

The Picnic Point Bowling & Social Club Ltd

ABN 34 000 243 247

Financial Statements

For the Year Ended 30 June 2023

The Picnic Point Bowling & Social Club Ltd

ABN 34 000 243 247

Contents

For the Year Ended 30 June 2023

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The Picnic Point Bowling & Social Club Ltd

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Directors' Report

30 June 2023

The directors present their report on The Picnic Point Bowling & Social Club Ltd for the financial year ended 30 June 2023.

1. General information

Information on directors

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

Trevor John Tindall

Appointment Date	28 October 2018
Experience	5 years experience
Interest in shares and options	\$2 Guarantor
Special responsibilities	None

William Brown

Appointment Date	14 April 2013
Experience	Vice President 9.2 years
Interest in shares and options	\$2 Guarantor
Special responsibilities	Vice President

Robert Crocker

Appointment Date	25 October 2015
Experience	Vice President 6.5 years
Interest in shares and options	\$2 Guarantor
Special responsibilities	None

Benedict Joseph Seedsman

Appointment Date	28 November 2019
Experience	4 years experience
Interest in shares and options	\$2 Guarantor
Special responsibilities	None

James Craig Whitney

Appointment Date	25 October 2020
Experience	3 years experience
Interest in shares and options	\$2 Guarantor
Special responsibilities	None

Barry Sullivan

Appointment Date	25 October 2020
Experience	3 years experience
Interest in shares and options	\$2 Guarantor
Special responsibilities	None

Mathew Gordon Wilson

Appointment Date:	23 April 2023
Experience:	5 years experience in directorships
Interest in shares and options:	\$2 guarantor
Special responsibilities:	Nil

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Directors' Report

30 June 2023

1. General information (continued)

Information on directors (continued)

Ian Ross Edwards
Appointment Date: 23 April 2023
Experience: None
Interest in shares and options: \$2 guarantor
Special responsibilities: Nil

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

Company secretary

The person who held the position of Company secretary at the end of the financial year was Daniel Robinson.

Review of operations

The operating result for the current year, amounted to a deficit of \$ (51,604) (2022: surplus of \$85,432).

	2023	2022
	\$	\$
Poker machine Revenue	292,902	205,919
Bar Net Profit	36,060	20,218
Overhead Operating Expenses	849,042	550,860

Significant changes in state of affairs

No significant changes in the Company's state of affairs occurred during the financial year.

Principal activities

The principal activity of The Picnic Point Bowling & Social Club Ltd during the financial year was the provision of competitive and social lawn bowls.

No significant changes in the nature of the Company's activity occurred during the financial year.

Short term objectives

The Company's short term objectives are to:

- provide a social club for members and guests with the usual facilities of the club
- promote the game of bowls to both children and adults
- provide a meeting place for community groups

Long term objectives

The Company's long term objectives are to:

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Directors' Report

30 June 2023

1. General information (continued)

Long term objectives (continued)

Long term objectives (continued)

- maintain and upgrade facilities to attract new members both bowling and non-bowling to enjoy the facilities of the club.
- increase involvement in community groups

Strategy for achieving the objectives

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

- attracting a new demographic of people with improved facilities as well as maintaining the 'small friendly club' atmosphere
- encourage the participation of bowling members
- attracting new bowlers and retaining existing bowlers members by offering the best playing facilities possible
- marketing the advantages of membership of the club
- striving to provide a high standard of customer service
- pursuing new marketing initiatives
- offering members and their guest excellent food and a friendly atmosphere

Members' guarantee

The Picnic Point Bowling & Social Club Ltd is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$ NIL for members that are corporations and \$ NIL for all other members, subject to the provisions of the company's constitution.

Directors benefits

Since the end of the previous financial year, directors have received benefits in the form of honorariums. Further details are provided in Note 18 to these financial statements.

2. Other items

Events after the reporting date

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

Future developments and results

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

Environmental issues

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

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Directors' Report

30 June 2023

Meetings of directors

During the financial year, 13 meetings of directors were held. Attendances by each director during the year were as follows:

Directors' Meetings		
	Number eligible to attend	Number attended
Trevor John Tindall	13	13
William Brown	13	13
Robert Crocker	13	12
Benedict Joseph Seedsman	11	7
James Craig Whitney	13	10
Barry Sullivan	13	11
Mathew Gordon Wilson	3	3
Ian Ross Edwards	3	2

Indemnification and insurance of officers and auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of The Picnic Point Bowling & Social Club Ltd.

