



**Charlestown Bowling  
Club Limited**

ABN 38 609 055 115

**Annual Financial Report  
for the year ended 30 June 2024**

**Annual financial report for the year ended 30 June 2024**

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These financial statements are the financial statements of Charlestown Bowling Club Limited. The Club operates two venues being Club Charlestown and Club Lambton and the financial report represents the combination of the two venues. The financial statements are presented in the Australian currency.

The financial statements were authorised for issue by the Directors on 24 September 2024. The Directors have the power to amend and reissue the financial statements.

# Directors report

Your Directors' present their report on Charlestown Bowling Club Limited (the Club) for the year ended 30 June 2024.

## Directors details

The following persons were Directors of Charlestown Bowling Club Limited during the financial year and up to the date of this report:

### Mr Jeffrey Davis

Chairperson  
Director since 2006

Worked 44 years as a butcher and manager. During that time he obtained his butchers trade certificate.

### Mr Glenn Fielding

Director - Assets  
Director since 2016

Worked as an estimating and design manager for the electrical switchboard industry. He is also a qualified electrician.

### Mr Milton Rigby

Director - Bowls  
Director since 2012

Retired draftsman and mechanical engineer, Justice of the Peace, Vice President Greater Newcastle Bowls and Chairperson Greater Newcastle Bowls Advisory Committee.

### Mrs Julie Garry

Director - Minutes  
Director since 2018

Retired high school teacher.

### Mr George Adams

Director - Finance  
Director since 2015

Worked for 43 years in NSW public service in a range of departments. Also spent 7 years at TAFE NSW teaching at the business management faculty. Qualifications obtained include: masters of business administration, personnel administration certificate, graduate certificate in management, VET initial teaching and learning, and Cert 1V workplace training and assessment.

### Mr David King

Director since 2022  
Business owner

### Mr Ian Percival

Director - Social  
Director since 2016

Currently employed as a fire safety manager at John Hunter Hospital. Qualifications obtained include fire safety management and enterprise trainer.

### Mr Ross Collinson

Director since 2021

Retired Contract Manager/Billing Officer/ Policy Administrator

## Company secretary

Mr Michael Gray has been an employee of the Club since October 2015 and was appointed to the position of Company Secretary of Charlestown Bowling Club Limited since at that date.

## Directors' report (cont.)

### Director's meetings

The number of meetings the Directors held during the year and the number of meetings attended by each director is as follows:

Board members	Board meetings	
	A	B
Mr Jeffrey Davis	12	11
Mr Milton Rigby	12	12
Mr George Adams	12	12
Mr Ian Percival	12	11
Mr Glenn Fielding	12	11
Mrs Julie Garry	12	11
Mr David King	12	12
Mr Ross Collinson	12	9

Where:

- column A: the number of meetings the Director was entitled to attend
- column B: the number of meetings the Director attended

### Core and non-core property

Pursuant to Section 41E(5) of the Registered Clubs Act 1976 (NSW) for the financial year ended 2024, the following land and buildings are considered to be core and non-core property:

- Core**
- Freehold property situated at 5 Lincoln Street Charlestown.
  - Leasehold property situated at 51 Karoola Road Lambton

### Principal activities

During the year, the principal activities of the Club were the running of a licenced Club for the benefit of its members and to meet the Clubs objectives under its constitution.

### Significant changes in state of affairs

There have been no significant changes in the nature of these activities during the year.

### Events since the end of the financial year

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

### Short-term and long-term objectives

The Club's short-term and long-term objectives are to:

- Provide the best facilities available to members and their guests, including the promotion of the game of bowls.

To achieve these objectives the Club has adopted the following strategies:

- Maintain or increase existing revenue levels and control costs to maintain profitability which will allow the Clubs premises to be continually improved.

### Performance measurement

The Club measures its performance against industry benchmarks, gross profit percentage and wages to sales percentages to measure the financial performance of trading areas such as bar and gaming. The Club also uses EBITDA to measure the financial performance of the Club overall.

## Directors' report (cont.)

### Contribution in winding up

The Club is incorporated under the Corporations Act 2001 and is a Company limited by guarantee. If the Club 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 Club. At 30 June 2024, the total amount that members of the Club are liable to contribute if the Club wound up is \$12,803 (2023: \$10,208).

