

# **Figtree RSL Bowling Club Limited**

(trading as Figtree Sports Club)

ABN 59 001 058 662

## **Financial Statements**

For the Year Ended 30 June 2023

# Figtree RSL Bowling Club Limited

ABN 59 001 058 662

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## Financial Statements

For the Year Ended 30 June 2023

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# Figtree RSL Bowling Club Limited

ABN 59 001 058 662

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## Directors' Report

30 June 2023

Your directors present their report on Figtree RSL Bowling Club Limited ("the Club") for the financial year ended 30 June 2023.

### Information on directors

The names of each person who has been a director during the year and to the date of this report are:

<u>Name</u>	<u>Position</u>	<u>Qualifications, experience and responsibilities</u>
Peter Bennett	President	Project - Project Manager
Campbell Thomas	Vice-President	Bus Driver/Engineering - Construction Manager
Ian Callaway	Finance Director	Retired - Project Manager
Larry Matthews	Director	Retired - Club CEO
Tony Cheetham	Director	Retired - Carpentry Supervisor
Raymond Smiles	Director	Retired - Senior Electrical Inspector
Jeff Godfrey	Director	Company Director

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

### Review of operations

The result of the Club for the year amounted to a surplus of \$303,632 (2022: \$378,038).

### Principal activities

The principal activity of Figtree RSL Bowling Club Limited during the financial year was that of a licenced bowling club. No significant change in the nature of the Club's activities occurred during the financial year. These activities provide the relevant facilities and finances to assist the Club in achieving the following short term and long-term objectives.

### Short term objectives

The Club's short term objectives are to promote the game of bowls, provide the best possible facilities to members and guests, and return a surplus result for each financial year.

### Long term objectives

The Club's long term objectives are to continue to grow the core business whilst increasing the membership base through promotion of the Club and sponsorship of sporting and social groups within the surrounding areas of the Club. This is expected to have a positive impact on the operating performance of the Club.

# Figtree RSL Bowling Club Limited

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## Directors' Report

30 June 2023

### Strategy for achieving the objectives

To achieve these objectives, the Club will continue to review, and make changes where required to, income and cost drivers pertaining to the day-to-day operations of the Club.

### Performance measures

The Club measures its own performance through the use of both quantitative and qualitative benchmarks. The benchmarks are used by the Directors to assess the financial sustainability of the Club and whether the Club's short-term and long-term objectives are being achieved.

### Members' guarantee

The Figtree RSL Bowling Club Limited is a Company limited by guarantee. In the event of, and for the purpose of winding up of the Company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$2 subject to the provisions of the Company's constitution. At 30 June 2023 the collective liability of members was \$ 5,464 (2022: \$ 5,330).

### Meetings of directors

During the financial year, 12 meetings of directors were held. Attendances by each director during the year were as follows:

	Meetings of directors	
	Number eligible to attend	Number attended
Peter Bennett	12	12
Campbell Thomas	12	11
Ian Callaway	12	12
Larry Matthews	12	12
Tony Cheetham	12	11
Raymond Smiles	12	8
Jeff Godfrey	12	9

# Figtree RSL Bowling Club Limited

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## Directors' Report

30 June 2023

### Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2023 has been received and can be found on page 4 of the financial report.

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



Peter Bennett  
President

Dated: 19 September 2023



**Auditor's Independence Declaration under Section 307C of the Corporations Act 2001  
to the Directors of Figtree RSL Bowling 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.

*Daley Audit*  
Daley Audit

*Michael Mupdt*  
Michael Mupdt  
Partner

Wollongong

Dated: 19 September 2023

# Figtree RSL Bowling Club Limited

ABN 59 001 058 662

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## Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2023

	Note	2023 \$	2022 \$
Revenue	4	6,591,310	4,311,372
Other income	4	88,633	309,789
		<u>6,679,943</u>	<u>4,621,161</u>
Cost of sales		(1,705,197)	(1,089,604)
Employee benefits expense		(2,437,928)	(1,560,131)
Clubhouse operation expenses		(678,046)	(469,176)
Member and promotion expenses		(634,075)	(360,339)
Depreciation and amortisation expense		(410,487)	(372,804)
Government duties		(341,889)	(165,030)
Sponsorships and donations		(29,665)	(31,200)
Other expenses		(139,024)	(194,839)
		<u>303,632</u>	<u>378,038</u>
<b>Result for the year</b>		<b>303,632</b>	<b>378,038</b>
Other comprehensive income for the year		-	-
		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year</b>		<b>303,632</b>	<b>378,038</b>

The accompanying notes form part of these financial statements.