Directors' indemnity premiums have been provided for and paid by the company during the year for Directors' and Officers' liability insurance. The insurance is in respect of legal liability for damages and legal costs to a maximum of \$5,000,000 arising from claims made by reason of any omissions or acts (other than dishonesty) by them, whilst acting as Directors or Officers of the company. No indemnities have been given or insurance premium paid, during or since the end of the financial year, for any person who is or has been an auditor of the company.

Proceedings on behalf of company

No person has applied for leave of court on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2023 has been received and can be found on page 5 of the financial report.

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

Director:
Trevor John Tindall

Director:
William Brown

Dated 28 November 2023

The Picnic Point Bowling & Social Club Ltd

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Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of The Picnic Point Bowling & Social Club Ltd

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2023, there have been:

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

FELSERS
Chartered Accountants

Vindran Vengadasalam
Registered Company Auditor

28 November 2023
Sydney

The Picnic Point Bowling & Social Club Ltd

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Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2023

		2023	2022
	Note	\$	\$
Revenue	4	1,112,812	853,904
Cost of sales		(358,957)	(256,651)
Gross profit		753,855	597,253
Other revenue	4	415,175	377,354
Employee benefits expense	5	(386,051)	(309,129)
Depreciation and amortisation expense	5	(55,723)	(75,938)
Finance costs	5	(756)	(6,436)
Director's expenses and honorariums		(23,230)	(22,348)
Occupancy costs		(94,599)	(59,248)
Entertainment, marketing and promotional costs		(2,218)	(2,404)
Administrative expenses		(658,057)	(413,672)
Net (deficit) / surplus for the year		(51,604)	85,432
Other comprehensive income for the year		-	-
Total comprehensive (deficit)/surplus for the year		(51,604)	85,432

The accompanying notes form part of these financial statements.

The Picnic Point Bowling & Social Club Ltd

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Statement of Financial Position

As At 30 June 2023

	Note	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	221,823	273,084
Inventories	7	19,947	15,845
Other assets	8	33,947	42,958
TOTAL CURRENT ASSETS		<u>275,717</u>	<u>331,887</u>
NON-CURRENT ASSETS			
Property, plant and equipment	9	3,105,033	3,155,552
Right-of-use assets	10	6,676	7,447
TOTAL NON-CURRENT ASSETS		<u>3,111,709</u>	<u>3,162,999</u>
TOTAL ASSETS		<u><u>3,387,426</u></u>	<u><u>3,494,886</u></u>
LIABILITIES			
CURRENT LIABILITIES			
Lease liabilities	10	4,364	8,705
Trade and other payables	11	85,222	61,770
Borrowings	12	130	29,666
Other financial liabilities	13	80,004	80,004
TOTAL CURRENT LIABILITIES		<u>169,720</u>	<u>180,145</u>
NON-CURRENT LIABILITIES			
Other financial liabilities	13	293,308	373,312
Provisions	14	34,573	-
TOTAL NON-CURRENT LIABILITIES		<u>327,881</u>	<u>373,312</u>
TOTAL LIABILITIES		<u>497,601</u>	<u>553,457</u>
NET ASSETS		<u><u>2,889,825</u></u>	<u><u>2,941,429</u></u>
EQUITY			
Reserves		1,852,000	1,852,000
Retained surplus		1,037,825	1,089,429
TOTAL EQUITY		<u><u>2,889,825</u></u>	<u><u>2,941,429</u></u>

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity For the Year Ended 30 June 2023

2023

	Retained Earnings	Asset Revaluation Surplus	Total
	\$	\$	\$
Balance at 1 July 2022	1,089,429	1,852,000	2,941,429
Net deficit for the year	(51,604)	-	(51,604)
Balance at 30 June 2023	1,037,825	1,852,000	2,889,825

2022

	Retained Earnings	Asset Revaluation Surplus	Total
	\$	\$	\$
Balance at 1 July 2021	1,003,997	1,852,000	2,855,997
Net surplus for the year	85,432	-	85,432
Balance at 30 June 2022	1,089,429	1,852,000	2,941,429

The accompanying notes form part of these financial statements.