### Rounding of amounts

The Club is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the Directors' report. Amounts in the Directors' report have been rounded off in accordance with the instrument to the nearest dollar.

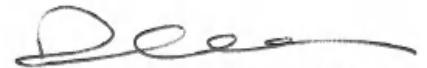
### Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 6 and forms part of this Directors' report.

This report is made in accordance with a resolution of the Directors.



Jeffrey Davis - Director



George Adams - Director

**Dated: 24 September 2024**  
**Charlestown, NSW**

## Auditor's independence declaration

To the Directors of Charlestown Bowling Club Limited

In accordance with section 307C of the Corporations Act 2001, I declare to the best of my knowledge and belief in relation to the audit of Charlestown Bowling Club Limited for the year ended 30 June 2024, there have been:

- (a) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (b) no contraventions of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) in relation to the audit.



Kirsty Porteous - Partner



Pitcher Partners NH Partnership  
Chartered Accountants

Dated: 24 September 2024  
Newcastle West, NSW

**Statement of profit or loss and other comprehensive income**

For the year ended 30 June 2024

	Notes	2024 \$	2023 \$
<b>Revenue from continuing operations</b>	2	<b>17,761,442</b>	15,540,455
Other Income		<b>13,044</b>	13,053
Bar cost of goods sold		<b>(1,584,678)</b>	(1,349,007)
Bar direct expenses		<b>(1,169,504)</b>	(1,039,561)
Bistro cost of goods sold		<b>(991,337)</b>	(858,950)
Bistro direct expenses		<b>(1,986,975)</b>	(1,747,972)
Gaming direct expenses		<b>(2,587,317)</b>	(2,135,140)
Womens bowls expenses		<b>(119,636)</b>	(110,191)
Members amenities		<b>(3,732,066)</b>	(3,141,460)
Clubhouse expenses		<b>(1,445,111)</b>	(1,338,920)
Administration expenses		<b>(3,033,915)</b>	(2,711,962)
Finance expenses		<b>(321,494)</b>	(121,850)
Mens bowls expenses		<b>(672,205)</b>	(462,896)
		<b>(17,644,238)</b>	(15,017,909)
<b>Profit / (loss) before income tax</b>		<b>130,248</b>	535,599
Income tax expense		-	-
<b>Profit / (loss) for the year</b>		<b>130,248</b>	535,599
Other comprehensive income		-	-
Other comprehensive income for the year, net of tax		-	-
<b>Total comprehensive income / (loss) for the year</b>		<b>130,248</b>	535,599

The above *statement of profit or loss and other comprehensive income* should be read in conjunction with the accompanying notes

**Statement of financial position**

For the year ended 30 June 2024

	Notes	2024 \$	2023 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	553,195	454,996
Trade receivables	5	93,191	110,461
Inventories	6	184,584	198,367
Financial assets at amortised cost	7	533,241	549,142
Other assets	8	293,637	313,822
<b>Total current assets</b>		<b>1,657,848</b>	<b>1,626,788</b>
<b>Non-current assets</b>			
Financial assets at amortised cost	7	32,559	66,509
Financial assets at fair value through other comprehensive income	9	57,049	56,532
Property, plant and equipment	10	20,823,195	21,038,601
Intangible assets	11	1,483,591	1,483,591
Leased assets	12 (a)	835,021	455,824
<b>Total non-current assets</b>		<b>23,231,415</b>	<b>23,101,057</b>
<b>Total assets</b>		<b>24,889,263</b>	<b>24,727,845</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	13	1,540,567	1,693,651
Financial liabilities	14	248,486	213,247
Provisions	15	522,643	468,023
Other liabilities	16	63,312	42,247
Lease liabilities	12 (b)	59,548	54,001
<b>Total current liabilities</b>		<b>2,434,556</b>	<b>2,471,169</b>
<b>Non-current liabilities</b>			
Financial liabilities	14	2,256,413	2,517,650
Provisions	15	120,800	102,996
Other liabilities	16	-	25
Lease liabilities	12 (b)	808,080	496,839
<b>Total non-current liabilities</b>		<b>3,185,293</b>	<b>3,117,510</b>
<b>Total liabilities</b>		<b>5,619,849</b>	<b>5,588,679</b>
<b>Net assets</b>		<b>19,269,414</b>	<b>19,139,166</b>
<b>MEMBERS FUNDS</b>			
Retained profits		19,269,414	19,139,166
<b>Total members funds</b>		<b>19,269,414</b>	<b>19,139,166</b>

