note	2023 \$	2022 \$
CURRENT ASSETS			
Cash	3	6,567,350	7,947,639
Receivables	4	214,944	176,154
Inventories	5	44,232	40,571
TOTAL CURRENT ASSETS		<u>6,826,526</u>	<u>8,164,364</u>
NON-CURRENT ASSETS			
Property, plant and equipment	6	4,930,957	4,250,092
Intangibles	7	1,345,172	1,395,409
TOTAL NON-CURRENT ASSETS		<u>6,276,129</u>	<u>5,645,501</u>
TOTAL ASSETS		<u>13,102,655</u>	<u>13,809,865</u>
CURRENT LIABILITIES			
Payables	8	351,095	503,412
Interest bearing liabilities	9	139,063	201,204
Provisions	10	145,246	163,523
TOTAL CURRENT LIABILITIES		<u>635,404</u>	<u>868,139</u>
NON-CURRENT LIABILITIES			
Interest bearing liabilities	9	94,398	176,109
TOTAL NON-CURRENT LIABILITIES		<u>94,398</u>	<u>176,109</u>
TOTAL LIABILITIES		<u>729,802</u>	<u>1,044,248</u>
NET ASSETS		<u>12,372,853</u>	<u>12,765,617</u>
FUNDS			
Accumulated Funds		12,372,853	12,765,617
TOTAL FUNDS		<u>12,372,853</u>	<u>12,765,617</u>

The Statement of Financial Position should be read in conjunction with
the accompanying notes to the financial statements

CARLINGFORD BOWLING, SPORTS & RECREATION CLUB LIMITED
ABN 67 000 110 976

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 \$	2022 \$
Cash from operating activities:			
Receipt from customers		4,015,694	2,535,242
Payments to suppliers and employees		(3,966,197)	(2,831,292)
Interest paid		(10,990)	(41,026)
Net cash provided by operating activities	14(a)	<u>38,507</u>	<u>(337,076)</u>
Cash flows from investing activities:			
Proceeds from sale of property - Brush Park		-	10,000,000
Costs incurred on sale - Brush Park		-	(828,397)
Purchase of property, plant and equipment		(1,274,945)	(446,986)
Profit/(Loss) on disposal of plant & equipment		-	(71,818)
Net cash (used in) investing activities		<u>(1,274,945)</u>	<u>8,652,799</u>
Cash flows from financing activities:			
Proceeds from borrowings - H.P. Contracts		86,056	123,273
Repayment of borrowings - H.P. Contracts		(229,907)	(157,581)
Repayment of borrowings - Bank		-	(385,004)
Net cash provided/(used in) financing activities		<u>(143,851)</u>	<u>(419,312)</u>
Net increase/(decrease) in cash held		(1,380,289)	7,896,411
Cash at the beginning of the financial year		<u>7,947,639</u>	<u>51,228</u>
Cash at the end of the financial year	14(b)	<u><u>6,567,350</u></u>	<u><u>7,947,639</u></u>

The Statement of Cash Flows should be read in conjunction with
the accompanying notes to the financial statements

CARLINGFORD BOWLING, SPORTS & RECREATION CLUB LIMITED
ABN 67 000 110 976

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements for the year ended 30 June 2023 were authorised in accordance with a resolution of the directors on 19/10/23 as required by the *Corporations Act 2001*.

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

Carlingford Bowling, Sports & Recreation Club Limited is a not-for-profit company limited by guarantee for financial reporting purposes under Australian Accounting Standards.

(a) The Basis of Accounting

The financial statements have been prepared on a historical cost basis/

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report. The accompanying policies have been consistently applied, unless otherwise stated.

(b) Going Concern

The financial statements have been prepared on a going concern basis, which assumes the continuity of normal business operations, and the realisation of assets and settlement of liabilities in the ordinary course of business. The COVID-19 pandemic has created uncertainty in local and global economies, and is likely to impact normal business operations in the immediate future. The company has completed a comprehensive forecast for the next twelve months operations, and remains confident that it will be able to continue as a going concern.

