



**BERESFIELD BOWLING CLUB LIMITED**

**ACN: 163 531 691**

**FINANCIAL REPORT**

**for the year ended 31 May 2024**

**BERESFIELD BOWLING CLUB LIMITED**

**ACN: 163 531 691**

**FINANCIAL REPORT**

**for the year ended 31 May 2024**

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# BERESFIELD BOWLING CLUB LIMITED

ACN: 163 531 691

## DIRECTORS' REPORT

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Your directors present their report on Beresfield Bowling Club Limited for the financial year ended 31 May 2024.

### Directors

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

Mr Ron Morley  
Mr Colin Byron  
Mr Terry Lockwood  
Mr Michael Brent  
Mr Stephen Lee  
Mr Geoffrey Roberts  
Mr Jeffrey Doyle

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

### Principal Activities

The principal activity of the Club during the financial year was the operation of a bowling club in accordance with its objectives and for the benefit of its members.

No significant change in the nature of this activity occurred during the year.

### Operating Result

The net profit of the Club for the financial year amounted to \$1,489,897 (2023: \$2,040,034).

### Short and Long-term Objectives

The Club's short-term objectives are to:

- Maintain quality bowling facilities and actively encourage growth and participation in the sport;
- Provide members and guests with modern facilities and efficient service in a safe and friendly environment; and
- Be recognised in the community as a progressive and successful Club that provides a significant contribution to the community as a whole.

The Club's long-term objectives are to:

- Continue to nurture and develop the sport of bowls at every level;
- Continue to develop and refine the Club's Master Plan, which includes ongoing communication with local government authorities to ensure the best possible use of the land holdings that surround the Club; and
- Generate profits that can be reinvested into improved services and facilities for members and community support.

# BERESFIELD BOWLING CLUB LIMITED

ACN: 163 531 691

## DIRECTORS' REPORT

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### Strategies

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

- Ensuring the Club's financial performance is optimized through the constant review and evaluation of the Club's business practice, continuing to listen and respond to our members and their guest's needs; and
- Monitoring and reviewing the Club's financial and non-financial key performance indicators in order to measure the Club's performance against industry best practice.

### Information on Directors

| <b>Name</b>         | <b>Occupation /<br/>Qualifications</b> | <b>Position / Special<br/>Responsibilities</b> | <b>Years as<br/>Director</b> |
|---------------------|--|--|------------------------------|
| Mr Ron Morley       | Retired                                | Director / Vice Chairman                       | 35                           |
| Mr Colin Byron      | Retired                                | Director / Chairman                            | 30                           |
| Mr Terry Lockwood   | Retired                                | Director                                       | 21                           |
| Mr Michael Brent    | Retired                                | Director / Treasurer                           | 16                           |
| Mr Stephen Lee      | Retired                                | Director                                       | 5                            |
| Mr Geoffrey Roberts | Accountant                             | Director                                       | 5                            |
| Mr Jeffrey Doyle    | Retired                                | Director                                       | 3                            |

### Meetings of Directors

During the year, 23 meetings of directors were held. Attendances by each director were as follows:

|                     | <b>Directors' Meetings</b>    |                            |
|---------------------|-------------------------------|----------------------------|
|                     | <b>Eligible to<br/>Attend</b> | <b>Number<br/>Attended</b> |
| Mr Ron Morley       | 23                            | 23                         |
| Mr Colin Byron      | 23                            | 21                         |
| Mr Terry Lockwood   | 23                            | 21                         |
| Mr Michael Brent    | 23                            | 19                         |
| Mr Stephen Lee      | 23                            | 21                         |
| Mr Geoffrey Roberts | 23                            | 22                         |
| Mr Jeffrey Doyle    | 23                            | 23                         |

**BERESFIELD BOWLING CLUB LIMITED**

**ACN: 163 531 691**

**DIRECTORS' REPORT**

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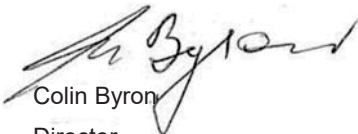
**Members Guarantee**

The Club is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$1 each towards meeting any outstanding obligations of the company. At 31 May 2024, the total amount that members of the company are liable to contribute if the company is wound up is \$10,317 (2023: \$9,526).

**Auditor's Independence Declaration**

The lead auditor's independence declaration for the year ended 31 May 2024 has been received and can be found on page 6 of the financial report.

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

  
Colin Byron  
Director

  
Michael Brent  
Director

Dated this 23rd day of July 2024



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Beresfield Bowling Club

## Auditors Independence Declaration under Section 307C of the Corporations Act 2001

I declare that, to the best of my knowledge and belief, during the year ended 31 May 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.

A handwritten version of the PKF logo in black ink.

PKF

A handwritten signature in black ink, appearing to read 'Clayton Hickey'.