# Figtree RSL Bowling Club Limited

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## Balance Sheet

As at 30 June 2023

	Note	2023 \$	2022 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash at bank and on hand	6	1,878,077	1,386,724
Trade and other receivables	7	44,577	45,242
Inventories	8	106,806	97,058
Other financial assets	9	-	392,030
Other assets		25,184	20,798
<b>TOTAL CURRENT ASSETS</b>		<b>2,054,644</b>	<b>1,941,852</b>
<b>NON-CURRENT ASSETS</b>			
Right-of-use assets	10	972,305	850,641
Property, plant and equipment	11	4,044,841	3,901,853
<b>TOTAL NON-CURRENT ASSETS</b>		<b>5,017,146</b>	<b>4,752,494</b>
<b>TOTAL ASSETS</b>		<b>7,071,790</b>	<b>6,694,346</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	401,419	533,065
Lease liabilities	10	125,017	74,285
Employee benefits	13	248,175	214,035
<b>TOTAL CURRENT LIABILITIES</b>		<b>774,611</b>	<b>821,385</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities	10	854,314	756,465
Employee benefits	13	60,783	38,046
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>915,097</b>	<b>794,511</b>
<b>TOTAL LIABILITIES</b>		<b>1,689,708</b>	<b>1,615,896</b>
<b>NET ASSETS</b>		<b>5,382,082</b>	<b>5,078,450</b>
<b>EQUITY</b>			
Retained earnings		5,382,082	5,078,450
<b>TOTAL EQUITY</b>		<b>5,382,082</b>	<b>5,078,450</b>

The accompanying notes form part of these financial statements.



# Figtree RSL Bowling Club Limited

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## Statement of Changes in Equity

For the Year Ended 30 June 2023

	Retained Earnings \$
Balance at 1 July 2022	5,078,450
Result for the year	<u>303,632</u>
Balance at 30 June 2023	<u><u>5,382,082</u></u>
Balance at 1 July 2021	4,700,412
Result for the year	<u>378,038</u>
Balance at 30 June 2022	<u><u>5,078,450</u></u>

The accompanying notes form part of these financial statements.

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# Figtree RSL Bowling Club Limited

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## Statement of Cash Flows

For the Year Ended 30 June 2023

	2023	2022
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers	7,352,393	5,055,678
Payments to suppliers and employees	(6,685,110)	(4,070,590)
Finance costs	-	(6,405)
Net cash provided by operating activities	<u>667,283</u>	<u>978,683</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Payments for property, plant and equipment	(425,843)	(717,359)
Proceeds from financial assets held at amortised cost	392,032	231,627
Net cash used by investing activities	<u>(33,811)</u>	<u>(485,732)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Net repayment of leases liabilities	(142,119)	(73,345)
Net cash used by financing activities	<u>(142,119)</u>	<u>(73,345)</u>
Net increase/(decrease) in cash and cash equivalents held	491,353	419,606
Cash and cash equivalents at beginning of year	<u>1,386,724</u>	<u>967,118</u>
Cash and cash equivalents at end of financial year	6 <u><u>1,878,077</u></u>	<u><u>1,386,724</u></u>

The accompanying notes form part of these financial statements.

# Figtree RSL Bowling Club Limited

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## Notes to the Financial Statements

For the Year Ended 30 June 2023

The financial report covers Figtree RSL Bowling Club Limited ("the Club") as an individual entity. Figtree RSL Bowling Club Limited is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Figtree RSL Bowling Club Limited is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

### 1 Basis of Preparation

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

The financial statements 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.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

### 2 Summary of Significant Accounting Policies

#### (a) Revenue and other income

##### *Revenue from contracts with customers*

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Club expects to receive in exchange for those goods or services.

Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer;
2. Identify the performance obligations;
3. Determine the transaction price;
4. Allocate the transaction price to the performance obligations; and
5. Recognise revenue as and when control of the performance obligations is transferred.

# Figtree RSL Bowling Club Limited

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## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 2 Summary of Significant Accounting Policies

#### (a) Revenue and other income

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Club have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

The revenue recognition policies for the principal revenue streams of the Club are:

##### *Bar sales and poker machine income*

Revenue is recognised at the point the customer purchases the goods and services at the venue. Payment of the transaction price is due immediately at the time of purchase.

##### *Commission income*

Commission income is recognised over the period in which the related services are rendered.