(c) Depreciation of Property, Plant & Equipment

Property is brought to account at cost less, where applicable, any accumulated depreciation or amortisation. Plant and equipment are brought to account at cost, less any accumulated depreciation or amortisation.

The carrying amount of property, plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed against depreciable replacement cost.

(c) Depreciation of Property, Plant and Equipment (continued)

The depreciable amount of all fixed assets including leasehold buildings and capitalised lease assets is depreciated over their useful lives to the economic entity, commencing from the time the asset is held ready for use. Leasehold improvements are amortised over shorter of either the unexpired period of the lease or the estimated useful lives of the improvements and the expected lease occupancy.

The rates applied to the classes of assets are:

Class	Method	Rate
Leasehold Buildings	Straight Line	2.5%-20%
Plant & Equipment	Straight Line	5%-33%
Computer Equipment	Straight Line	10%-33%
Office Equipment	Straight Line	20%-25%
Furniture & Fittings	Straight Line	10%-33%
Plant & Equipment Poker Machines	Straight Line	15%
Poker Machines	Straight Line	15%

CARLINGFORD BOWLING, SPORTS & RECREATION CLUB LIMITED
ABN 67 000 110 976

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Impairment of Assets

At each reporting date the company assesses whether there is any indication that individual assets are impaired. Where impairment indicators exist, recoverable amount is determined and impairment losses are recognised in the income statement where the asset's carrying value exceeds its recoverable amount.

The recoverable amount is assessed against depreciable replacement cost for property, plant and equipment.

(e) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined on a first in first out principle of allocation.

(f) Employee Entitlements

Provision is made for the Club's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled plus related on-costs.

Other employee benefits payable later than one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. In the case of Long Service Leave this results in an amount not materially different to that achieved by discounting future cash flows.

Contributions are made by the Club to employee superannuation funds and are charged as expenses when incurred.

(g) Revenue

Sales revenue and revenue from gaming activities is recognised as income on a receipts basis.

(h) Subscriptions from Members

Subscriptions are accounted for as income in the period to which they relate. Subscriptions received in advance for future periods are brought to account as a current liability. Subscriptions outstanding are not brought to account where recoverability is not assured.

(i) Income Tax

No income tax has been provided for in the accounts as the directors believe the club to be exempt from income tax under Section 50.45 of the Income Tax Assessment Act and that this exemption will continue in the future.

CARLINGFORD BOWLING, SPORTS & RECREATION CLUB LIMITED
ABN 67 000 110 976

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Goods and Services Tax

Revenues, expenses and assets are recognised net of GST except where GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(k) Interest-Bearing Liabilities

All loans and borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of comprehensive income over the period of the loans and borrowings using the effective interest method. All borrowings are classified as current liabilities unless there is an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

(l) Borrowing Costs

Borrowing costs incurred for the construction of a qualifying asset are recognised during the period of time that it is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed when incurred.

(m) Cash and Cash Equivalents

For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand and at bank, deposits held at call with financial institutions, other short term, highly liquid investments with maturities of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

CARLINGFORD BOWLING, SPORTS & RECREATION CLUB LIMITED
ABN 87 000 110 976

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Accounting Estimates and Judgements

i) Critical Judgements

Management has made the following judgements when apply the Club's accounting policies:

Impairment of the buildings in excess of normal amortisation over the useful life is not considered necessary as the club has met the tenure requirements for improvements as set out in Note 12.

In accordance with the AIFRS guidance for impairment of assets, the expected continuation of the lease on the land does not trigger an impairment event to warrant the accelerated amortisation of the building. Should the terms of the lease be breached or other events suggest the tenure may not be renewed then the building will be required to be amortised over the remaining terms of the lease.

ii) Intangible Assets

At 30 June 2023 the club had 84 gaming (poker) machine entitlements (refer Note 7).