CLAYTON HICKEY  
PARTNER

23 JULY 2024  
NEWCASTLE, NSW

**BERESFIELD BOWLING CLUB LIMITED**

**ACN: 163 531 691**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

**for the year ended 31 May 2024**

|  | Note | 2024               | 2023        |
|--|------|--------------------|-------------|
|  |      | \$                 | \$          |
| Revenue  | 2    | <b>13,206,746</b>  | 12,989,151  |
| Other income   | 2    | <b>24,094</b>      | 264,990     |
| Changes in inventories of finished goods                   |      | <b>11,402</b>      | 12,421      |
| Raw materials and consumables used                         |      | <b>(1,181,687)</b> | (1,127,748) |
| Employee benefits expense                                  |      | <b>(3,369,318)</b> | (3,196,089) |
| Depreciation and amortisation expense                      |      | <b>(1,165,951)</b> | (1,104,902) |
| Advertising and promotions expense                         |      | <b>(649,213)</b>   | (674,015)   |
| Entertainment and membership expense                       |      | <b>(1,220,068)</b> | (1,146,715) |
| Insurance expense  |      | <b>(270,355)</b>   | (220,957)   |
| Poker machine duty   |      | <b>(1,836,910)</b> | (1,894,808) |
| Rates and utilities  |      | <b>(330,119)</b>   | (264,424)   |
| Repairs and maintenance                                    |      | <b>(761,083)</b>   | (621,972)   |
| Other expenses   |      | <b>(895,712)</b>   | (878,648)   |
| Finance costs  |      | <b>(71,929)</b>    | (96,250)    |
| <b>Profit before income tax</b>                            |      | <b>1,489,897</b>   | 2,040,034   |
| Income tax expense   | 1(a) | -                  | -           |
| <b>Profit for the year</b>                                 |      | <b>1,489,897</b>   | 2,040,034   |
| <b>Other comprehensive income, net of income tax</b>       |      |                    |             |
| Revaluation of land and buildings                          | 5,12 | <b>1,804,597</b>   | -           |
| <b>Total other comprehensive income, net of income tax</b> |      | <b>1,804,597</b>   | -           |
| <b>Total comprehensive income for the year</b>             |      | <b>3,294,494</b>   | 2,040,034   |

The accompanying notes form part of these financial statements

**BERESFIELD BOWLING CLUB LIMITED**

**ACN: 163 531 691**

**STATEMENT OF FINANCIAL POSITION**

**as at 31 May 2024**

|                                      | Note | 2024<br>\$        | 2023<br>\$ |
|--------------------------------------|------|-------------------|------------|
| <b>ASSETS</b>                        |      |                   |            |
| <b>Current assets</b>                |      |                   |            |
| Cash and cash equivalents            | 3    | <b>3,615,466</b>  | 3,449,391  |
| Trade and other receivables          |      | <b>155,786</b>    | 57,015     |
| Inventories                          |      | <b>75,618</b>     | 64,216     |
| Other current assets                 | 4    | <b>78,378</b>     | 91,511     |
| <b>Total current assets</b>          |      | <b>3,925,248</b>  | 3,662,133  |
| <b>Non-current assets</b>            |      |                   |            |
| Property, plant and equipment        | 5    | <b>14,212,180</b> | 12,409,104 |
| Investment property                  | 6    | <b>6,450,000</b>  | 6,450,000  |
| Intangible assets                    | 7    | <b>464,829</b>    | 464,829    |
| Right of use assets                  | 9(a) | <b>362,583</b>    | 389,971    |
| <b>Total non-current assets</b>      |      | <b>21,489,592</b> | 19,713,904 |
| <b>TOTAL ASSETS</b>                  |      | <b>25,414,840</b> | 23,376,037 |
| <b>LIABILITIES</b>                   |      |                   |            |
| <b>Current liabilities</b>           |      |                   |            |
| Trade and other payables             | 8    | <b>1,086,978</b>  | 979,421    |
| Borrowings                           |      | -                 | 360,000    |
| Lease liabilities                    | 9    | <b>167,098</b>    | 186,728    |
| Employee benefit accruals            | 10   | <b>451,901</b>    | 379,815    |
| Other current liabilities            | 11   | <b>268,862</b>    | 258,844    |
| <b>Total current liabilities</b>     |      | <b>1,974,839</b>  | 2,164,808  |
| <b>Non-current liabilities</b>       |      |                   |            |
| Borrowings                           |      | -                 | 1,047,820  |
| Lease liabilities                    | 9    | <b>225,250</b>    | 250,003    |
| Employee benefit accruals            | 10   | <b>58,765</b>     | 51,914     |
| <b>Total non-current liabilities</b> |      | <b>284,015</b>    | 1,349,737  |
| <b>TOTAL LIABILITIES</b>             |      | <b>2,258,854</b>  | 3,514,545  |
| <b>NET ASSETS</b>                    |      | <b>23,155,986</b> | 19,861,492 |
| <b>EQUITY</b>                        |      |                   |            |
| Reserves                             | 12   | <b>4,574,805</b>  | 2,770,208  |
| Retained earnings                    |      | <b>18,581,181</b> | 17,091,284 |
| <b>TOTAL EQUITY</b>                  |      | <b>23,155,986</b> | 19,861,492 |

