

SAWTELL BOWLING & RECREATION CLUB LTD
ABN 20 001 064 535

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024

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UNDERSTANDING THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024

Introduction

Each year, Sawtell Bowling & Recreation Club Ltd is required to prepare and have audited a set of financial statements.

What you will find in the Financial Statements

The Financial Statements set out the financial performance, financial position and cash flows of the company for the financial year ended 30 April 2024.

The format of the Financial Statements is standard across company's and complies with both the accounting and reporting requirements of Australian Accounting Standards and requirements as set down in the Corporations Act 2001.

About the Directors Report

The Directors Report outlines information relating to the directors who held office during the financial year, and any changes to this board that has occurred until the date of signing.

The Directors Report also outlines the short and long term objectives of the Company and the strategies that the Directors have put in place to achieve these objectives. This report also outlines the key performance indicators that the Directors look at on a regular basis.

About the Primary Financial Statements

The Financial Statements incorporate four "primary" financial statements:

1. Statement of Profit or Loss and Other Comprehensive Income

A summary of the Company's financial performance for the year, listing all income and expenses.

Also records changes in fair values of assets including property, plant and equipment.

2. Statement of Financial Position

A snapshot of the Company's financial position as at 30 April including all its Assets and Liabilities.

3. Statement of Changes in Equity

The overall change for the year (in dollars) of the Company's "net wealth".

4. Statement of Cash Flows

Indicates where the Company's cash came from and where it was spent.

About the Notes to the Financial Statements

The Notes to the Financial Statement provide greater detail and additional information on the four primary financial statements.

About the Auditor's Report

The Company's Financial Statements are required to be audited by a Registered Company Auditor in line with the Corporations Act 2001.

The Auditor provides an opinion on whether the Financial Statements present fairly the Company's financial performance and position for the financial year and an Auditors Independence Statement confirming that the auditors have complied with Australian Professional Ethical Standards in the performance of the audit engagement.

About the Disclaimer

This report advises that any pages in the financial statements after this page have not been subjected to audit procedures and have been compiled from the financial data provided by the company.

Detailed Trading, Income and Expenditure Statements

These pages provide additional breakdown of the information contained in the statement of comprehensive income.

Who uses the Financial Statements?

These financial statements are used by members, financiers and government regulators in various capacities.

Your directors present their report on the company for the financial year ended 30 April 2024.

Principal Activities

The company's principal activities are the operation of a registered club for the purposes of promoting bowling and other recreational activities.

These principal activities assist in achieving the short term and long term objectives of the company by:

- providing sporting facilities for the members and the community.
- providing entertainment, dining, gaming and social facilities for members and the community.
- providing turnover, cash flow and profit to meet the financial objectives of the company.

Short Term and Long Term Objectives

The company has identified the following short term objectives:

- to provide services to members commensurate with industry needs and regulatory requirements.
- to repay the funds borrowed for the club refurbishment in the short term.
- to encourage more members to use club and sporting facilities.
- to meet financial viability and accountability requirements.
- to provide a workplace that is compliant with industry standards and the Fair Work Act.

The company has identified the following long term objectives:

- to ensure a sustainable company.
- to continue to be financially secure.
- to grow the company operations in accordance with member interests.

Strategies

To achieve its stated objectives, the company has adopted the following strategies:

- the preparation of a business and strategic plan that identifies the future for the company and the initiatives that will need to be implemented to promote the company.
- the preparation of an annual budget for financial performance and the regular review of the company performance against the budget by management and directors.
- the review of the company compliance with workplace health and safety and compliance with employment law including the Fair Work Act.
- the preparation of a business and strategic plan to identify the opportunities and strengths of the company to provide a sustainable company.
- the preparation of long term budgets that consider the member service needs, infrastructure needs, service delivery, employment costs and maintaining prudent levels of working capital and liquidity in investment of funds surplus to current requirements.