The above *statement of financial position* should be read in conjunction with the accompanying notes



Charlestown Bowling Club Limited

## Statement of changes in equity

For the year ended 30 June 2024

	<b>Retained Profits</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
<b>Balance at 1 July 2022</b>	18,603,567	18,603,567
Profit/(loss) for the year	535,599	535,599
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>535,599</b>	<b>535,599</b>
<b>Balance at 30 June 2023</b>	<b>19,139,166</b>	<b>19,139,166</b>
Profit/(loss) for the year	130,248	130,248
<b>Total comprehensive income for the year</b>	<b>130,248</b>	<b>130,248</b>
<b>Balance at 30 June 2024</b>	<b>19,269,414</b>	<b>19,269,414</b>

The above *statement of changes in equity* should be read in conjunction with the accompanying notes

## Statement of cash flows

For the year ended 30 June 2024

Notes	2024 \$	2023 \$
<b>Cash flows from operating activities</b>		
Receipts from members and customers	19,738,475	17,343,139
Payments to suppliers and employees	(17,467,891)	(15,694,177)
Interest received	13,044	1,899
Interest paid	(321,494)	(121,850)
<b>Net cash inflow (outflow) from operating activities</b>	<b>1,962,134</b>	<b>1,529,011</b>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	(1,510,825)	(4,758,461)
Proceeds from sale of property, plant and equipment	-	38,000
Proceeds from dividends	2,253	1,811
Payments for investment in shares	(2,770)	(10,503)
Transfer to/from interest bearing deposit	(7,370)	2,059
<b>Net cash inflow (outflow) from investing activities</b>	<b>(1,518,712)</b>	<b>(4,727,094)</b>
<b>Cash flows from financing activities</b>		
Repayment of lease liabilities	(119,225)	(22,801)
Proceeds from borrowings	-	2,949,657
Repayment of borrowings	(225,998)	(269,103)
<b>Net cash inflow (outflow) from financing activities</b>	<b>(345,223)</b>	<b>2,657,753</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>98,199</b>	<b>(540,330)</b>
Cash and cash equivalents at the beginning of the financial year	454,996	995,326
<b>Cash and cash equivalents at the end of the financial year</b>	<b>553,195</b>	<b>454,996</b>

The above *statement of cash flows* should be read in conjunction with the accompanying notes

## Notes to the financial statements

For the year ended 30 June 2024

### 1 Summary of material accounting policies

#### (a) Information about the entity

- Charlestown Bowling Club Limited is a company limited by guarantee, incorporated and domiciled in Australia.
- Charlestown Bowling Club Limited is a not for profit entity for the purpose of preparing the financial report.
- The registered office of the Club is 5 Lincoln Street, Charlestown NSW 2290.
- The principal places of business of the Club is 5 Lincoln Street, Charlestown NSW 2290 and 51 Karoola Road, Lambton 2299.

#### (b) Basis of preparation

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards - Simplified Disclosures, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. This includes the disclosure requirements of AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-For-Profit Tier 2 Entities.

#### (c) Material accounting policy information

The material accounting policies applied in the preparation of this financial report are consistent with the previous period unless otherwise stated.

#### (d) Statement of compliance

This financial report complies with AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities as issued by the Australian Accounting Standards Board (AASB).

The financial report has been prepared on an accruals basis and is based on historical costs unless otherwise stated. The financial report is presented in Australian Dollars.

#### (e) Income Taxes

The Club is exempt from income tax under section 50-45 of the Income Tax Assessment Act 1997.

#### (f) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case, it is recognised as part of the cost of acquisition of the asset or as part of the expense.

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 from, or payable to the ATO, are presented as operating cash flows.

#### (g) Rounding of amounts

The Club is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with the instrument to the nearest dollar.

#### (h) Working capital deficiency

As at 30 June 2024, Charlestown Bowling Club has a working capital deficiency of \$776,708, represented by current assets of \$1,657,848 and current liabilities of \$2,434,556.

