

WEST TAMWORTH SPORTS & BOWLING CLUB LTD
ABN 44 611 465 237

DIRECTORS' REPORT

The directors of the West Tamworth Sports & Bowling Club Ltd (the 'entity') present this report for the financial year ended 30 June 2022.

Directors

The names of directors in office at any time during or since the end of the year are:

| | Years on Board | Qualifications | Special Responsibilities | Number of Directors Meetings (during financial year) | |
|------------|----------------|-----------------------|-------------------------------|--|----------|
| | | | | Held | Attended |
| D Stewart | 3 | Retired | Chairperson | 10 | 10 |
| S Stewart | 3 | Compliance Manager | Treasurer | 10 | 10 |
| A Guy | 3 | Advertising Executive | Director | 10 | 10 |
| L Sheather | 2 | Sales Representative | Director | 10 | 9 |
| M Golledge | 4 | Management | Director - resigned 25/2/2022 | 7 | 7 |
| W Owen | 1 | Farmer | Director appointed 9/3/2022 | 3 | 3 |

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

WEST TAMWORTH SPORTS & BOWLING CLUB LTD
ABN 44 611 465 237

DIRECTORS' REPORT (Cont)

Principal Activities & Strategies

The principal activities of the company during the financial year were to provide facilities for the game of bowls and to provide facilities to members and their guests.

The entity's short-term objectives are to:

- continue to maintain Clubhouse facilities and bowling greens for the enjoyment of members.

The long-term objectives are to:

- be sustainable by achieving profits from activities and maintaining and improving facilities.

To achieve these objectives, the entity has adopted the following strategies:

- the entity strives to continue attracting members and their guests to support Club activities.

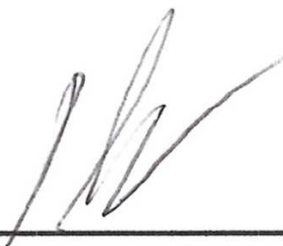
The entity is incorporated under the Corporations Act 2001 and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$2 each towards meeting any outstanding obligations of the entity. At 30 June 2022, the total amount that members of the company are liable to contribute if the company is wound up is \$618 (2021: \$674).

Auditor's Independence Declaration

The lead reviewer's independence declaration for the year ended 30 June 2022 has been received and can be found on page 3 of the financial report.

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

Chairperson



Date: 31 August 2022

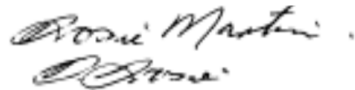
WEST TAMWORTH SPORTS & BOWLING CLUB LTD
ABN 44 611 465 237

AUDITORS' INDEPENDENCE DECLARATION
UNDER S 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
WEST TAMWORTH SPORTS & BOWLING CLUB LTD

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of West Tamworth Sports & Bowling Club Ltd. As the lead review partner for the review of the financial report of West Tamworth Sports & Bowling Club Ltd for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

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

Name of Firm: Brosie Martin



Name of Partner: Brian Brosie - Registration 1472

Date: 31 August 2022

Address: 131 Marius Street
TAMWORTH NSW 2340

WEST TAMWORTH SPORTS & BOWLING CLUB LTD
ABN 44 611 465 237

**STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022**

| | Note | 2022 \$ | 2021 \$ |
|---|------|----------------------|----------------------|
| Revenue | 2 | 605,984 | 787,387 |
| Cost of goods sold | | (157,849) | (219,368) |
| Employee benefits expense | | (244,982) | (269,164) |
| Depreciation | 3 | (46,941) | (43,614) |
| Other expenses | | <u>(145,065)</u> | <u>(169,082)</u> |
| Profit before income tax | | 11,147 | 86,159 |
| Income tax expense | | <u>-</u> | <u>-</u> |
| Profit for the year | | <u><u>11,147</u></u> | <u><u>86,159</u></u> |
| Other comprehensive income for the year | | <u>-</u> | <u>-</u> |
| Total comprehensive income for the year | | <u><u>11,147</u></u> | <u><u>86,159</u></u> |
| Total comprehensive income attributable to members of the entity | | <u><u>11,147</u></u> | <u><u>86,159</u></u> |