The accompanying notes form part of these financial statements



**BERESFIELD BOWLING CLUB LIMITED**

ACN: 163 531 691

**STATEMENT OF CHANGES IN EQUITY**

for the year ended 31 May 2024

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|   | <b>Retained<br/>Earnings</b> | <b>Asset<br/>Revaluation<br/>Reserve</b> | <b>Total</b>      |
|---|------------------------------|--|-------------------|
|   | <b>\$</b>                    | <b>\$</b>                                | <b>\$</b>         |
| Balance 1 June 2022                     | 15,051,250                   | 2,770,208                                | 17,821,458        |
| <b>Comprehensive income:</b>            |                              |  |                   |
| Profit for the year                     | 2,040,034                    | -  | 2,040,034         |
| <b>Total comprehensive income</b>       | <u>2,040,034</u>             | <u>-</u>                                 | <u>2,040,034</u>  |
| <b>Balance at 31 May 2023</b>           | <u>17,091,284</u>            | <u>2,770,208</u>                         | <u>19,861,492</u> |
| <br>                                    |                              |  |                   |
| Balance 1 June 2023                     | 17,091,284                   | 2,770,208                                | 19,861,492        |
| <b>Comprehensive income:</b>            |                              |  |                   |
| Profit for the year                     | 1,489,897                    | -  | 1,489,897         |
| Other comprehensive income for the year | -                            | 1,804,597                                | 1,804,597         |
| <b>Total comprehensive income</b>       | <u>1,489,897</u>             | <u>1,804,597</u>                         | <u>3,294,494</u>  |
| <b>Balance at 31 May 2024</b>           | <u>18,581,181</u>            | <u>4,574,805</u>                         | <u>23,155,986</u> |

The accompanying notes form part of these financial statements

**BERESFIELD BOWLING CLUB LIMITED**

**ACN: 163 531 691**

**STATEMENT OF CASH FLOWS**

**for the year ended 31 May 2024**

|   | Note | 2024<br>\$         | 2023<br>\$   |
|---|------|--------------------|--------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                   |      |                    |              |
| Receipts from customers                                       |      | 13,834,173         | 13,928,325   |
| Payments to suppliers and employees                           |      | (11,156,808)       | (10,930,250) |
| Interest received   |      | 92,769             | 24,919       |
| Finance costs paid  |      | (71,929)           | (96,250)     |
| <b>Net cash generated from operating activities</b>           |      | <b>2,698,205</b>   | 2,926,744    |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                   |      |                    |              |
| Proceeds from sale of property, plant and equipment           |      | 27,000             | 67,455       |
| Payments for property, plant and equipment                    |      | (934,897)          | (2,739,965)  |
| <b>Net cash used in investing activities</b>                  |      | <b>(907,897)</b>   | (2,672,510)  |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                   |      |                    |              |
| Proceeds from borrowings                                      |      | -                  | 1,325,286    |
| Repayment of borrowings                                       |      | (1,407,820)        | (260,000)    |
| Payment of principal portion of lease liabilities             |      | (216,413)          | (195,993)    |
| <b>Net cash generated from (used in) financing activities</b> |      | <b>(1,624,233)</b> | 869,293      |
| <b>Net increase (decrease) in cash held</b>                   |      | <b>166,075</b>     | 1,123,527    |
| Cash and cash equivalents at beginning of the financial year  |      | 3,449,391          | 2,325,864    |
| <b>Cash and cash equivalents at end of the financial year</b> | 3    | <b>3,615,466</b>   | 3,449,391    |

The accompanying notes form part of these financial statements

# BERESFIELD BOWLING CLUB LIMITED

ACN: 163 531 691

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 May 2024

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The financial statements cover Beresfield Bowling Club Limited as an individual entity, incorporated and domiciled in Australia. Beresfield Bowling Club Limited is a company limited by guarantee.

The financial statements were authorised for issue on 23rd July 2024 by the directors of the Company.

### **Note 1: Summary of Material Accounting Policies**

#### **Basis of Preparation**

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Simplified Disclosures and the *Corporations Act 2001*. The Company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

A not-for-profit entity is an entity whose primary objective is to provide goods or services for community or social benefit and where equity has been provided with a view to supporting that primary objective rather than for a financial return to equity holders.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board ('AASB') has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

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.

#### **New or Amended Accounting Standards and Interpretations Adopted in the Current Year**

The Company has adopted all the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for an accounting period that begins on or after 1 June 2023.