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Statement of Cash Flows For the Year Ended 30 June 2023

	2023	2022
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	1,638,779	1,316,618
Payments to suppliers and employees	(1,639,171)	(1,200,710)
Interest received	179	430
Interest paid	(205)	(6,436)
Net cash provided by/(used in) operating activities	20 <u>(418)</u>	<u>109,902</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	<u>(12,733)</u>	(31,040)
Net cash provided by/(used in) investing activities	<u>(12,733)</u>	<u>(31,040)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from borrowings	(29,535)	(88,937)
Repayment of lease liabilities	<u>(8,575)</u>	<u>(22,543)</u>
Net cash provided by/(used in) financing activities	<u>(38,110)</u>	<u>(111,480)</u>
Net increase/(decrease) in cash and cash equivalents held	(51,261)	(32,618)
Cash and cash equivalents at beginning of year	<u>273,084</u>	<u>305,702</u>
Cash and cash equivalents at end of financial year	6 <u><u>221,823</u></u>	<u><u>273,084</u></u>

The accompanying notes form part of these financial statements.

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Notes to the Financial Statements For the Year Ended 30 June 2023

The financial report covers The Picnic Point Bowling & Social Club Ltd as an individual entity. The Picnic Point Bowling & Social Club Ltd is a for-profit proprietary Company, incorporated and domiciled in Australia.

The functional and presentation currency of The Picnic Point Bowling & Social Club Ltd is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board 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 the 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 accrual 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.

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

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company 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

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.

Grant revenue

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating. Grants relating to assets are credited to deferred income at fair value and are credited to income over the expected useful life of the asset on a straight-line basis.

Interest Revenue

Interest is recognised using the effective interest method.

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Notes to the Financial Statements For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies (continued)

(b) Income tax

The company is exempt from income tax under in accordance with a directive from the Australian Taxation Office.

(c) Cash and cash equivalents

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

(d) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

(e) Goods and services tax (GST)

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

Receivables and payable are stated inclusive of GST.

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

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(f) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the weighted average costs basis and is net of any rebates and discounts received. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

(g) Property, plant and equipment

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

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

Notes to the Financial Statements For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies (continued)

(g) Property, plant and equipment (continued)

Property

Freehold land and building are measured on the fair value basis, being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction. It is the policy of the company to have a valuation every three years, with annual appraisals being made by the directors. In accordance with this policy, freehold land was revalued for the year ended 2020. This director's valuation was made by all directors in office at the date of the valuation.

Plant and equipment

Plant and equipment are measured using the cost model. The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts. Fixed assets that cost less than \$500 each are written off in full in the year of purchase.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Company, commencing when the asset is ready for use.

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

Fixed asset class	Depreciation rate
Buildings	2.5%
Furniture, Fixtures and Fittings	10-25%
Greens equipment	15%
Plant and Equipment	10-40%
Poker machines	40%

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

(h) Financial instruments

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

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies (continued)

(h) Financial instruments (continued)

Financial assets (continued)

Classification

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL

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

Amortised cost

Assets measured at amortised cost are financial assets where:

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

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Impairment of financial assets

At the end of the reporting period the Company assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial liabilities

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

The financial liabilities of the Company comprise trade payables, bank and other loans and lease liabilities.

(i) Employee benefits

Provision is made for the Company's liability for employee benefits, those benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements.

(j) Leases

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

This involves an assessment of whether:

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies (continued)

(j) Leases (continued)

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

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

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

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

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

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

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

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

Exceptions to lease accounting

The Company has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Company recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

(k) Impairment of non-financial assets

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

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

The Picnic Point Bowling & Social Club Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies (continued)

(k) Impairment of non-financial assets (continued)

(k) Impairment of non-financial assets (continued)

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

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

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

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

(l) Poker Machine Entitlement

The Club currently holds 15 Poker Machine Licenses which has an estimated value of \$12,500 each for a total of \$187,500.

3 Critical Accounting Estimates and Judgments

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

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

The significant estimates and judgements made have been described below.