The accompanying notes form part of these financial statements

WEST TAMWORTH SPORTS & BOWLING CLUB LTD
ABN 44 611 465 237

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

| | Note | 2022 \$ | 2021 \$ |
|--------------------------------------|------|------------------|------------------|
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 6 | 314,801 | 319,764 |
| Trade and other receivables | 7 | 628 | 2,422 |
| Inventories | 8 | 17,354 | 14,795 |
| Other assets | 9 | 1,302 | 10,766 |
| TOTAL CURRENT ASSETS | | <u>334,085</u> | <u>347,747</u> |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | 10 | 1,111,111 | 1,088,098 |
| Right-of-use assets | 12 | 20,188 | 21,630 |
| TOTAL NON-CURRENT ASSETS | | <u>1,131,299</u> | <u>1,109,728</u> |
| TOTAL ASSETS | | <u>1,465,384</u> | <u>1,457,475</u> |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Payables | 11 | 33,426 | 41,038 |
| Lease Liabilities | | 1,586 | 1,586 |
| Provisions | 13 | 21,530 | 18,435 |
| TOTAL CURRENT LIABILITIES | | <u>56,542</u> | <u>61,059</u> |
| NON-CURRENT LIABILITIES | | | |
| Lease Liabilities | | 20,621 | 22,207 |
| Provisions | 13 | 2,865 | - |
| TOTAL NON-CURRENT LIABILITIES | | <u>23,486</u> | <u>22,207</u> |
| TOTAL LIABILITIES | | <u>80,028</u> | <u>83,266</u> |
| NET ASSETS | | <u>1,385,356</u> | <u>1,374,209</u> |
| EQUITY | | | |
| Reserves | 4 | 825,565 | 825,565 |
| Retained earnings | 5 | 559,791 | 548,644 |
| TOTAL EQUITY | | <u>1,385,356</u> | <u>1,374,209</u> |

The accompanying notes form part of these financial statements

WEST TAMWORTH SPORTS & BOWLING CLUB LTD
ABN 44 611 465 237

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022

| | <u>Retained Earnings</u> | <u>Asset Revaluation Reserve</u> | <u>Total</u> |
|--|------------------------------|--|-------------------------|
| Balance at 1 July 2020 | 462,485 | 825,565 | 1,288,050 |
| Total comprehensive income attributable to members of the entity for the year | | | |
| Profit for the year | 86,159 | - | 86,159 |
| Balance at 30 June 2021 | <u>548,644</u> | <u>825,565</u> | <u>1,374,209</u> |
| Total comprehensive income attributable to members of the entity for the year | | | |
| Profit for the year | 11,147 | - | 11,147 |
| Balance at 30 June 2022 | <u><u>559,791</u></u> | <u><u>825,565</u></u> | <u><u>1,385,356</u></u> |

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

The accompanying notes form part of these financial statements

WEST TAMWORTH SPORTS & BOWLING CLUB LTD
ABN 44 611 465 237

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

| | Note | 2022 \$ | 2021 \$ |
|--|----------|-----------------------|-----------------------|
| Cash Flows from Operating Activities | | | |
| Receipts from customers | | 615,426 | 751,035 |
| Government assistance | | 30,000 | 86,103 |
| Interest received | | 126 | 170 |
| Payments to suppliers & employees | | (597,264) | (685,821) |
| Net cash generated from (used in) Operating Activities | | <u>48,288</u> | <u>151,487</u> |
| Cash Flows from Investing Activities | | | |
| Proceeds from sale of poker machines | | 16,000 | 16,000 |
| Payment for clubhouse & greens improvements | | - | (1,308) |
| Payment for plant & equipment | | (21,261) | (10,156) |
| Payment for poker machines | | (47,990) | (44,490) |
| Net cash used in Investing Activities | | <u>(53,251)</u> | <u>(39,954)</u> |
| Net increase (decrease) in Cash held | | (4,963) | 111,533 |
| Cash and Cash Equivalents at beginning of Financial Year | | 319,764 | 208,231 |
| Cash and Cash Equivalents at end of Financial | 6 | <u>314,801</u> | <u>319,764</u> |

The accompanying notes form part of these financial statements

WEST TAMWORTH SPORTS & BOWLING CLUB LTD

ABN 44 611 465 237

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

The financial report covers the West Tamworth Sports & Bowling Club Ltd as an individual entity. The West Tamworth Sports & Bowling Club Ltd is a Company Limited by Guarantee under the Corporations Act 2001, incorporated and domiciled in Australia.