Performance Measurement

The company uses the following key performance indicators to measure performance:

- Deficit, after income tax expense, for the financial year was \$53,826
- Cash flow from operating activities for the financial year was \$108,227
- Membership numbers for the financial year was 2,535.

DIRECTORS REPORT
FOR THE YEAR ENDED 30 APRIL 2024

Directors Information

Directors

The names of the directors in office at any time during, or since the end of, the year and the period that each director has been in office:

Directors Name	Special Responsibilities	Period as Director	Qualifications and Experience
Paul Covington	Chairman	Appointed 14 August 2016	Employed by Super Radio as Station Manager Grafton/Coffs. Worked in media since 1985. Councillor on Grafton City Council 2000-2003.
Norman Sillar	Vice Chairman	Appointed 2 May 2023	Manager
Nigel G Lamond	Director	Appointed 19 May 2009	Retired Small business owner Farmer 23 years
Barbara Eden	Director	Appointed 3 May 2022	Retired manager
Helen Muir	Director	Appointed 14 August 2022	
Noella Staff	Director	Appointed 2 March 2021 Resigned 26 March 2024	Retired Cook
Michael Wheeler	Vice Chairman	Appointed 25 June 2019 Resigned 8 June 2023	Self-employed business owner Accounting background - 21 years

James Gallen was appointed as the company secretary on 15 July 2015. James has worked in the Registered Clubs industry for 30 years.

Meetings of Directors

During the financial year, 11 meetings of directors (including committees of directors and special meetings) were held and the attendances by each director during the year were as follows:

	Directors' Meetings	
	Eligible to attend	Number attended
Paul Covington	11	11
Michael Wheeler	2	2
Nigel G Lamond	11	10
Noella Staff	10	7
Barbara Eden	11	10
Helen Muir	11	11
Norman Sillar	10	9

Membership Details

The Sawtell Bowling and Recreation Club Ltd is a public company limited by guarantee and no shares or options are issued. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$2 each towards meeting any outstanding obligations of the company.

Membership Class	Number of Members	Individual Members Contribution on winding up of Company	Total Members Contribution on winding up of Company
Life / Honorary	4	\$ 2	\$ 8
Bowling	511	\$ 2	\$ 1,022
Social	2,020	\$ 2	\$ 4,040
Total	2,535	\$ 2	\$ 5,070

Auditors' Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is attached to these financial statements.

Signed in accordance with a resolution of the Board of Directors:



Paul Covington
Chairman



Norman Sillar
Vice Chairman

Dated: 25 June 2024

**AUDITORS' INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
SAWTELL BOWLING & RECREATION CLUB LTD**

ABN 20 001 064 535

I declare that, to the best of my knowledge and belief, during the financial year to 30 April 2024 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.

CROWE CENTRAL NORTH



Kylie Ellis
Partner
Registered Company Auditor (ASIC RAN 483424)
107 West High Street
COFFS HARBOUR NSW 2450

Dated: 25 June 2024

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

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SAWTELL BOWLING & RECREATION CLUB LTD
ABN 20 001 064 535

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 APRIL 2024

	Note	2024 \$	2023 \$
Revenues	2	2,227,970	2,038,173
Other income	3	(2,002)	(4,773)
Administration expenses	4	(109,190)	(152,448)
Cost of goods sold	4	(466,743)	(427,686)
Depreciation expense	4	(231,391)	(244,056)
Employee benefits expense	4	(835,193)	(689,901)
Finance costs	4	(62,157)	(48,715)
Members amenities and entertainment	4	(181,157)	(176,136)
Occupancy expenses	4	(277,067)	(245,895)
Other expenses		(116,896)	(129,984)
Deficit before income tax expense		(53,826)	(81,421)
Income tax expense	1	-	-
Deficit after income tax expense		(53,826)	(81,421)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive Deficit for the year		(53,826)	(81,421)

SAWTELL BOWLING & RECREATION CLUB LTD
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STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2024