##### *Membership subscriptions*

Membership services requires the annual subscription payment to be made upfront. A contract liability is recognised on receipt of the payment and recognised on a straight-line basis as revenue as the services are provided.

##### *Government COVID-19 Stimulus income*

Income received is recognised in the period in which they are incurred. This is generally consistent with when the Club becomes entitled to receive the income.

##### *Donations*

Donations and bequests are recognised as revenue when received.

##### *Interest revenue*

Interest revenue is recognised using the effective interest rate method.

# Figtree RSL Bowling Club Limited

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## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 2 Summary of Significant Accounting Policies

**(b) Borrowing costs**

Borrowing costs are recognised as an expense in the period in which they are incurred.

**(c) Income tax**

The Club is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

**(d) Goods and services tax (GST)**

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the balance sheet.

Cash flows in the statement of cash flows are included 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 is classified as operating cash flows.

**(e) Cash and cash equivalents**

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

**(f) Inventories**

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first-in-first-out basis and is net of any rebates and discounts received.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the costs necessary to make the sale. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

# Figtree RSL Bowling Club Limited

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## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 2 Summary of Significant Accounting Policies

#### (g) Leases

At inception of a contract, the Club assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Club has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Club has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

#### *Lessee accounting*

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

#### *Right-of-use asset*

At the lease commencement, the Club recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Club believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over 5 years on a straight line basis or the lease term, and assessed for impairment in accordance with the impairment of assets accounting policy.

# Figtree RSL Bowling Club Limited

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## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 2 Summary of Significant Accounting Policies

#### (g) Leases

##### *Lease liability*

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Club's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured when there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Club's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

#### (h) Financial instruments

Financial instruments are recognised initially on the date that the Club becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs.

#### (i) *Financial assets*

All recognised financial assets are subsequently measured in their entirety at amortised cost.

##### *Classification*

On initial recognition, the Club classifies its financial assets as those to be measured at amortised cost.

The classification depends on the Club's business model for managing the financial assets and the contractual terms of the cash flows.

Financial assets are not reclassified subsequent to their initial recognition unless the Club changes its business model for managing financial assets.

# Figtree RSL Bowling Club Limited

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## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 2 Summary of Significant Accounting Policies

#### (h) Financial instruments

##### (i) Financial assets

###### *Amortised cost*

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Club's financial assets measured at amortised cost comprise trade and other receivables, cash and cash equivalents and financial assets in the balance sheet.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

###### *Impairment of financial assets*

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for financial assets measured at amortised cost.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Club considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Club's historical experience and informed credit assessment, including forward looking information.

The Club uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Club uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Club in full, without recourse to the Club to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.



# Figtree RSL Bowling Club Limited

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## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 2 Summary of Significant Accounting Policies

#### (h) Financial instruments

##### (i) Financial assets

Credit losses are measured as the present value of the difference between the cash flows due to the Club in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

##### *Trade receivables*

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Club has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in bad debt expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Club renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

##### *Other financial assets measured at amortised cost*

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

##### (ii) *Financial liabilities*

The Club measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Club comprise trade and other payables and lease liabilities.

# Figtree RSL Bowling Club Limited

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## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 2 Summary of Significant Accounting Policies

#### (i) Impairment of non-financial assets

At the end of each reporting period the Club determines whether there is any evidence of any impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

#### (j) Property, plant and equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment.

Under the cost model, the asset is carried at cost less any accumulated depreciation and impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

#### Depreciation

Property, plant and equipment is depreciated on a straight-line basis over the assets useful life to the Club, commencing when the asset is ready for use.

Leasehold improvements are amortised over their estimated useful life [refer note 3(a)].

# Figtree RSL Bowling Club Limited

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## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 2 Summary of Significant Accounting Policies

#### (j) Property, plant and equipment

The depreciation rates used for each class of depreciable asset are shown below:

<b>Fixed asset class</b>	<b>Depreciation rate</b>
Leasehold improvements	2.5 - 25%
Plant and equipment	6.67 - 25%
Motor vehicles	8.5 - 12.5%
Poker machines	10 - 50%
Furniture and fittings	5 - 33.3%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

#### (k) Employee benefits

##### *Defined benefit contributions*

Obligations for contributions to defined contribution superannuation plans are recognised as an employee benefit expense in profit or loss in the periods in which services are provided by employees.

##### *Short-term obligations*

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

# Figtree RSL Bowling Club Limited

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## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 2 Summary of Significant Accounting Policies

#### (k) Employee benefits

##### *Other long-term employee benefit obligations*

The liabilities for long service leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. 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 end of the reporting period of high-quality corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the Club does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

#### (l) Adoption of new and revised accounting standards

The Club has adopted all applicable standards which became effective for the first time during 30 June 2023, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Club.