Set out below are the new and revised Standards and amendments thereof and Interpretations effective for the current year that are relevant to the Company

#### ***AASB 2021- 2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimates***

#### ***AASB 2021-6 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards***

The amendments require the disclosure of material accounting policy information and clarify how entities should distinguish changes in accounting policies and changes in accounting estimates.

The application of the amendments did not have a material impact on the Company's financial statements but has changed the disclosure of accounting policy information in the financial statements.

**BERESFIELD BOWLING CLUB LIMITED**

**ACN: 163 531 691**

**NOTES TO THE FINANCIAL STATEMENTS**

**for the year ended 31 May 2024**

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**Note 1: Summary of Material Accounting Policies (cont'd)**

The material accounting policies are set out below.

**(a) Income Tax**

The Company has claimed an income tax exemption as a sporting club in accordance with Section 50-45 of the *Income Tax Assessment Act 1997*. The income tax exemption has been claimed based on self assessment by the Company. Accordingly no provision for income tax has been recognised in the financial statements.

**(b) Property, Plant and Equipment**

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

**Property**

Freehold land and buildings are shown at their fair value, based on periodic valuations by external independent valuers, less subsequent depreciation for buildings. It is Company policy to obtain an independent valuation every 3 to 5 years. An independent valuation was obtained in the current year.

In periods when freehold land and buildings are not subject to an independent valuation the directors conduct directors' valuations to ensure the carrying amount for the land and buildings is not materially different from the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are charged to the profit or loss.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

**Plant and Equipment**

Plant and equipment are measured on the cost basis, less depreciation and impairment losses.

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date it is acquired.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

# BERESFIELD BOWLING CLUB LIMITED

ACN: 163 531 691

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 May 2024

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### Note 1: Summary of Material Accounting Policies (cont'd)

#### (b) Property, Plant and Equipment (cont'd)

##### Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis or diminishing value basis over the assets useful life to the Company commencing from the time the asset is held ready for use.

##### Depreciation Rates

The depreciation rates used for each class of depreciable assets are:

|                         |          |
|-------------------------|----------|
| Clubhouse and surrounds | 2.5 - 5% |
| Plant and equipment     | 9 - 40%  |
| Computer software       | 20 - 33% |
| Poker machines          | 20 - 33% |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Asset classes carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the profit or loss. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

#### (c) Investment Property

Investment property, comprising residential properties, is held to generate long-term rental yields. All tenant leases are on an arms length basis. Investment property is carried at fair value, determined by independent market appraisals when there is a material change in fair value. Changes to fair value are recorded in the profit or loss.

#### (d) Intangibles

##### Poker Machine Entitlements

Poker machine entitlements are recorded at cost and are deemed to have an indefinite life. They are tested annually for impairment and carried at cost less any accumulated impairment losses.

#### (e) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. A lease conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company applies a single recognition and measurement approach for all leases, except for short term leases and leases of low value assets. The Company recognises lease liabilities to make lease payments and right of use assets representing the right to use the underlying assets.

# BERESFIELD BOWLING CLUB LIMITED

ACN: 163 531 691

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 May 2024

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### Note 1: Summary of Material Accounting Policies (cont'd)

#### (e) Leases (cont'd)

##### *Right of Use Assets*

The Company recognises right of use assets at the commencement of the lease. Right of use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right of use assets are depreciated on a straight line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

|                     |              |
|---------------------|--------------|
| Plant and equipment | 2 to 5 years |
| Poker machines      | 3 years      |

##### *Lease Liability*

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

#### (f) Impairment of Assets

At the end of each reporting period, the Company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value-in-use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the profit or loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which it belongs.

#### (g) Employee Benefit Accruals

Accruals are made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on corporate bonds with terms to maturity that match the expected timing of cash flows.

# BERESFIELD BOWLING CLUB LIMITED

ACN: 163 531 691

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 May 2024

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### **Note 1: Summary of Material Accounting Policies (cont'd)**

#### **(h) Revenue and Other Income**

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Revenue from investment properties is recognised on an accruals basis or straight-line basis in accordance with lease agreements.

Membership subscriptions income is recognised as income in the year to which it relates.

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

#### **(i) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the statement of cash flows on a gross basis, except for the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the ATO. The GST component of financing and investing activities which is recoverable from, or payable to, the ATO is classified as a part of operating cash flows. Accordingly, investing and financing cash flows are presented in the Statement of Cash Flows net of the GST that is recoverable from, or payable to, the ATO.

#### **(j) Critical Accounting Estimates and Judgements**

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

#### **Key Estimates and Judgements**

##### **(i) Fair Value and Impairment**

Freehold land and buildings are included in the financial statements at fair value. Fair value has been determined with reference to independent valuations obtained by the Company. The freehold land and buildings were independently valued in the current year by Robertson & Robertson Consulting Valuers. The fair value was based on the depreciated replacement cost. The critical assumptions adopted in determining the valuation included the location of the land and buildings, dimensions of the land and zoning of the property.