	Note	2024 \$	2023 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	85,155	136,922
Trade and other receivables	6	58,787	17,693
Inventories	7	33,272	27,947
Other assets	8	19,890	17,004
TOTAL CURRENT ASSETS		197,104	199,566
NON CURRENT ASSETS			
Property, plant and equipment	9	2,870,839	2,850,076
Right-of-use assets	11	116,388	94,037
Intangible assets	10	397,308	397,308
TOTAL NON CURRENT ASSETS		3,384,535	3,341,421
TOTAL ASSETS		3,581,639	3,540,987
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	146,488	124,222
Lease liabilities	12	65,527	37,686
Borrowings	14	99,906	128,909
Employee Benefits	16	90,042	96,549
Contract liabilities	15	43,387	54,952
TOTAL CURRENT LIABILITIES		445,350	442,318
NON CURRENT LIABILITIES			
Lease liabilities	12	32,255	58,452
Borrowings	14	695,949	552,077
Employee Benefits	16	2,418	28,647
TOTAL NON CURRENT LIABILITIES		730,622	639,176
TOTAL LIABILITIES		1,175,972	1,081,494
NET ASSETS		2,405,667	2,459,493
EQUITY			
Retained surpluses		2,405,667	2,459,493
TOTAL EQUITY		2,405,667	2,459,493

SAWTELL BOWLING & RECREATION CLUB LTD
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2024

	Retained Surpluses \$	Total \$
Balance at 1 May 2022	2,540,914	2,540,914
Deficit after income tax expense	(81,421)	(81,421)
Total other comprehensive income for the year, net of tax	-	-
Balance at 30 April 2023	<u>2,459,493</u>	<u>2,459,493</u>
Deficit after income tax expense	(53,826)	(53,826)
Total other comprehensive income for the year, net of tax	-	-
Balance at 30 April 2024	<u>2,405,667</u>	<u>2,405,667</u>

SAWTELL BOWLING & RECREATION CLUB LTD
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 APRIL 2024

	Note	2024 \$	2023 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		2,387,057	2,233,685
Payments to suppliers and employees		(2,216,673)	(1,985,897)
Interest received		-	-
Finance costs		<u>(62,157)</u>	<u>(48,715)</u>
Net cash provided by operating activities		<u>108,227</u>	<u>199,073</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		<u>(203,869)</u>	<u>(168,290)</u>
Net cash used in investing activities		<u>(203,869)</u>	<u>(168,290)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		252,565	281,103
Repayment of borrowings		(137,697)	(262,331)
Repayment of lease liabilities (excluding interest)		<u>(70,993)</u>	<u>(33,532)</u>
Net cash provided by/(used in) financing activities		<u>43,875</u>	<u>(14,760)</u>
Net (decrease)/increase in cash held		(51,767)	16,023
Cash at the beginning of the financial year		<u>136,922</u>	<u>120,899</u>
Cash at the end of the financial year	5	<u>85,155</u>	<u>136,922</u>

Note 1: Basis of Preparation

The financial statements cover Sawtell Bowling and Recreation Club Ltd as an individual entity. Sawtell Bowling and Recreation Club Ltd is a public company limited by guarantee, incorporated and domiciled in Australia.

The financial statements were authorised for issue, in accordance with a resolution of directors on 25 June 2024.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Simplified Disclosure and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for not-for-profit oriented entities.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed within the relevant notes of these financial statements.

Material accounting policies adopted in the preparation of these financial statements are presented within the relevant notes of the statements and have been consistently applied unless otherwise stated.

Income Tax

The directors consider that the company is exempt from income tax in accordance with Section 50-45 of the Income Tax Assessment Act 1997.

Going Concern

The financial statements have been prepared on a going concern basis, which assumes that the company will be able to continue their trading activities. The company has recognised a loss after income tax of \$53,826 and positive net operating cash flows of \$108,227 for the year ended 30 April 2024 and as at that date, current liabilities exceed current assets by \$248,246.