The poker machine entitlement market is not an active market in accordance with the accounting standard. Hence, the entitlements are recorded at historical or deemed cost.

The licenses are assessed as having an indefinite life and are not amortised. The assessment of any impairment is based on the cash flow generated from their value in use.

(o) New Accounting Standards for Application in Current Periods

The company has adopted all new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The following Accounting Standards and Interpretations are most relevant to the company:

There were no new or amended Accounting Standards issued during the year.

CARLINGFORD BOWLING, SPORTS & RECREATION CLUB LIMITED
ABN 67 000 110 976

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023 \$	2022 \$
2. OPERATING PROFIT		
Revenue from Ordinary Activities		
Net Poker Machine Revenue	2,247,506	1,376,645
Promotions	94,984	39,613
Food and Beverage	1,258,142	711,447
Keno	40,615	24,831
TAB	7,459	7,093
Bowling	90,962	65,942
Functions	11,667	10,540
Total Trading Revenue	<u>3,751,335</u>	<u>2,236,111</u>
Government Grants	98,286	170,115
Interest Received	167,790	-
Other Revenue	93,749	141,921
Total Other Revenue	<u>359,825</u>	<u>312,036</u>
Other Comprehensive Income		
Profit on sale of Brush Park property	-	9,007,294
Total Revenue	<u>4,111,160</u>	<u>11,555,441</u>
Expenses from Ordinary Activities		
Employee Cost & Entitlements	1,014,038	776,476
Depreciation and Amortisation Expenses	594,080	439,866
Poker Machine Taxes	331,790	100,865
Cost of Goods Sold - Food and Beverage	537,361	311,178
Other Operational Expenses	1,974,782	1,516,928
Total Expenses excluding borrowing costs	<u>4,452,051</u>	<u>3,145,313</u>
Borrowing Costs	10,990	41,026
Total Expenses	<u>4,463,041</u>	<u>3,186,339</u>
Net operating profit/(loss) from ordinary activities	<u>(351,881)</u>	<u>8,369,102</u>

CARLINGFORD BOWLING, SPORTS & RECREATION CLUB LIMITED
ABN 67 000 110 976

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
3. CASH		
Cash at Bank	6,481,732	7,880,115
Cash on Hand	105,618	87,524
	<u>6,587,350</u>	<u>7,947,639</u>
4. RECEIVABLES		
Sundry Debtors	32,710	36,676
Prepayments	182,234	139,478
	<u>214,944</u>	<u>176,154</u>
5. INVENTORIES		
Goods for sale	44,232	40,571
	<u>44,232</u>	<u>40,571</u>
6. PROPERTY, PLANT AND EQUIPMENT		
Buildings, Greens & Grounds Leasehold Improvements at valuation	6,941,892	6,745,545
Less: Accumulated Amortisation	(3,961,440)	(3,832,023)
	<u>2,980,452</u>	<u>2,913,522</u>
Computer Equipment at cost	121,335	112,910
Less: Accumulated Depreciation	(74,951)	(61,703)
	<u>46,384</u>	<u>51,207</u>
Furniture & Fittings at cost	347,087	137,343
Less: Accumulated Depreciation	(142,255)	(91,077)
	<u>204,832</u>	<u>46,266</u>
Office Equipment at cost	106,504	12,673
Less: Accumulated Depreciation	(18,721)	(11,728)
	<u>87,783</u>	<u>945</u>
Plant & Equipment at cost	1,387,209	1,172,057
Less: Accumulated Depreciation	(663,766)	(563,415)
	<u>723,443</u>	<u>608,642</u>
Poker Machines & Associated Plant at cost	2,286,895	1,827,284
Less: Accumulated Depreciation	(1,398,832)	(1,197,774)
	<u>888,063</u>	<u>629,510</u>
Total Property, Plant & Equipment	<u>4,930,957</u>	<u>4,250,092</u>

Buildings, Greens & Grounds Leasehold Improvements

Denistone Sports Club Ltd amalgamated with this entity on 1 July 2016. National Australia Bank Ltd on 6 May 2017 valued the Denistone property at \$2,100,000 - valuer LandMark White (Sydney) Pty Ltd. The property is reflected in the Club's assets at this value.