**BERESFIELD BOWLING CLUB LIMITED**

**ACN: 163 531 691**

**NOTES TO THE FINANCIAL STATEMENTS**

**for the year ended 31 May 2024**

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**Note 1: Summary of Material Accounting Policies (cont'd)**

**Key Estimates and Judgements (cont'd)**

**(i) Fair Value and Impairment (cont'd)**

Investment properties are included in the financial statements at fair value. Fair value has been determined with reference to independent market appraisals obtained by the Company. The directors assessed the appropriateness of the fair value of the residential investment properties by obtaining market appraisals from James Henry Real Estate. The critical assumptions adopted in determining the valuation included the location of the land and buildings, the current demand for buildings in the area and recent sales data for similar properties.

The fair value of the commercial investment property (Childcare Centre) is based on an independent valuation obtained by the Company. The Childcare Centre was independently valued in the prior financial year by Knight Frank. The critical assumptions adopted in determining the valuation included the location of the land and building, current demand for Childcare Centre buildings within the area and the rental yield under the current lease agreement. The directors have assessed the fair value in the current year and have determined that no changes to the critical assumptions have occurred during the year that would require a change to the fair value.

**(ii) Income Tax Exemption**

The income tax exemption has been claimed based on self assessment by the Company. Self assessment involves determining whether the Company satisfies the definition of an exempt sporting club. Several factors, including the main purpose of the Company as well as any changes in the structure or activities of the Company, need to be considered in making the assessment.



**BERESFIELD BOWLING CLUB LIMITED**

ACN: 163 531 691

**NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 31 May 2024

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|   | Note | 2024              | 2023              |
|---|------|-------------------|-------------------|
|   |      | \$                | \$                |
| <b>Note 2: Revenue</b>                            |      |                   |                   |
| Revenue recognised at a point in time:            |      |                   |                   |
| Sale of goods                                     |      | 3,173,456         | 2,977,636         |
| Commissions                                       |      | 327,993           | 314,775           |
| Competitions revenue                              |      | 337,755           | 317,555           |
| Poker machine revenue                             |      | 8,723,971         | 8,989,576         |
| Fees  |      | 76,052            | 66,166            |
| Rental revenue                                    |      | 363,570           | 189,073           |
| Interest received                                 |      | 92,769            | 24,919            |
| Gaming tax rebate                                 |      | 17,180            | 17,180            |
| Other revenue                                     |      | 94,000            | 92,271            |
| Total revenue                                     |      | <u>13,206,746</u> | <u>12,989,151</u> |
| Other income                                      |      |                   |                   |
| Gain on disposal of property, plant and equipment |      | 24,094            | 70,257            |
| Change in fair value of investment property       |      | -                 | 140,389           |
| JobSaver payments                                 |      | -                 | 54,344            |
| Total other income                                |      | <u>24,094</u>     | <u>264,990</u>    |
| <b>Note 3: Cash and Cash Equivalents</b>          |      |                   |                   |
| Cash on hand                                      |      | 334,946           | 368,693           |
| Cash at bank                                      |      | 404,883           | 752,493           |
| Short-term bank deposits                          |      | 2,875,637         | 2,328,205         |
|   |      | <u>3,615,466</u>  | <u>3,449,391</u>  |
| <b>Note 4: Other Assets</b>                       |      |                   |                   |
| Prepayments                                       |      | <u>78,378</u>     | <u>91,511</u>     |

**BERESFIELD BOWLING CLUB LIMITED**

**ACN: 163 531 691**

**NOTES TO THE FINANCIAL STATEMENTS**

**for the year ended 31 May 2024**

|  | Note | 2024                     | 2023                     |
|--|------|--------------------------|--------------------------|
|  |      | \$                       | \$                       |
| <b>Note 5: Property, Plant and Equipment</b> |      |                          |                          |
| LAND AND BUILDINGS                           |      |                          |                          |
| Freehold land:                               |      |                          |                          |
| at independent valuation                     |      | 2,630,000                | 2,100,000                |
| Clubhouse building and surrounds:            |      |                          |                          |
| at independent valuation                     |      | 9,440,000                | 9,345,000                |
| additions, at cost                           |      | 55,321                   | 36,037                   |
| Less accumulated depreciation                |      | -                        | (970,905)                |
| Total clubhouse building and surrounds       |      | <u>9,495,321</u>         | <u>8,410,132</u>         |
| Total land and buildings                     |      | <u>12,125,321</u>        | <u>10,510,132</u>        |
| PLANT AND EQUIPMENT                          |      |                          |                          |
| Plant and equipment, at cost                 |      | 4,381,991                | 3,871,624                |
| Less accumulated depreciation                |      | <u>(2,917,685)</u>       | <u>(2,646,695)</u>       |
|  |      | <u>1,464,306</u>         | <u>1,224,929</u>         |
| Computer software, at cost                   |      | 116,758                  | 116,758                  |
| Less accumulated depreciation                |      | <u>(110,195)</u>         | <u>(98,174)</u>          |
|  |      | <u>6,563</u>             | <u>18,584</u>            |
| Poker machines, at cost                      |      | 4,493,037                | 4,357,220                |
| Less accumulated depreciation                |      | <u>(3,877,047)</u>       | <u>(3,701,761)</u>       |
|  |      | <u>615,990</u>           | <u>655,459</u>           |
| Total plant and equipment                    |      | <u>2,086,859</u>         | <u>1,898,972</u>         |
| Total property, plant and equipment          |      | <u><u>14,212,180</u></u> | <u><u>12,409,104</u></u> |