The Company's ability to continue as a going concern is dependent on a number of factors including the ability of the company to perform in line with budgets and cash flow projections.

In addition, the company has access to available finance totalling \$142,725 including \$112,725 repaid in advance on the loan which is available for redraw and an unutilised bank overdraft of \$30,000.

The company's loan arrangements expire in January 2031. The directors believe that there are no conditions which would cause the loan to be extinguished by the financier at an earlier stage.

In the unlikely event that the above results in a negative outcome, then the going concern basis may not be appropriate. No allowance for such circumstances has been made in the financial report.

New or Amended Accounting Standards

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Company.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

SAWTELL BOWLING & RECREATION CLUB LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024

	Note	2024 \$	2023 \$
Note 2: Revenue			
Revenue from contracts with customers			
Bar trading		1,119,182	1,015,859
Poker machines trading		678,857	644,562
Functions		7,762	5,891
Green fees		94,674	87,210
Membership subscriptions		32,631	21,036
Tournaments		13,256	11,966
Advertising/sponsorship		6,278	3,314
Commissions/rebates		126,875	108,832
Raffles		111,049	105,433
Other sales		19,359	14,456
Total revenue from contracts with customers		<u>2,209,923</u>	<u>2,018,559</u>
Other revenue:			
Capital grants		100	100
Kitchen rent		16,825	19,200
Locker hire		920	18
Sundry income		202	296
Total other revenue		<u>18,047</u>	<u>19,614</u>
Total revenue		<u>2,227,970</u>	<u>2,038,173</u>
The disaggregation of revenue from contracts with customers is as follows:			
Timing of revenue recognition			
Goods transferred at a point in time		2,050,978	1,888,912
Service transferred over time		158,945	129,647
		<u>2,209,923</u>	<u>2,018,559</u>

Sale of Goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Rendering of Services

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Key Judgement - Revenue from contracts with customers

When recognising revenue in relation to the sale of goods to customers, the key performance obligation of the consolidated company is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

All revenue is stated net of the amount of goods and services tax (GST).

Note 3: Other Income

Profit/(loss) on sale of fixed assets	-	(4,773)
Gain/(loss) on lease modification	(2,002)	-
	<u>(2,002)</u>	<u>(4,773)</u>

SAWTELL BOWLING & RECREATION CLUB LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024

	Note	2024 \$	2023 \$
Note 4: Expenditure			
(a) Deficit before income tax includes the following specific expenses:			
Administration expense		<u>109,190</u>	<u>152,449</u>
Cost of sales		<u>466,743</u>	<u>427,687</u>
<u>Depreciation expense</u>			
Property, Plant and equipment		<u>183,105</u>	209,090
Plant and equipment right-of-use		<u>48,286</u>	<u>34,966</u>
Total depreciation		<u>231,391</u>	<u>244,056</u>
Employee Benefits Expense		<u>835,193</u>	<u>689,901</u>
<u>Finance costs</u>			
Interest and finance charges paid/payable on borrowings		<u>59,970</u>	42,210
Interest and finance charges paid/payable on lease liabilities		<u>2,187</u>	<u>6,505</u>
Total finance costs		<u>62,157</u>	<u>48,715</u>
Occupancy expenses		<u>277,067</u>	<u>245,895</u>
Returns to members		<u>181,157</u>	<u>176,136</u>
Note 5: Cash and Cash Equivalents			
Cash on hand		<u>35,000</u>	35,000
Cash at bank		<u>50,155</u>	<u>101,922</u>
		<u>85,155</u>	<u>136,922</u>
Note 6: Trade and Other Receivables			
Trade receivables		<u>53,131</u>	12,693
Deposits		<u>5,000</u>	5,000
Other receivables		<u>656</u>	-
		<u>58,787</u>	<u>17,693</u>
Note 7: Inventories			
Stock on Hand, at cost		<u>33,272</u>	<u>27,947</u>
Note 8: Other Assets			
Prepayments		<u>19,890</u>	17,004
		<u>19,890</u>	<u>17,004</u>