### 3 Critical Accounting Estimates and Judgements

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below:

#### (a) *Key estimates - leasehold improvements (impairment and depreciation)*

The Club assesses impairment at the end of each reporting period by evaluating conditions specific to the Club that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

# Figtree RSL Bowling Club Limited

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## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 3 Critical Accounting Estimates and Judgements

(a) *Key estimates - leasehold improvements (impairment and depreciation)*

The Club continues to assess that the benefits provided by its leasehold improvements will be realised over the remaining useful lives of the assets [as apposed to the remaining term of the property lease agreement, refer note 10(b)], and accordingly the depreciation rates expressed at note 2(j) are appropriate.

(b) *Key estimates - employee benefits*

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

# Figtree RSL Bowling Club Limited

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## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 4 Revenue and Other Income

	2023	2022
	\$	\$
<i>Revenue from contracts with customers</i>		
- Poker machine income	2,242,965	1,459,270
- Bar sales	2,106,568	1,392,705
- Catering income	1,432,966	923,613
- Keno and TAB commissions	328,411	161,656
- Bowls income	170,355	121,489
- Other bar income	142,800	98,807
- Promotions income	120,950	78,064
- Commissions income	35,104	64,000
- Other income	11,191	11,768
	<u>6,591,310</u>	<u>4,311,372</u>
<i>Other revenue</i>		
- Government COVID stimulus income	-	176,466
- Other income	88,633	133,323
	<u>88,633</u>	<u>309,789</u>
<b>Total Revenue</b>	<u><u>6,679,943</u></u>	<u><u>4,621,161</u></u>

#### (a) Disaggregation of revenue from contracts with customers

Revenue from contracts with customers has been disaggregated; the following table shows this breakdown:

#### Timing of revenue recognition

- At a point in time	6,580,119	4,299,604
- Over time	11,191	11,768
<b>Revenue from contracts with customers</b>	<u><u>6,591,310</u></u>	<u><u>4,311,372</u></u>

# Figtree RSL Bowling Club Limited

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## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 5 Result for the Year

	Note	2023 \$	2022 \$
Superannuation contributions		210,747	130,829
Loss on disposal of assets		-	119

### 6 Cash and Cash Equivalents

Cash at bank and on hand		<u>1,878,077</u>	<u>1,386,724</u>
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### 7 Trade and Other Receivables

Trade receivables		36,665	37,488
Provision for impairment	7(a)	-	-
Other receivables		<u>7,912</u>	<u>7,754</u>
		<u>44,577</u>	<u>45,242</u>

#### (a) Provision for impairment of receivables

The Club applies the simplified approach to providing for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The loss allowance provision as at 30 June 2023 has been assessed as being trivial and hence no provision considered necessary.

The Club measures the loss allowance for trade receivables at an amount equal to lifetime expected credit loss (ECL). The ECL on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

# Figtree RSL Bowling Club Limited

ABN 59 001 058 662

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## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 7 Trade and Other Receivables

#### (a) Provision for impairment of receivables

The Club writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings or when the trade receivables are over a number of years past due, whichever occurs first.

### 8 Inventories

	2023	2022
	\$	\$
Finished goods at cost	<u>106,806</u>	<u>97,058</u>

### 9 Other Financial Assets

Term deposit at amortised cost	<u>-</u>	<u>392,030</u>
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### 10 Leases

#### (a) Poker Machine lease

##### Club as a lessee

The Club has a lease over poker machines. Information relating to the leases in place and associated balances and transactions are provided below:

##### *Terms and conditions of leases*

The Club has entered into lease agreement for the purchase of poker machines. The lease is for a period of 3 years and was entered into in November 2021.



# Figtree RSL Bowling Club Limited

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## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 10 Leases

#### (b) Property lease

##### (i) Club as a lessee

The Club has a lease over premises. Information relating to the leases in place and associated balances and transactions are provided below:

##### *Terms and conditions of leases*

The Club has entered into a lease agreement for the use of the premises from which the Club operates. The lease period is for 5 years, with 15 years options available in 3 renewal option periods of 5 years each. The lease was entered into in November 2021.

Furthermore, whilst other agreements are in place in relation to the lease of miscellaneous office equipment, the underlying assets meet the definition of low-value assets under Accounting Standard *AASB 16 - Leases* and hence the Club has made the election to NOT capitalise these as right-of-use assets, but instead recognise the lease payments as an expense on a straight-line basis over the lease term.