The Company's freehold land, clubhouse buildings and surrounds were valued in the current year by Robertson & Robertson, independent certified practising valuers.

**BERESFIELD BOWLING CLUB LIMITED**

**ACN: 163 531 691**

**NOTES TO THE FINANCIAL STATEMENTS**

**for the year ended 31 May 2024**

**Note 5: Property, Plant and Equipment (cont'd)**

**(a) Movement in Carrying Amounts**

|  | <b>Freehold land<br/>at valuation<br/>\$</b> | <b>Clubhouse<br/>building and<br/>surrounds<br/>at valuation<br/>\$</b> | <b>Clubhouse<br/>building and<br/>surrounds<br/>at cost<br/>\$</b> |  |
|--|--|---|--|--|
| Balance at beginning of the financial year   | 2,100,000                                    | 8,379,839   | 30,293   |  |
| Additions                                    | -  | -   | 55,321   |  |
| Depreciation expense                         | -  | (241,125)   | (3,604)  |  |
| Disposals                                    | -  | -   | -  |  |
| Revaluation                                  | 530,000                                      | 1,301,286   | (26,689)   |  |
| Carrying amount at end of the financial year | <b>2,630,000</b>                             | <b>9,440,000</b>  | 55,321   |  |

|  | <b>Plant and<br/>equipment<br/>at cost<br/>\$</b> | <b>Computer<br/>Software<br/>at cost<br/>\$</b> | <b>Poker<br/>Machines<br/>at cost<br/>\$</b> | <b>Total<br/>\$</b> |
|--|---|---|--|---------------------|
| Balance at beginning of the financial year   | 1,224,929   | 18,584  | 655,459                                      | <b>12,409,104</b>   |
| Additions                                    | 516,933   | -   | 395,665                                      | <b>967,919</b>      |
| Depreciation expense                         | (277,556)   | (12,021)  | (432,228)                                    | <b>(966,534)</b>    |
| Disposals                                    | -   | -   | (2,906)                                      | <b>(2,906)</b>      |
| Revaluation                                  | -   | -   | -  | <b>1,804,597</b>    |
| Carrying amount at end of the financial year | <b>1,464,306</b>                                  | <b>6,563</b>                                    | <b>615,990</b>                               | <b>14,212,180</b>   |

|  | <b>2024<br/>\$</b> | <b>2023<br/>\$</b> |
|--|--------------------|--------------------|
|--|--------------------|--------------------|

**Note 6: Investment Property**

|  |                  |           |
|--|------------------|-----------|
| Balance at beginning of the financial year   | <b>6,450,000</b> | 1,650,000 |
| Transfers                                    | -                | 4,659,611 |
| Fair value adjustment                        | -                | 140,389   |
| Carrying amount at end of the financial year | <b>6,450,000</b> | 6,450,000 |

**BERESFIELD BOWLING CLUB LIMITED**

ACN: 163 531 691

**NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 31 May 2024

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|  | Note | 2024 | 2023 |
|--|------|------|------|
|  |      | \$   | \$   |

**Note 6: Investment Property (cont'd)**

The fair value model is applied to all investment property. Investment property fair values are reviewed by the directors on an annual basis. Where material changes in the fair value arise as a result of the review, the difference is taken to the Income Statement. The commercial investment property (Childcare Centre) was independently valued in the prior financial year following the completion of its construction. The residential investment properties were last revalued in 2022. There were no material changes in the fair value in the current year.

**Note 7: Intangible Assets**

|                                     |  |                |                |
|-------------------------------------|--|----------------|----------------|
| Poker machine entitlements, at cost |  | <u>464,829</u> | <u>464,829</u> |
|-------------------------------------|--|----------------|----------------|

The Company has a total of 125 (2023: 125) poker machine entitlements. 105 (2023: 105) of these entitlements were granted to the Company at no cost. The value of these entitlements has not been recognised as an asset as they do not meet the recognition and measurement criteria of the applicable accounting standards.