SAWTELL BOWLING & RECREATION CLUB LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024

	Note	2024 \$	2023 \$
Note 9: Property, Plant & Equipment			
Land and Buildings (at cost)			
Freehold land		<u>231,000</u>	231,000
Buildings		<u>3,262,721</u>	3,263,393
Less: Accumulated depreciation		<u>(1,183,402)</u>	(1,102,462)
		2,079,319	2,160,931
Capital works in progress		<u>217,592</u>	66,287
Total Land and Buildings		<u>2,527,911</u>	2,458,218
Plant and Equipment (at cost)			
Indoor plant and equipment		<u>1,171,611</u>	1,138,661
Less: Accumulated depreciation		<u>(1,020,089)</u>	(967,415)
		151,522	171,246
Bowling Greens		<u>56,299</u>	56,299
Less: Accumulated depreciation		<u>(42,257)</u>	(36,660)
		14,042	19,639
Outdoor plant and equipment		<u>310,406</u>	294,049
Less: Accumulated depreciation		<u>(176,700)</u>	(157,847)
		133,706	136,202
Poker machines		<u>659,779</u>	692,844
Less: Accumulated depreciation		<u>(620,797)</u>	(629,825)
		38,982	63,019
Kitchen Equipment		<u>5,036</u>	1,801
Less: Accumulated depreciation		<u>(360)</u>	(48)
		4,676	1,753
Total Plant and Equipment		<u>342,928</u>	391,858
Total Property, Plant and Equipment		<u>2,870,839</u>	2,850,076

(a) Movements in carrying amounts

	Land and Buildings \$	Plant and Equipment \$	Total \$
Balance at the beginning of the year	2,458,218	391,858	2,850,076
Additions	151,305	52,564	203,869
Disposals	(672)	(21)	(693)
Transfers	-	-	-
Depreciation expense	<u>(80,940)</u>	<u>(101,473)</u>	<u>(182,413)</u>
Carrying amount at the end of the year	<u>2,527,911</u>	<u>342,928</u>	<u>2,870,839</u>

(b) There is a registered mortgage over all properties owned by the company.

(c) No impairment has been recognised in respect of plant and equipment.

	Note	2024 \$	2023 \$
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Note 9: Property, Plant & Equipment (Continued)

(d) Operating Leases

Property Plant & Equipment includes the clubs kitchen space which is leased to a third party. The lease has been classed as an operating lease.

The lease is for a 3 year term at annual fee of \$19,200

(e) Freehold land and buildings are shown at cost less depreciation and impairment losses.

(f) Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Class of Fixed Asset	Depreciation Rate
Land and Buildings	2.5-14.5%
Indoor Plant & Equipment	6-33%
Outdoor Plant & Equipment	10-20%
Poker Machines	25-30%
Kitchen Equipment	10%

Key Judgement - Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Note 10: Intangible Assets

Poker machine entitlements (at cost)	397,308	397,308
	397,308	397,308

Poker Machine Entitlements

Poker machine entitlements have been impairment tested using calculations of the higher of fair value, less costs to realise, and value in use. The directors believe that the carrying amount of poker machine entitlements are not impaired and annual impairment testing was conducted on 30 April 2024.