##### (ii) Right-of-use assets

	Buildings	Poker machines	Total
	\$	\$	\$
<b>Year ended 30 June 2023</b>			
Balance at beginning of year	674,257	176,384	850,641
Remeasurement	78,512	-	78,512
Additions to right-of-use assets	-	170,784	170,784
Depreciation charge	(38,936)	(88,696)	(127,632)
<b>Balance at end of year</b>	<b>713,833</b>	<b>258,472</b>	<b>972,305</b>

# Figtree RSL Bowling Club Limited

ABN 59 001 058 662

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## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 10 Leases

#### (iii) Lease liability reconciliation

	2023	2022
	\$	\$
Current	125,017	74,285
Non-current	854,314	756,465
	<u>979,331</u>	<u>830,750</u>

Hire purchase/lease liabilities are secured over the plant and equipment subject to the respective agreements. Arrangements have original term of five years.

#### (iv) Statement of profit or loss and other comprehensive income

The amounts recognised in the statement of profit or loss and other comprehensive income relating to leases where the Club is a lessee are shown below:

Interest expense on lease liabilities	(41,404)	(31,675)
Depreciation of right-of-use assets	(127,632)	(78,124)
	<u>(169,036)</u>	<u>(109,799)</u>

# Figtree RSL Bowling Club Limited

ABN 59 001 058 662

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## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 10 Leases

(v) Extension options

At commencement date and each subsequent reporting date, the Club assesses where it is reasonably certain that the extension options will be exercised.

(vi) Future lease payments

	< 1 year	1 - 5 years	> 5 years	Total undiscounted lease liabilities
	\$	\$	\$	\$
<b>2023</b>				
Lease liabilities	178,049	361,140	855,907	1,395,096
<b>2022</b>				
Lease liabilities	60,000	240,000	780,000	1,080,000

(vii) Statement of cash flows

	2023	2022
	\$	\$
Total cash outflow for leases	149,585	77,952

# Figtree RSL Bowling Club Limited

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## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 11 Property, Plant and Equipment

	2023	2022
	\$	\$
Leasehold Improvements		
At cost	4,751,546	4,463,872
Accumulated depreciation	(1,316,830)	(1,159,234)
	<u>3,434,716</u>	<u>3,304,638</u>
Furniture, fixture and fittings		
At cost	1,244,609	1,299,346
Accumulated depreciation	(992,028)	(1,038,074)
	<u>252,581</u>	<u>261,272</u>
Plant and equipment		
At cost	676,852	658,764
Accumulated depreciation	(458,329)	(419,002)
	<u>218,523</u>	<u>239,762</u>
Motor vehicles		
At cost	77,344	77,344
Accumulated depreciation	(49,853)	(45,418)
	<u>27,491</u>	<u>31,926</u>
Poker machines		
At cost	1,237,230	1,029,233
Accumulated depreciation	(1,125,700)	(964,978)
	<u>111,530</u>	<u>64,255</u>
<b>Total property, plant and equipment</b>	<u><u>4,044,841</u></u>	<u><u>3,901,853</u></u>

# Figtree RSL Bowling Club Limited

ABN 59 001 058 662

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## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 11 Property, Plant and Equipment

#### (a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Leasehold improvements	Furniture and fittings	Plant and equipment	Motor vehicles	Poker machines	Total
	\$	\$	\$	\$	\$	\$
Balance at beginning of year	3,304,638	261,272	239,762	31,926	64,255	3,901,853
Additions	287,674	40,170	25,999	-	72,000	425,843
Depreciation expense	(157,596)	(48,861)	(47,238)	(4,435)	(24,725)	(282,855)
<b>Balance at 30 June 2023</b>	<b>3,434,716</b>	<b>252,581</b>	<b>218,523</b>	<b>27,491</b>	<b>111,530</b>	<b>4,044,841</b>

#### (b) Core and Non-Core Property

As required under section 41J of the *Registered Clubs Act 1976*, the Club is required to specify core properties and non-core properties owned or occupied as at the end of the financial year. Accordingly, the Directors consider as core property the licensed premises from which the Club operates at The Avenue, Figtree, including all freehold land referred to in the lease agreement [refer note 10(b)] for the main licensed premises.