**(a) Movement in Carrying Amounts**

|  | Poker<br>machine<br>entitlements | Total          |
|--|----------------------------------|----------------|
|  | \$                               | \$             |
| Balance at beginning of the financial year   | 464,829                          | 464,829        |
| Additions                                    | -                                | -              |
| Disposals                                    | -                                | -              |
| Carrying amount at end of the financial year | <u>464,829</u>                   | <u>464,829</u> |
|  | 2024                             | 2023           |
|  | \$                               | \$             |

**Note 8: Trade and Other Payables**

|                                      |                  |                |
|--------------------------------------|------------------|----------------|
| Trade payables                       | 280,051          | 240,094        |
| Sundry payables and accrued expenses | 806,927          | 739,327        |
|                                      | <u>1,086,978</u> | <u>979,421</u> |

**BERESFIELD BOWLING CLUB LIMITED**

**ACN: 163 531 691**

**NOTES TO THE FINANCIAL STATEMENTS**

**for the year ended 31 May 2024**

|                                  | Note | 2024           | 2023    |
|----------------------------------|------|----------------|---------|
|                                  |      | \$             | \$      |
| <b>Note 9: Lease Liabilities</b> |      |                |         |
| Current                          |      | <b>167,098</b> | 186,728 |
| Non-Current                      |      | <b>225,250</b> | 250,003 |
|                                  | 9(b) | <b>392,348</b> | 436,731 |

**(a) Right of Use Assets**

The Company has lease contracts for various items of plant and equipment used in its operations. These leases generally have terms between 2 and 5 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets.

Set out below is the movement in carrying amounts of right of use assets recognised in the accounts:

|  | Plant and<br>equipment | Poker<br>Machines | Total          |
|--|------------------------|-------------------|----------------|
|  | \$                     | \$                | \$             |
| Balance at beginning of the financial year   | 211,625                | 178,346           | 389,971        |
| Additions                                    | 4,770                  | 167,260           | 172,030        |
| Depreciation                                 | (53,722)               | (145,696)         | (199,418)      |
| Disposals                                    | -                      | -                 | -              |
| Carrying amount at end of the financial year | <b>162,673</b>         | <b>199,910</b>    | <b>362,583</b> |

|   | 2024            | 2023     |
|---|-----------------|----------|
|   | \$              | \$       |
| <b>(b) Lease Liabilities Maturity Analysis:</b> |                 |          |
| Payable - minimum lease payments                |                 |          |
| No later than 12 months (excluding GST)         | <b>185,125</b>  | 201,999  |
| Between 12 months and 5 years (excluding GST)   | <b>240,358</b>  | 271,300  |
|   | <b>425,483</b>  | 473,299  |
| Less future finance charges                     | <b>(33,135)</b> | (36,568) |
|   | <b>392,348</b>  | 436,731  |

**BERESFIELD BOWLING CLUB LIMITED**

**ACN: 163 531 691**

**NOTES TO THE FINANCIAL STATEMENTS**

**for the year ended 31 May 2024**

---

|   | Note | 2024                  | 2023           |
|---|------|-----------------------|----------------|
|   |      | \$                    | \$             |
| <b>Note 10: Employee Benefit Accruals</b> |      |                       |                |
| Current:                                  |      |                       |                |
| Annual leave                              |      | <b>286,646</b>        | 229,331        |
| Long service leave                        |      | <b>165,255</b>        | 150,484        |
|   |      | <u><b>451,901</b></u> | <u>379,815</u> |
| Non-current:                              |      |                       |                |
| Long service leave                        |      | <b>58,765</b>         | 51,914         |
|   |      | <u><b>58,765</b></u>  | <u>51,914</u>  |
| <b>Note 11: Other Liabilities</b>         |      |                       |                |
| Gaming promotions                         |      | <b>133,859</b>        | 118,654        |
| Monies held in trust                      |      | <b>36,486</b>         | 51,268         |
| Income in advance                         |      | <b>98,517</b>         | 88,922         |
|   |      | <u><b>268,862</b></u> | <u>258,844</u> |

**Note 12: Reserves**

**(a) Asset Revaluation Reserve**

The asset revaluation reserve records revaluations of non-current assets.

**Note 13: Contingent Liabilities**

An indemnity guarantee of \$5,000 (2023: \$5,000) existed at year end in relation to the Company's TAB facilities.

There are no other contingent liabilities not otherwise disclosed in the financial statements.