The poker machine entitlements shown in the accounts represent licences purchased by the club. The company holds other poker machine entitlements that have a market value. If the company were to be wound up or the number of entitlements were in excess of requirements then the poker machine entitlements would be able to be sold at the prevailing market price. Poker machine entitlements are intangible assets classified with an indefinite life. The intangible asset is subject to annual impairment testing to the higher of fair value less related costs to sell and value in use.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024

	Note	2024 \$	2023 \$
Note 11: Right-Of-Use assets			
Right-of-Use Plant and Equipment			
Right-of-Use Indoor plant and equipment		60,093	60,143
Less: Accumulated depreciation		<u>(24,033)</u>	<u>(21,170)</u>
		<u>36,060</u>	<u>38,973</u>
Right-of-Use Poker machines		139,529	78,001
Less: Accumulated depreciation		<u>(59,201)</u>	<u>(22,937)</u>
		<u>80,328</u>	<u>55,064</u>
Total Right-of-Use Assets		<u>116,388</u>	<u>94,037</u>

(a) Movements in carrying amounts

	Plant and Equipment \$	Total \$
Balance at the beginning of the year	94,037	94,037
Additions	72,709	72,709
Disposals	(2,071)	(2,071)
Transfers	-	-
Depreciation expense	<u>(48,287)</u>	<u>(48,287)</u>
Carrying amount at the end of the year	<u>116,388</u>	<u>116,388</u>

(b) The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

(c) The Company also assesses the right-of-use asset for impairment when such indicators exist. No impairment has been recognised in respect of right-of-use assets.

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024

	Note	2024 \$	2023 \$
Note 12: Leases			
Lease liabilities are presented in the statement of financial position as follows:			
CURRENT			
Lease liability		<u>65,527</u>	<u>37,686</u>
Total Current Lease liability		<u>65,527</u>	<u>37,686</u>
NON-CURRENT			
Lease liability		<u>32,255</u>	<u>58,452</u>
Total Non-Current Lease liability		<u>32,255</u>	<u>58,452</u>
Total Lease liability		<u>97,782</u>	<u>96,138</u>
Future lease Payments			
Future lease payments are due as follows			
Within one year		<u>68,487</u>	42,408
One to five years		<u>35,034</u>	61,764
More than five years		<u>2,160</u>	-
		<u>105,681</u>	<u>104,172</u>

The Company has leases for office equipment and poker machines under agreements of between one to four years, none of the leases contain options to extend. On renewal, the terms of the leases are renegotiated.

The company also has certain leases with lease terms of 12 months or less and/or with low value. The company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments comprise of fixed payments.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of an extension or purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Note 13: Trade and Other Payables

CURRENT

Trade payables		<u>70,313</u>	75,870
Sundry payables and accrued expenses		<u>76,175</u>	<u>48,352</u>
		<u>146,488</u>	<u>124,222</u>

SAWTELL BOWLING & RECREATION CLUB LTD
ABN 20 001 064 535

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024

	Note	2024 \$	2023 \$
Note 14: Borrowings			
CURRENT			
Secured liabilities:			
Bank loan		<u>99,906</u>	<u>128,909</u>
		<u>99,906</u>	<u>128,909</u>
NON-CURRENT			
Secured liabilities:			
Bank loan		<u>695,949</u>	<u>552,077</u>
		<u>695,949</u>	<u>552,077</u>
Total Borrowings		<u>795,855</u>	<u>680,986</u>
(a) Total current and non-current secured liabilities:			
Bank loan		<u>795,855</u>	<u>680,986</u>
		<u>795,855</u>	<u>680,986</u>
(b) The carrying amounts of non-current assets pledged as security are:			
First mortgage over freehold land and buildings		<u>2,079,319</u>	<u>2,160,931</u>
(c) The unused finance facilities are:			
Bank overdraft		<u>30,000</u>	<u>30,000</u>
Bank loan		<u>112,725</u>	<u>273,910</u>
		<u>142,725</u>	<u>303,910</u>

The bank loans are principal and interest payment loans, repayable in monthly instalments and due to mature in 2031. The variable interest rate at 30 April 2024 was 8.19% (2023 7.44%)

Note 15: Contract Liabilities

CURRENT

Poker machine progressive jackpot	<u>32,120</u>	<u>31,596</u>
Income received in advance	<u>11,267</u>	<u>23,356</u>
	<u>43,387</u>	<u>54,952</u>

Poker machine progressive jackpot

A contract liability has been made for poker machine jackpots representing the liability accrued as a result of turnover on poker machines in excess of the minimum jackpot amount. The liability is measured at the amount of consideration received for which the entity does not expect to be entitled (i.e. amounts not included in the transaction price).