1. STATEMENT OF SIGNIFICANT 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 of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The entity is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

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

The financial statements were authorised for issue on 31 August 2022 by the directors of the entity.

Accounting Policies

(a) Revenue & 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 entity 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
5. Recognise revenue as and when control of the performance obligations is transferred.

WEST TAMWORTH SPORTS & BOWLING CLUB LTD

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022 (Continued)

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 entity 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 entity are:

Membership

Revenue from the rendering of a service is recognised upon delivery of the service to the members. Members subscriptions received in advance of the following year are brought to account as a liability at balance date.

Trading Revenue

Trading revenue represents revenue earned from the club's trading activities. It includes poker machine revenue, bar sales, catering revenue, and commission received etc. It is recognised as the income is earned.

Interest revenue is recognised using the effective interest method.

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

(b) Inventories

Inventories held for sale are measured at the lower of cost and net realisable value.

Inventories acquired at no cost or for nominal consideration are valued at the current replacement cost as at the date of acquisition.

(c) Property, Plant and Equipment

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

Property

The Clubhouse building and site improvements were independently valued by Mr B.C. Sharrock on 3 May 2006 at a fair value of \$850,000. All building and site improvements held by the Company are core property.

WEST TAMWORTH SPORTS & BOWLING CLUB LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022 (Continued)

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

Increases in the carrying amount arising on revaluation of buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset the previous increases in the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in 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 and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer Note 1(f) for details of impairment).

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated over the useful lives of the assets to the entity commencing from the time the asset is held ready for use.

Depreciation rates used for each class of asset are as follows:

| | |
|---------------------------|---------------------------|
| Buildings | 1% (Prime Cost) |
| Plant & Equipment | 10% (Diminishing Value) |
| Poker Machines | 20% (Diminishing Value) |
| Furniture & Fittings | 5% (Diminishing Value) |
| Kitchen Equipment | 5% (Diminishing Value) |
| Function Centre Equipment | 10% (Diminishing Value) |
| Motor Vehicles | 22.5% (Diminishing Value) |

WEST TAMWORTH SPORTS & BOWLING CLUB LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022 (Continued)

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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

(d) Leases

At inception of a contract, the Entity assesses if the contract is, or contains, a lease. If there is a lease present, a right-of-use asset and corresponding lease liability is recognised by the Entity where the Entity is the lessee. However all contracts that are classified as short term leases (lease with remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The Lease payments are discounted at the interest implicit in the lease. If the rate cannot be readily determined, the Entity uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- lease payments under extension options if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any indirect costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest.

Concessionary Leases

For leases that have significantly below-market terms and conditions principally to enable the Entity to further its objectives (commonly known as peppercorn/concessionary leases), the Entity has adopted the temporary relief under AASB 2019-8 and measures the right of use assets at cost on initial recognition.

WEST TAMWORTH SPORTS & BOWLING CLUB LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022 (Continued)

In accordance with an agreement with Tamworth Regional Council, the entity occupies the land on which its business premises is located at peppercorn rent .

(e) Financial Instruments

Non-Derivative Financial Assets

The entity initially recognises loans, receivables and deposits on the date that they are originated. All other financial assets are recognised initially on the date at which the entity becomes a party to the contractual provisions of the instrument.

The entity derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contract cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Club is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the entity has a legal right to offset the amounts and intends either to settle the liability simultaneously. The entity has the following non-derivative financial assets: loans and receivables and cash and cash equivalents.

Loans and Receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Cash & Cash Equivalents

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less.