**Note 14: Events After the Reporting Period**

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

**BERESFIELD BOWLING CLUB LIMITED**

**ACN: 163 531 691**

**NOTES TO THE FINANCIAL STATEMENTS**

**for the year ended 31 May 2024**

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|   | Note | 2024             | 2023             |
|---|------|------------------|------------------|
|   |      | \$               | \$               |
| <b>Note 15: Key Management Personnel</b>  |      |                  |                  |
| Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director is considered key management personnel. |      |                  |                  |
| Key management personnel compensation:  |      |                  |                  |
| Short-term benefits   |      | 423,155          | 397,238          |
| Post-employment benefits  |      | 52,913           | 50,526           |
|   |      | <u>476,068</u>   | <u>447,764</u>   |
| <b>Note 16: Related Party Transactions</b>  |      |                  |                  |
| There were no transactions with related parties during the financial year.  |      |                  |                  |
| <b>Note 17: Cash Flow Information</b>   |      |                  |                  |
| <b>(a) Non-cash Financing and Investing Activities:</b>   |      |                  |                  |
| Right of use assets totalling \$172,030 (2023: \$304,594) were acquired during the year. These additions have been excluded from the cash flow statement as a non-cash financing activity.                      |      |                  |                  |
| <b>Note 18: Financial Risk Management</b>   |      |                  |                  |
| Financial assets at amortised cost:   |      |                  |                  |
| Cash and cash equivalents   | 3    | 3,615,466        | 3,449,391        |
| Trade receivables   |      | 155,786          | 57,015           |
| Total financial assets  |      | <u>3,771,252</u> | <u>3,506,406</u> |
| Financial liabilities at amortised cost:  |      |                  |                  |
| Trade and other payables  | 8    | 1,086,978        | 979,421          |
| Borrowings  |      | -                | 1,407,820        |
| Total financial liabilities   |      | <u>1,086,978</u> | <u>2,387,241</u> |

# BERESFIELD BOWLING CLUB LIMITED

ACN: 163 531 691

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 May 2024

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### Note 19: Company Details

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

Beresfield Bowling Club Limited  
208 Anderson Drive  
Beresfield NSW 2322

### Note 20: Members' Guarantee

The Company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$1 each towards meeting any outstanding obligations of the Company. At 31 May 2024, the number of members was 10,317 (2023: 9,526).

### Note 21: Core and Non-core Property

Pursuant to Section 41J(2) of the *Registered Clubs Act 1976* the classification of property held by the Company as at the end of the financial year ended 31 May 2024 is as follows:

#### Core Property:

##### Property Address

##### Current Usage

208 Anderson Drive, Beresfield NSW 2322

Clubhouse and licenced premises

#### Non-core Property:

##### Property Address

##### Current Usage

11 Lenox Street, Beresfield NSW 2322

Childcare Centre / members car park

1 Lenox Street, Beresfield NSW 2322

Residential investment property

3 Lenox Street, Beresfield NSW 2322

Residential investment property

1 Lister Avenue, Beresfield NSW 2322

Residential investment property

The Registered Clubs Act requires the annual report to specify the core property and non-core property of the Club as at the end of the financial year to which the report relates.

Core property is any real property owned or occupied by the Club that comprises:

- The defined premises of the Club; or
- Any facility provided by the Club for use of its members and their guests; or
- Any property declared by a resolution passed by a majority of the members present at a general meeting of ordinary members of the Club to be core property of the Club.

Non-core property is any other property other than that referred to above as core property and any other property which is declared by members at a general meeting of ordinary members of the Club not to be core property.



**BERESFIELD BOWLING CLUB LIMITED**

**ACN: 163 531 691**

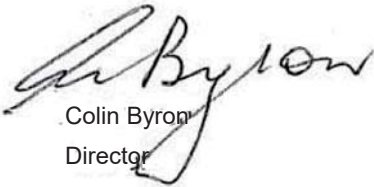
**DIRECTORS' DECLARATION**

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The directors of Beresfield Bowling Club Limited declare that:

1. The financial statements and notes, as set out on pages 7 to 24, are in accordance with the Corporations Act 2001 and:
  - a) comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
  - b) give a true and fair view of the financial position of the Company as at 31 May 2024 and of its performance for the year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the Company 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.



Colin Byron  
Director



Michael Brent  
Director

Dated this 23rd day of July 2024

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF BERESFIELD BOWLING CLUB LIMITED

#### Report on the Audit of the Financial Report

##### Opinion

We have audited the financial report of Beresfield Bowling Club Limited (the Company), which comprises the statement of financial position as at 31 May 2024, 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 material accounting policy information, and the directors' declaration.

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

- (a) Giving a true and fair view of the company's financial position as at 31 May 2024, and of its financial performance for the year then ended; and
- (b) Complying with the Australian Accounting Standards – Simplified Disclosure Requirements and 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Independence

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.

##### 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 31 May 2024, but does not include the financial report and our auditor's report thereon.

## Other Information (cont'd)

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.

## Responsibilities of the Directors for the Financial Report

The directors and management 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 Disclosure Requirements and the Corporations Act 2001, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has 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 Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

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

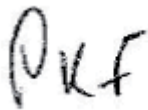
- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by directors.

## Auditor's Responsibilities for the Audit of the Financial Report (cont'd)

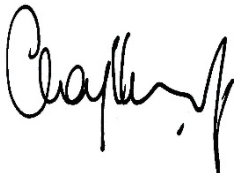
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, action taken to eliminate threats or safeguards applied.



PKF



CLAYTON HICKEY  
PARTNER

23 JULY 2024  
NEWCASTLE, NSW