CARLINGFORD BOWLING, SPORTS & RECREATION CLUB LIMITED
ABN 67 000 110 976

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
7. INTANGIBLE ASSETS		
Poker Machine Entitlements at cost	1,301,829	1,301,829
Legal Fees on Acquisition	43,343	84,226
Software Capitalised	-	9,354
	<u>1,345,172</u>	<u>1,395,409</u>

At 30 June 2023, the Club had 84 gaming (poker) machine entitlements ('entitlements').

It is generally considered that a market value for gaming machine entitlements can be estimated by observing recent market transfers. However, fair value as measured by reference to an active market as defined in accordance with the Australian Accounting Standards is not generally accepted in the industry.

The Club's entitlements are therefore held at cost (including deemed cost).

8. PAYABLES		
Accounts payable	186,979	309,037
Accrued expenses	57,892	103,452
Unearned income	39,538	24,681
GST payable	44,360	7,926
Poker machine tax payable	22,326	58,316
	<u>351,095</u>	<u>503,412</u>

9. INTEREST BEARING LIABILITIES

Current

Hire Purchase liabilities - secured	139,063	201,204
	<u>139,063</u>	<u>201,204</u>

Non-Current

Hire purchase liabilities - secured	94,398	176,109
	<u>94,398</u>	<u>176,109</u>

Total Interest Bearing Liabilities	<u>233,461</u>	<u>377,313</u>
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CARLINGFORD BOWLING, SPORTS & RECREATION CLUB LIMITED
ABN 67 000 110 976

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023 \$	2022 \$
10. PROVISIONS		
Annual Leave	64,317	78,580
Long Service Leave	80,929	84,943
	<u>145,246</u>	<u>163,523</u>
11. MEMBERS' GUARANTEE		
The Club is Limited by Guarantee. If the Club is wound up, the Memorandum states each member is required to contribute a maximum amount of \$5.00 each towards meeting the outstanding obligations of the Club.		
12. EXPENDITURE COMMITMENTS		
(a) Hire purchase commitments		
Not later than one year	139,083	201,204
Later than one year but not later than two years	82,114	131,115
Later than two years but not later than five years	16,768	93,408
	<u>237,965</u>	<u>425,728</u>
Less Future Finance Charges	(4,504)	(48,415)
	<u>233,461</u>	<u>377,313</u>
Current Liability	139,083	201,204
Non-Current Liability	94,398	176,109
	<u>233,461</u>	<u>377,313</u>
(b) Capital Expenditure Commitments		
There were no Capital Expenditure Commitments as at 30 June 2023	-	-
13. RELATED PARTIES		
The Directors of Carlingford Sports & Recreation Club Limited during the year were:		
(a) G Bale, D Pocock, J Turner, G Gudmunson, K Uren, H Joshi, D Gleeson, A Blake.	-	-
(b) Aggregate income received or due and receivable by the Directors of the Company	-	-
(c) Committee members in the course of carrying out their duties at meetings and on other occasions were provided with meals, refreshments and training seminars.	1,340	2,891
(d) Professional development and education seminars attended by Directors	202	7,150
(e) Other Transactions With Directors:	-	-
The Company has incurred no other transactions with related parties		