Key estimates - impairment of property, plant and equipment

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

Key estimates - provisions for expenses

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

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Notes to the Financial Statements For the Year Ended 30 June 2023

4 Revenue and Other Income

Revenue from continuing operations

	2023	2022
	\$	\$
Revenue from contracts with customers		
- Bar sales	744,310	566,251
- Poker Machine Revenue	298,985	228,809
- Raffle	44,451	36,154
- Bowls	3,886	12,911
- Green fees	21,180	9,779
	<u>1,112,812</u>	<u>853,904</u>
Revenue from other sources		
- Men's and Women's Club	89,243	52,851
- Lease income	207,501	203,165
- Grants and donations	14,051	33,000
- ATM Rebates	5,889	4,717
- Commissions	59,946	34,244
- Interest income	179	430
- Miscellaneous Income	38,366	48,947
	<u>415,175</u>	<u>377,354</u>
Total Revenue	<u><u>1,527,987</u></u>	<u><u>1,231,258</u></u>

5 Result for the Year

The result for the year includes the following specific expenses:

	2023	2022
	\$	\$
Depreciation expense - property, plant and equipment	51,272	53,596
Depreciation expense - right-of-use asset	4,451	22,342
	<u>55,723</u>	<u>75,938</u>
- Interest on liabilities at amortised cost	205	5,811
- Interest expense on lease liability	551	625
	<u>756</u>	<u>6,436</u>
Employee benefits expense		
- Salaries and wages	349,292	289,382
- Contributions to defined contribution superannuation fund	36,759	19,747
	<u>386,051</u>	<u>309,129</u>

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Notes to the Financial Statements For the Year Ended 30 June 2023

6 Cash and Cash Equivalents

	2023	2022
	\$	\$
<i>Cash at bank</i>		
Registered Club	10,657	25,450
Women's Bowling Club	23,627	18,947
Men's Bowling Club	27,056	19,609
Club Keno Account	1,719	3,286
TAB Account	1,241	4,878
Unity Bank Savings Account	8,456	18,676
Keno Clearing Account	1,393	1,393
Unity Bank Account	79,015	93,810
TAB Clearing Account	(277)	(277)
ATM Clearing Account	6,970	3,280
Debit card	883	392
Men's Access Account	400	450
<i>Cash on hand</i>		
Registered club float	9,371	15,412
Club keno Account	300	300
ATM Float	12,020	15,240
Merchant Clearing Account	(2,382)	(1,252)
Men's Club Term Deposit	42,488	42,340
Petty cash float	1,976	2,500
Poker machine float	(4,190)	7,000
TAB Float	2,000	2,000
Bar Float	600	600
Badge Draw Funds	(1,500)	(950)
	<u>221,823</u>	<u>273,084</u>

7 Inventories

	2023	2022
	\$	\$
CURRENT		
At cost:		
Bar stock	19,947	15,845
	<u>19,947</u>	<u>15,845</u>

8 Other Non-Financial Assets

	2023	2022
	\$	\$
CURRENT		
Prepayments	25,748	22,656
GST holding account	8,199	20,302
	<u>33,947</u>	<u>42,958</u>

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Notes to the Financial Statements For the Year Ended 30 June 2023

9 Property, Plant and Equipment

	2023	2022
	\$	\$
Freehold land		
At fair value	1,860,000	1,860,000
At cost	51,256	51,256
	<u>1,911,256</u>	<u>1,911,256</u>
Buildings		
At cost	1,228,676	1,222,203
Accumulated depreciation	(243,231)	(217,562)
	<u>985,445</u>	<u>1,004,641</u>
Plant and equipment		
At cost	76,719	70,459
Accumulated depreciation	(44,659)	(40,643)
	<u>32,060</u>	<u>29,816</u>
Furniture, fixtures and fittings		
At cost	356,584	368,563
Accumulated depreciation	(222,078)	(208,007)
	<u>134,506</u>	<u>160,556</u>
Greens equipment		
At cost	200,968	200,968
Accumulated depreciation	(159,496)	(152,175)
	<u>41,472</u>	<u>48,793</u>
Poker Machines		
At cost	160,984	160,984
Accumulated depreciation	(160,690)	(160,494)
	<u>294</u>	<u>490</u>
Total property, plant and equipment	<u><u>3,105,033</u></u>	<u><u>3,155,552</u></u>

The Picnic Point Bowling & Social Club Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2023

9 Property, Plant and Equipment (continued)

(a) Movements in carrying amounts

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

	Land	Buildings	Plant and Equipment	Total
	\$	\$	\$	\$
Year ended 30 June 2023				
Balance at the beginning of year	1,911,256	1,004,641	239,655	3,155,552
Additions	-	6,473	6,260	12,733
Disposals	-	-	(11,980)	(11,980)
Depreciation expense	-	(25,667)	(25,605)	(51,272)
Balance at the end of the year	1,911,256	985,447	208,330	3,105,033

Land and buildings of \$2,896,703 consists of core assets as defined under the Registered Club Act.