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 APRIL 2024

	Note	2024 \$	2023 \$
Note 16: Employee Benefits			
CURRENT			
Employee benefits		<u>90,042</u>	<u>96,549</u>
		90,042	96,549
NON-CURRENT			
Employee benefits		<u>2,418</u>	<u>28,647</u>
		2,418	28,647

Provision for long-term employee benefits

A provision has been recognised for employee entitlements relating to annual and long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data.

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on Australian corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Note 17: Capital and Leasing Commitments

(a) Capital Expenditure Commitments

As at 30 April 2024, the company had not engaged in any capital commitments (2023 Nil).

Note 18: Events After the End of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial

SAWTELL BOWLING & RECREATION CLUB LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024

	Note	2024 \$	2023 \$
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Note 19: Related Party Transactions

Key Management Personnel

The aggregate compensation made to directors and other members of key management personnel of the company is set out below:

Aggregate compensation	<u>510,121</u>	<u>310,810</u>
Number of persons	7	5

Related Party Transactions

Related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel individually or collectively with their close family members.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated.

Transactions with related parties were;

Michael Wheeler	<u>12,353</u>	<u>53,663</u>
-----------------	---------------	---------------

Note 20: Auditors' Remuneration

During the financial year the following fees were paid or payable for services provided by Crowe Central North, the auditor of the company:

Audit of the financial statements	<u>16,250</u>	14,950
Other allowable services	<u>2,200</u>	<u>2,000</u>
	<u>18,450</u>	<u>16,950</u>

Note 21: Company Details

The club is incorporated and domiciled in Australia as a company limited by guarantee.

The registered office and principal place of business is:

Sawtell Bowling & Recreation Club Ltd
 Lot 1 Lyons Road
 PO Box 45
 SAWTELL NSW 2452

A description of the nature of the Company's operations and its principal activities are included in the Director's Report, which is not part of the financial statements.

SAWTELL BOWLING & RECREATION CLUB LTD
ABN 20 001 064 535

DIRECTORS' DECLARATION
FOR THE YEAR ENDED 30 APRIL 2024

The directors of the company declare that:

1. the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Simplified Disclosures, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
2. the attached financial statements and notes give a true and fair view of the company's financial position as at 30 April 2024 and of its performance for the financial year ended on that date; and
3. We acknowledge the net current liability position of the company and refer to the items listed in note 1 to support that there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors by:



Paul Covington
Chairman



Norman Sillar
Vice Chairman

Dated: 25 June 2024

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
SAWTELL BOWLING & RECREATION CLUB LTD**

ABN 20 001 064 535

Opinion

We have audited the financial report of Sawtell Bowling & Recreation Club Ltd (the Company), which comprises the statement of financial position as at 30 April 2024, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and the directors' declaration.

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

- (a) giving a true and fair view of the Company's financial position as at 30 April 2024 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards – Simplified Disclosures and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are 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 (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

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**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
SAWTELL BOWLING & RECREATION CLUB LTD**

ABN 20 001 064 535

Responsibilities of the 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 – Simplified Disclosures 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 gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company 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 either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the 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 this financial report.

As part of an audit in accordance with the Australian Auditing Standards, the auditor exercises professional judgement and maintains professional scepticism throughout the audit. The auditor also:

- Identifies and assesses the risks of material misstatement of the financial report, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence that is sufficient and appropriate to provide a basis for the auditor's 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.
- Obtains 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 Entity's internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concludes on the appropriateness of management's 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 Entity's ability to continue as a going concern. If the auditor concludes that a material uncertainty exists, the auditor is required to draw attention in the auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the auditor's opinion. The auditor's conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluates 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. The auditor communicates with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that the auditor identifies during the audit.