Non-Derivative Financial Liabilities

Financial liabilities are recognised initially on the date, which is the date that the entity becomes a party to the contractual provisions of the instrument.

The entity derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

WEST TAMWORTH SPORTS & BOWLING CLUB LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022 (Continued)

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when the entity has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The entity classified non derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Other financial liabilities comprise trade and other payables.

(f) Impairment of Assets

At the end of each reporting period, the entity assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying value. Any excess of the assets carrying value over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116: Property, Plant and Equipment). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

(g) Employee Benefits

Short-term Employee Benefits

Provision is made for the entity's obligation for short term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The entity's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022 (Continued)

Other long-term employee benefits

The entity classifies employees' long service leave and annual leave as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the entity's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Upon remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

The entity's obligation for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the entity does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current liabilities.

(h) Cash and Cash Equivalents

Cash and Cash equivalents include cash on hand, deposits held at call with credit unions and other short-term highly liquid investments with original maturities of three months or less.

(i) Trade and Other Receivables

Trade and other receivables include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets.

Accounts receivable are initially recognised at fair value and subsequently remeasured at amortised cost using the effective interest method, less any provision for impairment.

(j) Goods and Services Tax

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 (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

(k) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

WEST TAMWORTH SPORTS & BOWLING CLUB LTD

ABN 44 611 465 237

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022 (Continued)

(l) Provisions

Provisions are recognised when the entity has a legal and constructive obligation as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(m) Comparative Figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

(n) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the entity during the reporting period which remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(o) Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements 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 entity.

Key Estimates

(i) Valuation of Buildings & Site Improvements

The Clubhouse building and site improvements were independently valued by Mr B.C. Sharrock on 3 May 2006 at a fair value of \$850,000.

At 30 June 2022, the directors have performed a directors' valuation on the Clubhouse building and improvements. The directors have reviewed the key assumptions adopted by the valuer in 2006 and do not believe there has been a significant change in the assumptions at 30 June 2022. The directors therefore believe the carrying amount of the buildings correctly reflects the fair value less costs of disposal at 30 June 2022.

(ii) Useful lives of property, plant and equipment

As described in Note 1(c) , the entity reviews the estimated useful lives of property, plant and equipment at the end of each reporting period.

WEST TAMWORTH SPORTS & BOWLING CLUB LTD

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022 (Continued)

Key Judgements

(i) Performance Obligations under AASB 15

To identify a performance obligation under AASB:15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/type, cost/value, quantity and the period of transfer related to the goods or services promised.

(ii) Employee Benefits

For the purpose of measurement, AASB 119: *Employee Benefits* defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. As the entity expects that most employees will not use all of their annual leave entitlements in the same year in which they are earned or during the 12-month that follows, the directors believe that obligations for annual leave entitlements satisfy the definition of other long-term employee benefits and, therefore, are required to be measured at the present value of the expected value of the expected future payments to be made to employees.

(o) New Accounting Standards Adopted by the Company

Initial application of AASB 1060: General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

The entity has adopted AASB 1060: *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* for the first time this reporting period. The Standard, which sets out a new separate disclosure Standard to be applied by all entities that are reporting under Tier 2 of the Differential Reporting Framework in AASB 1053: Application of Tiers of Australian Accounting, replaces the previous Reduced Disclosure Requirements (RDR) framework. The application of this standard has resulted in reductions in disclosures compared to RDR in Revenue, Leases and Financial Instruments; however has resulted in new and/or increased disclosures in areas such as Audit Fees and Related Parties.

Leased Clubhouse & Greens

Land on which the Clubhouse & Greens are constructed is owned by Tamworth Regional Council. The entity currently pays an annual lease to Tamworth Regional Council. The term of the lease is to 30 June 2036.