# Figtree RSL Bowling Club Limited

ABN 59 001 058 662

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## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 12 Trade and Other Payables

	2023	2022
	\$	\$
Trade payables	186,229	299,997
Contract liability - income in advance	9,930	16,551
Other payables	205,260	216,517
	<u>401,419</u>	<u>533,065</u>

### 13 Employee Benefits

#### *Current*

Annual leave	218,628	193,308
Long service leave	29,547	20,727
	<u>248,175</u>	<u>214,035</u>

#### *Non-current*

Long service leave	<u>60,783</u>	<u>38,046</u>
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### 14 Interests of Key Management Personnel

The total remuneration paid to key management personnel of the Club was \$ 197,834 (2022: \$ 157,558).

### 15 Auditors' Remuneration

Remuneration of the auditor Daley Audit, for:

- Auditing of financial statements	22,250	19,700
- Other services*	18,380	17,400
	<u>40,630</u>	<u>37,100</u>

\* *Other services are for accounting, corporate secretarial and tax services*

# Figtree RSL Bowling Club Limited

ABN 59 001 058 662

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## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 16 Capital Commitment

	2023	2022
	\$	\$
Capital commitment	<u>1,351,625</u>	-

Being for property, plant & equipment contracted for at the end of the reporting period but not recognised as liabilities.

### 17 Fair Value Measurement

The Club does not hold any classes of assets or liabilities that are measured at fair value, after initial recognition in the statement of financial position.

### 18 Contingent Liabilities and Contingent Assets

In the opinion of the Directors, the Club did not have any contingencies at 30 June 2023 (30 June 2022: None).

### 19 Related Party Transactions

Related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

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

Key Management Personnel are provided with and/or reimbursed for the reasonable costs of meals, drinks and other expenses incurred in the course of undertaking the Club's business. These costs are not considered to be remuneration and have not been included in this disclosure.

Immediate family members of key management personnel may be employed by the Club on an arms-length basis, under the relevant Award and/or formal employment agreements, formally approved by the Board. Accordingly, no further disclosure of their remuneration is considered relevant or necessary.

Key Management Personnel often participate in bowls activities whereby they can receive prize monies and vouchers. These prizes are received under the normal terms and conditions applicable to all members participating in such activities and are not considered to be remuneration, and hence have not been included in this disclosure.

# Figtree RSL Bowling Club Limited

ABN 59 001 058 662

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## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 20 Cash Flow Information

#### *Cash not available for use*

The Club holds \$132,719 (2022: \$ 258,845) in a bank account which is not available for general use, due to this being funds held as a liability in trust on behalf of an independent third party.

### 21 Events after the end of the Reporting Period

The financial report was authorised for issue on 19 September 2023 by the Board of Directors.

Other than the above, there has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Club, the results of those operations, or the state of affairs of the Club in subsequent financial periods.

### 22 Statutory Information

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

120 The Avenue  
Figtree  
NSW 2525



# Figtree RSL Bowling Club Limited

ABN 59 001 058 662

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## Directors' Declaration

The directors of the Club declare that:

1. The financial statements and notes, as set out on pages 5 to 30, are in accordance with the *Corporations Act 2001* and:
  - a. comply with Australian Accounting Standards - Simplified Disclosure Standard; and
  - b. give a true and fair view of the financial position as at 30 June 2023 and of the performance for the year ended on that date of the Club.
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.



Peter Bennett  
President

Dated: 19 September 2023

## Independent Audit Report to the members of Figtree RSL Bowling Club Limited

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Figtree RSL Bowling Club Limited ("the Club"), which comprises the balance sheet as at 30 June 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

- (i) giving a true and fair view of the Club's financial position as at 30 June 2023 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - Simplified Disclosure Standard 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 Club 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. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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ABN 43 152 844 291

Liability limited by a  
Scheme approved under  
Professional Standards  
Legislation.





## **Independent Audit Report to the members of Figtree RSL Bowling Club Limited**

### **Information other than the Financial Report and Auditor's Report**

The Directors are responsible for the other information. The other information comprises any information that does not form part of the financial report, as defined in the Opinion section of this Independent Audit Report for the year ended 30 June 2023, 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 on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report the fact. We have nothing to report in this regard.

### **Responsibilities of Directors for the Financial Report**

The Directors of the Club are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Simplified Disclosure Standard 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 Club'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 either intend to liquidate the Club or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the Club's financial reporting process.



## Independent Audit Report to the members of Figtree RSL Bowling Club Limited

### 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 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [https://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our auditor's report.

*Daley Audit*  
Daley Audit

*Michael Mundt*  
Michael Mundt  
Partner

Wollongong

Dated: 19 September 2023

Liability limited by a scheme approved under Professional Standards Legislation.