The auditor communicates with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that the auditor identifies during the audit.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

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**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
SAWTELL BOWLING & RECREATION CLUB LTD**

ABN 20 001 064 535

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 April 2024, but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

CROWE CENTRAL NORTH



Kylie Ellis
Partner

Registered Company Auditor (ASIC RAN 483424)
107 West High Street
COFFS HARBOUR NSW 2450

Dated: 26 June 2024

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**DISCLAIMER
TO THE MEMBERS OF
SAWTELL BOWLING & RECREATION CLUB LTD**

ABN 20 001 064 535

The additional financial data presented on pages 25 - 26 is in accordance with the books and records of the company which have been subjected to the auditing procedures applied in our statutory audit of the company for the financial year ended 30 April 2024. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Sawtell Bowling & Recreation Club Ltd) in respect of such data, including any errors of omissions therein however caused.

CROWE CENTRAL NORTH



Kylie Ellis
Partner
Registered Company Auditor (ASIC RAN 483424)
107 West High Street
COFFS HARBOUR NSW 2450

Dated: 26 June 2024

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

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SAWTELL BOWLING & RECREATION CLUB LTD
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DETAILED TRADING STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024

	2024	2023
	\$	\$
Bar		
Sales	1,119,182	1,015,859
Opening stock	27,947	37,410
Purchases	472,067	418,224
	<u>500,014</u>	<u>455,634</u>
Less: Closing stock	(33,272)	(27,947)
Cost of goods sold	<u>466,742</u>	<u>427,687</u>
Gross Profit	<u>652,440</u>	<u>588,172</u>
Less: Direct expenses		
Cash discrepancies	(24)	639
Salaries and wages	343,803	332,671
Total direct expenses	<u>343,779</u>	<u>333,310</u>
Net profit from bar trading	<u>308,661</u>	<u>254,862</u>
Poker Machines		
Net poker machine receipts	696,037	661,743
Less: Direct expenses		
Data monitoring fees	19,299	18,018
Depreciation	40,816	55,092
Other direct expenses	26,732	34,161
Total direct expenses	<u>86,847</u>	<u>107,271</u>
Net profit from poker machines	<u>609,190</u>	<u>554,472</u>

SAWTELL BOWLING & RECREATION CLUB LTD
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DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 APRIL 2024

	2024	2023
	\$	\$
Income		
Net profit from trading:		
Bar	308,661	254,862
Poker Machines	609,190	554,472
Commissions	91,106	77,884
Gain/(loss) on lease modification	(2,002)	-
Green fees	94,674	87,210
Kitchen income	14,031	6,161
Members amenities and entertainment	147,427	131,531
Membership subscriptions	32,631	21,036
Profit/(loss) on sale of fixed asset	-	(4,773)
Rental income	14,727	20,473
Sundry income	20,942	16,276
Total Income	1,331,387	1,165,132
Expenditure		
Administration expenses	109,191	152,449
Depreciation	190,575	188,964
Directors expense	8,932	9,593
Donations	17,849	12,306
Employee benefits expenditure	491,391	357,230
Finance costs	62,158	48,714
Green keeping costs	16,505	21,891
Members amenities and entertainment*	181,156	176,135
Occupancy expenditure	277,067	245,895
Subsidiary clubs expenses	30,389	33,376
Total Expenditure	1,385,213	1,246,553
Deficit before Income Tax Expense	(53,826)	(81,421)
 Members amenities and entertainment includes:		
Bar snacks and giveaways	11	553
Entertainment, activities and facilities	35,960	38,770
Promotions, including cash prizes and bonus points	24,094	22,785
Raffle prizes and trophies	110,238	106,559
Other benefits	10,853	7,468
	181,156	176,135