WEST TAMWORTH SPORTS & BOWLING CLUB LTD
ABN 44 611 465 237

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022 (Continued)

| | 2022 | 2021 |
|---|----------------|----------------|
| | \$ | \$ |
| 2 Revenue | | |
| Operating activities | | |
| Sale of Goods | 327,033 | 458,455 |
| Poker Machine Income (Net) | 152,102 | 140,763 |
| Interest | 126 | 170 |
| Government Assistance | 30,000 | 62,951 |
| Profit on Sale of Assets | 15,261 | 15,577 |
| Other Revenue | <u>81,462</u> | <u>109,471</u> |
| | <u>605,984</u> | <u>787,387</u> |
| | | |
| 3 Profit/(Loss) from ordinary activities | | |
| Profit/(loss) from ordinary activities before income tax expense has been determined after: | | |
| | | |
| Expenses: | | |
| Cost of Sales | 157,849 | 219,368 |
| Depreciation | <u>46,941</u> | <u>43,614</u> |
| | | |
| Remuneration of Auditor | | |
| Reviewing the Financial Statements | 9,000 | 9,000 |
| Other Services | <u>1,750</u> | <u>23,849</u> |
| | <u>10,750</u> | <u>32,849</u> |
| | | |
| 4 Reserves | | |
| Asset Revaluation Reserve | | |
| Balance at Beginning and End of Year | <u>825,565</u> | <u>825,565</u> |
| | | |
| 5 Retained Earnings | | |
| Balance at Beginning of the Year | 548,644 | 462,485 |
| Net profit/(loss) from ordinary activities | <u>11,147</u> | <u>86,159</u> |
| Balance at End of Year | <u>559,791</u> | <u>548,644</u> |

WEST TAMWORTH SPORTS & BOWLING CLUB LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021 (Continued)

| | 2021 | 2020 |
|--|------------------|------------------|
| | \$ | \$ |
| 6 Cash and Cash Equivalents (Current) | | |
| Cash at Credit Union | 291,002 | 296,769 |
| Cash on Hand | 23,799 | 22,995 |
| | <u>314,801</u> | <u>319,764</u> |
| 7 Trade and Other Receivables (Current) | | |
| Receivables | <u>628</u> | <u>2,422</u> |
| 8 Inventories (Current) | | |
| At cost: | | |
| Trading Stock | <u>17,354</u> | <u>14,795</u> |
| 9 Other Assets (Current) | | |
| Prepayments | <u>1,302</u> | <u>10,766</u> |
| 10 Property, Plant and Equipment | | |
| Clubhouse and Greens - Core Property | | |
| At Independent Valuation 3/5/06 | 850,000 | 850,000 |
| Additions at Cost | 178,115 | 178,115 |
| Less: Accumulated Depreciation | <u>(199,779)</u> | <u>(186,136)</u> |
| | <u>828,336</u> | <u>841,979</u> |
| Plant & Equipment at Cost | 563,416 | 542,155 |
| Less: Accumulated Depreciation | <u>(396,126)</u> | <u>(384,919)</u> |
| | <u>167,290</u> | <u>157,236</u> |
| Poker Machines at Cost | 260,937 | 233,826 |
| Less: Accumulated Depreciation | <u>(148,866)</u> | <u>(149,348)</u> |
| | <u>112,071</u> | <u>84,478</u> |
| Motor Vehicle at Cost | 21,273 | 21,273 |
| Less: Accumulated Depreciation | <u>(17,859)</u> | <u>(16,868)</u> |
| | <u>3,414</u> | <u>4,405</u> |
| Total Property, Plant and Equipment | <u>1,111,111</u> | <u>1,088,098</u> |

WEST TAMWORTH SPORTS & BOWLING CLUB LTD
ABN 44 611 465 237

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022 (Continued)

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.

| | Motor Vehicles | Buildings | Plant and Equipment | Poker Machines | Total |
|--------------------------------|---------------------------|------------------|--------------------------------|---------------------------|--------------|
| Balance at beginning of year | 4,405 | 841,979 | 157,236 | 84,478 | 1,088,098 |
| Additions at cost | - | - | 21,261 | 47,990 | 69,251 |
| Disposals | - | - | - | (739) | (739) |
| Depreciation expense | (991) | (13,643) | (11,207) | (19,658) | (45,499) |
| Carrying amount at end of year | 3,414 | 828,336 | 167,290 | 112,071 | 1,111,111 |

| | 2022 \$ | 2021 \$ |
|--|--------------------|--------------------|
| 11 Trade and Other Payables (Current) | | |
| Trade Creditors and Accruals | 23,862 | 27,986 |
| Deferred income | 2,952 | 5,298 |
| Other current payables - GST | 6,612 | 7,754 |
| | <u>33,426</u> | <u>41,038</u> |