The Directors have determined that the going concern basis of preparation is appropriate given the following:

- (a) The Club has a cash balance at 30 June 2023 of \$553,195 with a further \$520,963 in term deposits.
- (b) The Club reported a net profit of \$130,248.
- (c) The Club reported positive operating cashflows of \$1,962,134 for the year ended 30 June 2024.
- (d) The Club do not foresee any issues in continuing to meet the terms and conditions of its loans with the Bank.

The Directors are of the opinion the above will be achieved and the Club will continue as a going concern and meet its debts and commitments as they fall due. As a result, the Directors have prepared the financial report on a going concern basis.

**Notes to the financial statements**

For the year ended 30 June 2024

**2 Revenue****(a) Disaggregation of revenue from contracts with customers**

The Club derives revenue from the transfer of goods and services over time and at a point in time for the following services:

	Food and beverage Revenue	Bowling Revenue	Raffle and Bingo Revenue	Gaming Revenue	Other Revenue	Total
	\$	\$	\$	\$	\$	\$
2024						
Revenue from contracts with customers	6,619,606	186,434	3,908,117	6,666,297	335,889	17,716,343
Other revenue (not covered by AASB15)	-	-	-	35,792	9,307	45,099
	<b>6,619,606</b>	<b>186,434</b>	<b>3,908,117</b>	<b>6,702,089</b>	<b>345,196</b>	<b>17,761,442</b>

*Timing of revenue recognition*

At a point in time	6,619,606	186,434	3,908,117	6,702,089	345,196	17,761,442
Over time	-	-	-	-	-	-
	<b>6,619,606</b>	<b>186,434</b>	<b>3,908,117</b>	<b>6,702,089</b>	<b>345,196</b>	<b>17,761,442</b>

	Food and beverage Revenue	Bowling Revenue	Raffle and Bingo Revenue	Gaming Revenue	Other Revenue	Total
	\$	\$	\$	\$	\$	\$
2023						
Revenue from contracts with customers	5,742,575	113,692	3,221,494	6,016,552	406,488	15,500,801
Other revenue (not covered by AASB15)	-	-	-	34,360	5,294	39,654
	<b>5,742,575</b>	<b>113,692</b>	<b>3,221,494</b>	<b>6,050,912</b>	<b>411,782</b>	<b>15,540,455</b>

*Timing of revenue recognition*

At a point in time	5,742,575	113,692	3,221,494	6,050,912	411,782	15,540,455
Over time	-	-	-	-	-	-
	<b>5,742,575</b>	<b>113,692</b>	<b>3,221,494</b>	<b>6,050,912</b>	<b>411,782</b>	<b>15,540,455</b>

**(b) Accounting policies (Revenue Recognition)**

The Club recognises revenue related to the transfer of promised goods or services when a performance obligation is satisfied and when control of the goods or services passes to the customer. The amount of revenue recognised reflects the consideration to which the Club is or expects to be entitled in exchange for those goods or services.

The Club considers whether there are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g. Loyalty Points Program). In determining the transaction price for the sale of goods, the Club considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

*(i) Sale of goods - food and beverage revenue*

The Club sells a range of food and beverages. Revenue from the sale of goods is recognised when the Club sells a product to the customer.

*(ii) Provision of services - bowling revenue*

Bowling revenue comprises green fees and competition fees and is recognised at a point in time when the game of bowls has been completed as at this point the performance obligations have been satisfied and also membership revenue which is recognised per paragraph (iii).

*(iii) Provision of services - raffle and bingo revenue*

Raffle and bingo revenue is recognised at a point in time when the customer takes possession of the ticket and the raffle or bingo game has been conducted as at this point the performance obligations have been satisfied.

## Notes to the financial statements

For the year ended 30 June 2024

### 2 Revenue

#### (b) Accounting policies (Revenue Recognition) (continued)

(v) *Provision of services - gaming revenue*

Revenue from rendering services from gaming facilities to members and other patrons of the club is recognised when the services are provided. Gaming revenue is measured at the fair value of the consideration received from the net position of the wagers placed less customer winnings paid out. Commission income where the Club acts as an agent for third parties who provide wagering services to members and guests is recognised at a point in time when the wagering transactions have been completed.

(vi) *Other revenue*

The Club recognises other revenue at a point in time when the performance obligation has been satisfied.