CARLINGFORD BOWLING, SPORTS & RECREATION CLUB LIMITED
ABN 67 000 110 976

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023 \$	2022 \$
14. CASH FLOWS		
(a) Reconciliation of net cash provided by operating activities to operating loss after tax:		
Operating (loss)/profit after income tax	(351,881)	8,369,102
Non-operating activity Items:		
(Surplus)/Loss on disposal of assets	9,353	(49,124)
Depreciation	594,080	439,866
Surplus on sale of Brush Park property	-	(9,007,294)
Changes in assets and liabilities		
(Increase)/decrease in receivables	(38,790)	(28,122)
(Increase)/decrease in inventories	(3,661)	5,165
Increase/(decrease) in payables	(152,317)	(75,144)
Increase/(decrease) in provisions	(18,277)	8,475
Net cash provided by/(used in) operating activities	<u><u>38,507</u></u>	<u><u>(337,076)</u></u>

b) Reconciliation of cash

For the purposes of the statement of cash flows, cash included:

(i) cash on hand and in at call deposits with banks or financial institutions, net of outstanding bank overdrafts.

Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the Balance Sheet as follows:

Cash	105,618	87,524
Cash at Bank	<u>6,461,732</u>	<u>7,860,115</u>
	<u><u>6,567,350</u></u>	<u><u>7,947,639</u></u>

15. COMPANY DETAILS

The registered office of the entity and principal place of business is:

Carlingford Bowling, Sports & Recreation Club Limited
Cnr. Pennant Hills and Evans Roads
Carlingford NSW 2118

16. OTHER EVENTS

- (a) J Group Develop Pty Ltd ("J Group") claimed an amount of \$180,089.18, inclusive of GST from the Club ("Claim"). J Group alleged that it had retained consultants and carried out works for development that the Club was considering at the Denistone property at 59 Chatham Road, Denistone NSW 2114 and incurred costs in the amount of \$180,089.18, inclusive of GST. J Group claimed that the Club, through a former director, had agreed that the Club would reimburse J Group for the costs it had incurred at the request of the Club. The Claim was settled by the payment by the Club to J Group of the sum of \$58,000.00, inclusive of GST.
- (b) During the financial year the Club was the subject of a fraudulent scam which has been reported to the Bank, Police and the Insurance Company. Currently the Club is waiting a settlement for the claim of \$41,114. This is the proceeds for the Club to cover its cost. As of this date the Club is still awaiting its money.

CARLINGFORD BOWLING, SPORTS & RECREATION CLUB LIMITED
ABN 67 000 110 976

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

17. CLUB PROPERTY REPORT

Pursuant to Section 41J(2) of the Registered Clubs Act for the financial year ended 30 June 2022:

- (a) The following properties are core property of the Club:
 - (i) licensed premises at Carlingford Bowling, Sports & Recreation Club
Cnr. Pennant Hills and Evans Roads
Carlingford NSW 2118
 - (ii) licenced premises at Denistone Sports Club
59 Chatham Road
West Ryde NSW 2114
- (b) The Club is not considered to have any non-core property.

Notes to Members

1. Section 41J(2) of the Registered Clubs Act required the annual report to specify the core property and non-core property of the Club as at the end of the financial year to which the report relates to.
2. Core property is any real property owned or occupied by the Club that comprises:
 - (a) the defined premises of the Club; or
 - (b) any facility provided by the Club for use of its members and their guests; or
 - (c) any other property declared by a resolution passed by a majority of the members present at a general meeting of ordinary members of the Club to be core property of the Club.
3. Non-core property is any other property (other than that referred to above as core property) and any property which is declared by the members at a general meeting of ordinary members of the Club not to be core property.
4. The significance of the distinction between core property and non-core property is that the Club cannot dispose of any core property unless:
 - (a) the property has been valued by a registered valuer with the meaning of the Valuers Act 2003; and
 - (b) the disposal has been approved at a general meeting of the ordinary members of the Club at which a majority of the votes cast supported the approval; and
 - (c) any sale is by way of public auction or open tender conducted by an independent real estate agent or auctioneer.

18. EVENTS AFTER BALANCE DATE

There have been no events subsequent to reporting date which would have a material effect on the Club's financial statements at 30 June 2023.