Financial liabilities at amortised cost classified as trade and other payables

| | | |
|---------------------------|----------------|----------------|
| Trade and other payables: | | |
| - total current | 33,426 | 41,038 |
| - total non-current | - | - |
| | <u>33,426</u> | <u>41,038</u> |
| Less deferred income | <u>(2,952)</u> | <u>(5,298)</u> |
| | <u>30,474</u> | <u>35,740</u> |

12 Right-of-Use Assets

| | | |
|--------------------------------|----------------|----------------|
| Leased land | 23,072 | 23,072 |
| Less: Accumulated Depreciation | <u>(2,884)</u> | <u>(1,442)</u> |
| | <u>20,188</u> | <u>21,630</u> |

Movement in carrying amount

| | | |
|--------------------------------|----------------|----------------|
| Leased land: | | |
| Opening balance | 21,630 | - |
| Addition to right-of-use asset | - | 23,072 |
| Depreciation expense | <u>(1,442)</u> | <u>(1,442)</u> |
| | <u>20,188</u> | <u>21,630</u> |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022 (Continued)

| | | 2022 \$ | 2021 \$ |
|----------------------|--|-------------------------------------|---------------------|
| 13 Provisions | | | |
| | CURRENT | | |
| | Provision for Employee Benefits : Annual Leave | 9,979 | 7,899 |
| | Provision for Employee Benefits : Long Service Leave | 11,551 | 10,536 |
| | | <u>21,530</u> | <u>18,435</u> |
| | NON-CURRENT | | |
| | Provision for Employee Benefits : Long Service Leave | <u>2,865</u> | <u>-</u> |
| | | Employee Benefits \$ | Total \$ |
| | Analysis of total provisions: | | |
| | Opening Balance as at 1 July 2021 | 18,435 | 18,435 |
| | Additional provisions raised during year | 8,979 | 8,979 |
| | Amounts used | 3,019 | 3,019 |
| | Balance as at 30 June 2022 | <u>24,395</u> | <u>24,395</u> |

Provision for Employee Benefits

Provision for employee benefits represents amount accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlement that have vested due to employees having completed the required period of service. Based on past experience, the company does not expect the full annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

14 Financial Risk Management

The company's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

| | Note | 2022 \$ | 2021 \$ |
|------------------------------------|------|-----------------------|-----------------------|
| Financial Assets | | | |
| Cash and Cash Equivalents | 6 | 314,801 | 319,764 |
| Receivables | 7 | <u>628</u> | <u>2,422</u> |
| Total Financial Assets | | <u><u>315,429</u></u> | <u><u>322,186</u></u> |
| Financial Liabilities | | | |
| Trade and other payables | 11 | <u>30,474</u> | <u>35,740</u> |
| Total Financial Liabilities | | <u><u>30,474</u></u> | <u><u>35,740</u></u> |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022 (Cont)

a) Credit risk:

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provisions, as disclosed in the statement of financial position and notes to the financial statements. The Club does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Club.

b) Net fair values:

The aggregate net fair values and carrying amount of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

15 Events after the Reporting Period

The directors are not aware of any significant events since the end of the reporting period.

16 Other Related Party Transactions

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

There have been no other related party transactions during the financial year.

17 Entity Details

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

West Tamworth Sports & Bowling Club Ltd
Belmore Street
West Tamworth NSW 2340

18 Members' Guarantee

The entity is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute to a maximum of \$2 each towards meeting any outstanding obligations of the entity. At 30 June 2022 the number of members was 309.