### 3 Other income expense items

	2024	2023
	\$	\$
<b>(a) Other expenses</b>		
Employee Benefits Expense	5,430,770	4,893,425
Depreciation and amortisation	1,267,584	973,898
Loss on disposal of assets	-	7,084

### 4 Cash and cash equivalents

#### Current

Cash and cash equivalents	553,195	454,996
	<u>553,195</u>	<u>454,996</u>

#### Accounting policy

Cash and short-term deposits in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less. For the purpose of the Statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts (if any).

**Notes to the financial statements**

For the year ended 30 June 2024

**5 Trade receivables**

	2024	2023
	\$	\$
<b>Current</b>		
Trade receivables	93,191	110,461
	<u>93,191</u>	<u>110,461</u>

**6 Inventories**

<b>Current</b>		
Stock on hand - bar	101,958	130,525
Stock on hand - bistro	40,657	45,292
Other	41,969	22,550
	<u>184,584</u>	<u>198,367</u>

**Accounting policy**

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

**7 Financial assets at amortised cost**

<b>Current</b>		
Term deposits	520,963	513,594
Other receivables	12,278	35,548
	<u>533,241</u>	<u>549,142</u>
<b>Non - Current</b>		
Other receivables	32,559	66,509
	<u>32,559</u>	<u>66,509</u>

**Accounting policy**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in interest income using the effective interest rate method.

**8 Other assets**

<b>Current</b>		
Prepayments	268,372	276,432
Other assets	25,265	37,390
	<u>293,637</u>	<u>313,822</u>

**Accounting policy**

This includes prepayments made in advance for goods and services which are to be received in a future period.

**9 Financial assets at fair value through profit or loss**

<b>Non Current</b>		
Shares	57,049	56,532
	<u>57,049</u>	<u>56,532</u>

**Accounting policy**

Equity instruments are measured at fair value with changes in fair value recognised through profit and loss. Dividends received on these investments are recognised in the Statement of profit or loss and other comprehensive income unless the distribution clearly represents a recovery of part of the cost of the investment.

**Notes to the financial statements**

For the year ended 30 June 2024

**10 Property, plant and equipment**

	Land, buildings and bowling greens	Plant and equipment	Poker machines	Capital WIP	Total
	\$	\$	\$	\$	\$
<b>Non-current assets</b>					
<b>At 1 July 2023</b>					
Cost	20,649,098	4,095,615	4,472,322	2,689,176	31,906,211
Accumulated depreciation	(4,580,838)	(3,082,802)	(3,203,970)	-	(10,867,610)
Net book amount	16,068,260	1,012,813	1,268,352	2,689,176	21,038,601
<b>Year ended 30 June 2024</b>					
Opening net book amount	16,068,260	1,012,813	1,268,352	2,689,176	21,038,601
Additions	202,766	195,034	290,681	319,740	1,008,221
Disposals	(847)	(12,012)	-	-	(12,859)
Transfers	2,658,986	-	-	(2,658,986)	-
Depreciation charge	(583,255)	(238,069)	(389,444)	-	(1,210,768)
Closing net book amount	18,345,910	957,766	1,169,589	349,930	20,823,195
<b>Year ended 30 June 2024</b>					
Cost	23,509,149	4,205,162	4,209,450	349,930	32,273,691
Accumulated depreciation	(5,163,239)	(3,237,512)	(3,049,745)	-	(11,450,496)
Net book amount	18,345,910	967,650	1,159,705	349,930	20,823,195

**Accounting policy****(a) Land and buildings**

Freehold land and buildings are carried at cost less any accumulated depreciation and any impairment in value.

**(b) Plant and equipment, poker machines**

Each class of plant and equipment and poker machine is carried at cost less any accumulated depreciation and any accumulated impairment losses.

**(c) Depreciation**

Depreciation is calculated on a straight line basis over the estimated useful life of the asset as follows:

Buildings and greens	10 - 50 years
Plant & Equipment	3 - 20 years
Poker Machines	2 - 5 years

**(d) Capital work in progress**

Capital work in progress represents costs incurred to date for projects which have not been completed at balance date. When such time these projects are completed, the fixed assets will be recognised and depreciated over their effective life.

**(e) Impairment**

Property, plant and equipment are tested for impairment whenever events or circumstances indicate that the asset may be impaired.

For impairment assessment purposes, assets are generally grouped at the lowest levels for which there are largely independent cash inflows ('cash generating units'). Accordingly, most assets are tested for impairment at the cash generating unit level. An impairment loss is recognised when the carrying amount of an asset or cash generating unit (to which the asset belongs) exceeds its recoverable amount.