WEST TAMWORTH SPORTS & BOWLING CLUB LTD
ABN 44 611 465 237

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of the West Tamworth Sports & Bowling Club Ltd, the director's declare that:

- 1 The financial statements and notes, as set out on pages 3 to 21, satisfy the requirements of the *Corporations Act 2001* and:
 - (a) comply with Australian Accounting Standards - Simplified Disclosures applicable to the entity; and
 - (b) give a true and fair view of the financial position of the entity as at the 30 June 2022 and of its performance for the year ended on that date.
- 2 In the directors' opinion there are reasonable grounds to believe that the entity 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.

Chairman



Douglas Stewart

Date: 31 August 2022

INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
WEST TAMWORTH SPORTS & BOWLING CLUB LTD
ABN 44 611 465 237

Report on the Financial Report

We have reviewed the accompanying financial statements of West Tamworth Sports & Bowling Club Ltd for the financial year ended 30 June 2022 as set out on pages 4 to 22.

Director's Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - AASB 1060: General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities and the Corporations Regulations 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the financial statements based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2415 *Review of a Financial Report - Company Limited by Guarantee*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the company's financial position as at 30 June 2022 and its performance for the year then ended on that date; and complying with the Australian Accounting Standards and Corporations Regulations 2001. ASRE 2415 requires that we comply with the ethical requirements relevant to the review of the financial report.

A review of a financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Accounting Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified during an audit. Accordingly, we do not express an audit opinion.

Independence

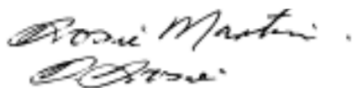
In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, as set out on page 3 of the financial statements would be in the same terms if provided to the directors as at the date of this auditor's report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the financial report of West Tamworth Sports & Bowling Club Ltd is not in accordance with the Corporations Act 2001 including:

- a. giving a true and fair view of the company's financial position as at 30 June 2022 and of its performance for the year then ended;
- b. complying with Australian Accounting Standards - AASB 1060: *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities and the Corporations Regulations 2001*

Name of Firm: BROSIE MARTIN



Name of Partner: Brian J Brosie (Registration No: 1472)

Address: 131 Marius Street, Tamworth NSW 2340

Date: 31 August 2022

WEST TAMWORTH SPORTS & BOWLING CLUB LTD
ABN 44 611 465 237

COMPILATION REPORT

Scope

On the basis of information provided by the directors of West Tamworth Sports & Bowling Club Ltd, we have compiled in accordance with APES 315: *Compilation of Financial Information* the following special purpose financial report of West Tamworth Sports & Bowling Club Ltd comprising Trading and Profit and Loss Account for the year ended 30 June 2022.

The specific purpose for which the special purpose financial report has been prepared is for the confidential use of the directors and members. Accounting Standards and other mandatory professional reporting requirements have not been adopted in the preparation of the special purpose financial report.

The directors are solely responsible for the information contained in the special purpose financial report and have determined that the accounting policies used are consistent with the financial reporting requirements of West Tamworth Sports & Bowling Club Ltd's constitution and are appropriate to meet the needs of the directors and members of the company.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the directors provided into a financial report. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

To the extent permitted by law, we do not accept liability for any loss or damage which any person, other than the company, may suffer arising from any negligence on our part. No person should rely on the special purpose financial report without having an audit or review conducted.

The special purpose financial report was compiled exclusively for the benefit of the directors and members of the company and the purpose identified above. We do not accept responsibility to any other person for the contents of the special purpose financial report.

Name of Firm: Brosie Martin Barnett

Name of Partner:



Robert Taggart

Address: 131 Marius Street,
TAMWORTH NSW 2340

Date: 31 August 2022

WEST TAMWORTH SPORTS & BOWLING CLUB LTD
ABN 44 611 465 237

DETAILED INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2022

| | <u>2022</u> | <u>2021</u> |
|---------------------------------------|----------------|----------------|
| | \$ | \$ |
| <u>Income</u> | | |
| Poker Machine Revenue | 152,125 | 142,452 |
| GST Assistance | 14,065 | 13,856 |
| | <u>166,190</u> | <u>156,308</u> |
| Less Expenses | <u>14,088</u> | <u>15,545</u> |
| Net Poker Machine Income | 152,102 | 140,763 |
| Gross Profit from Trading | 169,184 | 239,087 |
| Members' Subscriptions | 8,520 | 11,078 |
| Catering Income | 6,797 | 11,311 |
| Commissions Received | 17,544 | 26,234 |
| Competition & Green Fees | 18,045 | 34,170 |
| Government Assistance | 30,000 | 62,951 |
| Hire - Club | 540 | 409 |
| Interest Received | 126 | 170 |
| Rebates Received | 19,998 | 11,296 |
| Sponsorship, Donations, Raffles | 9,747 | 13,411 |
| Sundry Income | 271 | 1,562 |
| Total Income | <u>432,874</u> | <u>552,442</u> |
| <u>Expenses</u> | | |
| Advertising | 945 | 1,101 |
| Accounting Fees | 1,750 | 23,849 |
| Affiliation Fees | 8,759 | 5,710 |
| Auditor's Remuneration | 9,000 | 9,000 |
| Cleaning | 11,975 | 12,732 |
| Computer Software, Support & Internet | 3,711 | 49 |
| Electricity & Gas | 17,249 | 19,150 |
| Entertainment | 682 | 1,245 |
| General Expenses | 5,768 | 9,428 |
| Insurance | 39,283 | 29,737 |
| Keno Promotions & Expenses | 1,010 | 1,960 |
| Motor Vehicle Expenses | 3,786 | 3,906 |
| Printing, Stationery & Postage | 1,733 | 2,516 |
| Promotions | 7,175 | 7,498 |
| Rates | 9,810 | 9,516 |
| Repairs & Maintenance | 9,813 | 16,959 |
| Security Costs | 2,083 | 1,833 |
| Sponsorship & Donations | 1,818 | 1,359 |
| Telephone | 3,391 | 3,331 |

Subject to compilation report attached

WEST TAMWORTH SPORTS & BOWLING CLUB LTD

ABN 44 611 465 237

DETAILED INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2022

| | <u>2022</u> | <u>2021</u> |
|---|----------------|----------------|
| | \$ | \$ |
| Uniforms | 559 | 754 |
| Wages - Bar | 114,687 | 140,522 |
| - Greens | 48,806 | 45,060 |
| - Cleaning | 33,764 | 49,727 |
| - Administration | 20,148 | 10,184 |
| - Kitchen | 3,413 | 4,630 |
| Superannuation | 21,616 | 21,371 |
| Water Charges | 1,352 | 2,819 |
| Total Expenses | <u>384,086</u> | <u>435,946</u> |
| | | |
| Profit (Loss) Before Provisions and Depreciation | <u>48,788</u> | <u>116,496</u> |
| | | |
| Employee Leave Provision | (5,961) | (2,300) |
| Profit on Sale of Assets | 15,261 | 15,577 |
| Depreciation | (45,499) | (42,172) |
| Land Lease - Depreciation | (1,442) | (1,442) |
| Net Profit (Loss) for Year | <u>11,147</u> | <u>86,159</u> |

Subject to compilation report attached

WEST TAMWORTH SPORTS & BOWLING CLUB LTD
ABN 44 611 465 237

TRADING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022

| | <u>2022</u> | <u>2021</u> |
|-----------------------------------|--------------------|--------------------|
| <u>Sales</u> | <u>327,033</u> | <u>458,455</u> |
| <u>Less: Cost of Sales</u> | | |
| Opening Stock | 14,795 | 16,568 |
| Purchases | <u>160,408</u> | <u>217,595</u> |
| | 175,203 | 234,163 |
| Closing Stock | <u>17,354</u> | <u>14,795</u> |
| | <u>157,849</u> | <u>219,368</u> |
| <u>Gross Profit</u> | <u>169,184</u> | <u>239,087</u> |
| <u>Less:</u> | | |
| Bar Wages | 114,687 | 140,522 |
| Superannuation | <u>11,469</u> | <u>13,350</u> |
| | <u>126,156</u> | <u>153,872</u> |
| Contribution to Operating Costs | <u>43,028</u> | <u>85,215</u> |
| <u>Gross Profit %</u> | <u>51.7%</u> | <u>52.2%</u> |

Subject to compilation report attached