**Significant accounting estimates and judgements**

The useful life of property, plant and equipment is initially assessed at the date the asset is ready for use and reassessed at each reporting date based on the use of the assets and the period over which economic benefits will be derived from the asset. There is uncertainty in relation to the assessment of the life of the asset including factors such as the rate of wear and tear and technical obsolescence. The estimates and judgements involved may impact the carrying value of the non-current assets and the depreciation and amortisation charges recorded in the statement of profit or loss and other comprehensive income should they change.

**Notes to the financial statements**

For the year ended 30 June 2024

**11 Intangible assets**

	Poker machine entitlements	Total
	\$	\$
<b>Non-current assets</b>		
<b>As at 30 June 2023</b>		
Cost	1,483,591	1,483,591
Net book amount	<u>1,483,591</u>	<u>1,483,591</u>
<b>As at 30 June 2024</b>		
Cost	<u>1,483,591</u>	<u>1,483,591</u>
Net book amount	<u>1,483,591</u>	<u>1,483,591</u>

**Accounting policy**

Poker machine entitlements are intangible assets acquired separately and are capitalised at cost, the useful lives of these intangible assets are assessed to be indefinite. These are tested for impairment annually or whenever there is an indication that the intangible asset may be impaired. The value shown for the poker machine entitlements, being their cost plus transaction costs, were tested for impairment having regard to the market value of such entitlements and the cash flow generated from holding these assets, with no impairment loss adjustment required.

**12 Leases**

	2024	2023
	\$	\$

The Club leases equipment being senpos tills as well as the land situated at the Club Lambton premises.

**a) Leased assets****Non-current**

Leased assets	<u>835,021</u>	<u>455,824</u>
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Reconciliation of leased assets	Plant and		Total	Total
	Land Lease	Equipment		
	\$	\$	\$	\$
<b>2023</b>				
At 1 July 2023	266,449	189,375	455,824	87,773
Acquisitions	-	-	-	201,950
Adjustment	436,013	-	436,013	178,676
Amortisation	-	(56,816)	(56,816)	(12,575)
<b>30 June 2024</b>	<u>702,462</u>	<u>132,559</u>	<u>835,021</u>	<u>455,824</u>
<b>b) Lease liabilities</b>				
<b>Current</b>				
Lease liabilities	-	59,548	59,548	54,001
<b>Non-current</b>				
Lease liabilities	735,021	73,059	808,080	496,839
<b>Total</b>	<u>735,021</u>	<u>132,607</u>	<u>867,628</u>	<u>550,840</u>

Reconciliation of lease liabilities	Plant and		Total	Total
	Land Lease	Equipment		
	\$	\$	\$	\$
<b>2023</b>				
At 1 July 2023	363,636	187,204	550,840	193,016
Acquisitions	-	-	-	201,950
Restatement of lease adjustment	436,013	-	436,013	178,676
Interest expense	-	7,937	7,937	11,912
Lease payments	(64,628)	(62,534)	(127,162)	(34,714)
<b>Net movement during year</b>	<u>371,385</u>	<u>(54,597)</u>	<u>316,788</u>	<u>357,824</u>
<b>30 June 2024</b>	<u>735,021</u>	<u>132,607</u>	<u>867,628</u>	<u>550,840</u>



## Notes to the financial statements

For the year ended 30 June 2024

### 12 Leases (continued)

Maturity analysis of future lease payments	Land Lease	Plant and Equipment	Total	Total
	\$	\$	\$	\$
Not later than 1 year	-	64,557	64,557	61,884
Later than 1 year and not later than 5 years	-	83,822	83,822	142,067
	-	148,379	148,379	203,951

#### Lease payments

The future lease commitment relating to the land lease in perpetuity has been recognised at the net present value of the current annual lease payment of \$17,316 and discounted using the incremental borrowing rate noted below.

#### Accounting policy

Lease assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Lease assets are depreciated over the shorter of the lease term and the estimated useful life of the underlying asset, on a basis that is consistent with the expected pattern of consumption of the economic benefits embodied in the underlying asset.

Lease liabilities are measured at the present value of the remaining lease payments. Interest expense on lease liabilities is recognised in profit or loss. Variable lease payments not included in the measurement of lease liabilities are recognised as an expense in the period in which they are incurred.

Lease payments made in relation to leases of 12-months or less and leases of low value assets (for which a lease asset and a lease liability has not been recognised) are recognised as an expense on a straight-line basis over the lease term.

At the commencement date of the lease, the lease liability is initially recognised for the present value of non-cancellable lease payments discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the 's incremental borrowing rate. The weighted average incremental borrowing rate is 5%.

Lease assets are tested for impairment whenever events or circumstances indicate that the asset may be impaired.

For impairment assessment purposes, assets are generally grouped at the lowest levels for which there are largely independent cash inflows ('cash generating units'). Accordingly, most assets are tested for impairment at the cash generating unit level. An impairment loss is recognised when the carrying amount of an asset or cash generating unit (to which the asset belongs) exceeds its recoverable amount

#### Significant accounting estimates and judgements

The useful life of lease assets (where useful life is greater than the lease term) is initially assessed at the date the asset is ready for use and reassessed at each reporting date based on the use of the assets and the period over which economic benefits will be derived from the asset. There is uncertainty in relation to the assessment of the life of the asset including factors such as the rate of wear and tear and technical obsolescence. The estimates and judgements involved may impact the carrying value of the non-current assets and the depreciation and amortisation charges recorded in the statement of profit or loss and other comprehensive income should they change.

Accounting for Lease in Perpetuity with Crown Lands NSW - The accounting treatment of the Club's lease in perpetuity with Crown Lands NSW involves judgement and estimates in determining whether the contract grants rights that result in transfer of control of the asset to the Club and therefore results in the in-substance purchase of the Land. The Directors have determined that control of the asset does not transfer to the Club and as such the contract has been treated as a lease in accordance with AASB16 Leases.

#### Lessor

As lessor for operating leases, the recognises lease payments as income. The underlying asset is depreciated on a straight line basis over its expected useful life.

**Notes to the financial statements**

For the year ended 30 June 2024

**13 Trade and other payables**

	2024	2023
	\$	\$
<b>Current</b>		
Trade payables	803,059	1,092,114
Other payables and accruals	437,067	376,344
GST payable	300,441	225,193
	<u>1,540,567</u>	<u>1,693,651</u>

**Accounting policy**

Trade and other payables, including accruals, are non-interest bearing and are generally due for payment within 30 days of the invoice date.

**14 Financial liabilities****Current***Secured*

Bank loans (i)	248,486	213,247
Total secured financial liabilities	<u>248,486</u>	<u>213,247</u>

**Non-current***Secured*

Bank loans (i)	2,256,413	2,517,650
Total secured financial liabilities	<u>2,256,413</u>	<u>2,517,650</u>

*(i) Secured liabilities*

The loan facility is secured by Club property at 5 Lincoln Street, Charlestown, NSW 2290, as well as a general security over all present and after-acquired property. The Club has an undrawn loan facility of \$44,698 at balance date.

**Accounting policy**

Financial liabilities are initially recognised at fair value, net of transaction costs incurred. Borrowing costs are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit or loss and other comprehensive income over the period of the borrowings using the effective interest rate method.

Financial liabilities are classified as current liabilities unless the Club has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

**15 Provisions****Current**

Employee entitlements (i) & (ii)	472,630	421,805
Other	50,013	46,218
	<u>522,643</u>	<u>468,023</u>

**Non-current**

Employee entitlements (ii)	120,800	102,996
	<u>120,800</u>	<u>102,996</u>

**Accounting policy***(i) Annual and sick leave*

Liabilities for annual leave and vesting sick leave expected to be settled within 12 months of the reporting date, are recognised in the provision for employee benefits in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Any annual leave expected to be settled beyond 12 months of the reporting date is measured at the present value of expected future payments.

*(ii) Long service leave*

The liabilities for long service leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to expected future wage levels and period of service. Discount rates of the Australian bond rates matching the estimated future cash outflows have been used.

**Notes to the financial statements**

For the year ended 30 June 2024

<b>16 Other liabilities</b>	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Current</b>		
Contract liabilities - membership income	44,888	29,326
Contract liabilities - income in advance	18,424	12,921
	<u>63,312</u>	<u>42,247</u>
<b>Non-current</b>		
Contract liabilities - membership income	-	25
	<u>-</u>	<u>25</u>

**Accounting policy**

Revenues received in advance are recorded as a contract liability if they are in relation to contracts with customers under AASB 15 and recognised as revenue when they are earned in future periods. Other revenue received in advance that is not covered by AASB 15 is recorded as other liabilities and is recognised as revenue when they are earned in future periods.

**17 Commitments**

(i) <i>Capital Commitments</i>		
Greens renovations	-	34,098
	<u>-</u>	<u>34,098</u>

**18 Contingent liabilities**

Bank guarantee substituting for a security deposit for TAB facilities	<u>6,000</u>	<u>6,000</u>
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The Club was notified of a claim for breach of duty of care on 14 July 2023 for an event which occurred 7 July 2021. Any costs associated are unknown at the date of this report however the Directors believe any costs will be covered by the Club's insurance.

**19 Related parties**

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

(a) *Key management personnel compensation*

Total key management personnel benefits	<u>264,849</u>	<u>253,062</u>
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(b) *Transactions with other related parties*

Director related entity supplied bowls scoreboards	210,875	-
Total transactions with related parties	<u>210,875</u>	<u>-</u>

**20 Remuneration of auditors***Auditor of the company*

Audit of the financial statements	22,700	20,200
Other services - taxation compliance services	770	400
Other services - accounting and other consulting services	16,100	20,672
	<u>39,570</u>	<u>41,272</u>

Charlestown Bowling Club Limited

## **Consolidated entity disclosure statement**

For the year ended 30 June 2024

Charlestown Bowling Club Limited is not required by Australian Accounting Standards to prepare consolidated financial statements.

Accordingly, in accordance with subsection 295 (3A) of the Corporations Act 2001, no further information is required to be disclosed in this consolidated entity disclosure statement.

## Directors' declaration

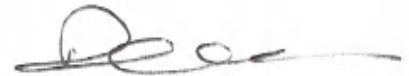
### In the Directors' opinion:

- (a) the financial statements and notes set out on pages 7 to 20 are in accordance with the Corporations Act 2001, including:
  - (i) Complying with Accounting Standards - Simplified Disclosures, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and
  - (ii) giving a true and fair view of the Club's financial position as at 30 June 2024 and of its performance for the financial year ended on that date, and
- (b) there are reasonable grounds to believe that the Club will be able to pay its debts as and when they become due and payable; and
- (c) the consolidated entity disclosure statement required by subsection 295 (3A) of the Corporations Act 2001 is true and correct.

This declaration is made in accordance with a resolution of the Directors.



Jeffrey Davis - Director



George Adams - Director

Charlestown, NSW  
24 September 2024

## Independent auditor's report to the members of Charlestown Bowling Club Limited

### Opinion

We have audited the financial report of Charlestown Bowling Club Limited (the Club) which comprises the statement of financial position as at 30 June 2024, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes to the financial statements, including a summary of material accounting policies, the consolidated entity disclosure statement, and the Directors' declaration.

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

- (i) giving a true and fair view of the Clubs financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards - Simplified Disclosures and the Corporations Regulations 2001.

### Basis for opinion

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

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

### Other information

The Directors are responsible for the other information. The other information comprises the information included in the Club's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon. The other information provided at the date of this report comprises the CEO Report.

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 further to report in this regard.

### **Responsibilities of the Directors for the financial report**

The directors of the Club are responsible for the preparation of:

- a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the Corporations Act 2001; and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001; and

for such internal control as the directors determine is necessary to enable the preparation of:

- (i) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- (ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

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

### **Matters relating to the electronic presentation of the audited financial report**

The auditor's report relates to the financial report of the Club for the year ended 30 June 2024 included on the Club's web site. The Club's Directors are responsible for the integrity of the Club's web site. We have not been engaged to report on the integrity of this web site. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.

### **Auditor's responsibilities for the audit of the financial report**

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

As part of an audit in accordance with the Australian Auditing Standards, 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 Club's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

#### **Pitcher Partners Newcastle & Hunter Pty Ltd**

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**Auditor's responsibilities for the audit of the financial report (continued)**

- 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 Club'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 Club 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.



Kirsty Porteous - Partner



Pitcher Partners NH Partnership  
Chartered Accountants

24 September 2024  
**Newcastle West, NSW**

**Pitcher Partners Newcastle & Hunter Pty Ltd**

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