Plant and equipment of \$208,330 consists of non-core assets under the Registered Club Act.

10 Leases

Company as a lessee

The Company has leases in relation to its poker machines.

The Company has chosen not to apply AASB 16 to leases of intangibles assets.

Information relating to the leases in place and associated balances and transactions are provided below.

Terms and conditions of leases

The poker machine leases cover licenses for a period of 36 months, expiring 25 October 2025 with no extension option.

Right-of-use assets

	Plant and Equipment	Total
	\$	\$
Year ended 30 June 2023		
Balance at beginning of year	7,447	7,447
Depreciation charge	(4,451)	(4,451)
Remeasurement of lease liability	3,680	3,680
Balance at end of year	6,676	6,676

The Picnic Point Bowling & Social Club Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2023

10 Leases (continued)

Lease liabilities

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year	1 - 5 years	> 5 years	Total undiscounted lease liabilities	Lease liabilities included in this Statement Of Financial Position
	\$	\$	\$	\$	\$
2023					
Lease liabilities	4,364	-	-	4,364	4,364
2022					
Lease liabilities	8,706	-	-	8,706	8,706

Extension options

A number of the building leases contain extension options which allow the Company to extend the lease term by up to twice the original non-cancellable period of the lease.

The Company includes options in the leases to provide flexibility and certainty to the Company operations and reduce costs of moving premises and the extension options are at the Company's discretion.

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

Statement of Cash Flows

	2023	2022
	\$	\$
Total cash outflow for leases	8,575	22,543

Company as a lessor

The Company leases out part of its freehold land and buildings. These leases have been classified as operating leases for financial reporting purposes and the assets are included as freehold land and buildings in the statement of financial position (refer to Note 9).

11 Trade and Other Payables

	2023	2022
	\$	\$
CURRENT		
Accrued expenses	85,222	61,770

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The Picnic Point Bowling & Social Club Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2023

12 Borrowings

	2023	2022
	\$	\$
CURRENT		
Secured liabilities:		
Bank loans	130	29,666

Summary of borrowings

The borrowing is a floating rate borrowing which is used to fund working capital and asset acquisitions.

Defaults and breaches

During the current and prior year, there were no defaults or breaches on the loan.

13 Other Financial Liabilities

	2023	2022
	\$	\$
CURRENT		
Deferred income	80,004	80,004
NON-CURRENT		
Deferred income	293,308	373,312

14 Employee Benefits

	2023	2022
	\$	\$
NON-CURRENT		
Long service leave	34,573	-
	Provision for long service leave	Total
	\$	\$
Opening balance at 1 July 2022	-	-
Additional provisions	34,573	34,573
Provisions used	-	-
Balance at 30 June 2023	34,573	34,573

The Picnic Point Bowling & Social Club Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2023

15 Reserves

Asset revaluation reserve

The asset revaluation reserve records fair value movements on property, plant and equipment held under the revaluation model.

	2023	2022
	\$	\$
Asset revaluation reserve		
Opening balance	1,852,000	1,852,000
Revaluation of land during the year	-	-
Balance at the end	<u>1,852,000</u>	<u>1,852,000</u>

16 Financial Risk Management

	2023	2022
	\$	\$
Financial assets		
<i>Held at amortised cost</i>		
Cash and cash equivalents	<u>221,823</u>	273,084
Total financial assets	<u>221,823</u>	<u>273,084</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>85,352</u>	91,436
Total financial liabilities	<u>85,352</u>	<u>91,436</u>

17 Related Parties

(a) The Company's main related parties are as follows:

Key management personnel - refer to Note 18.

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

(b) Transactions with related parties

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

There were no transactions between the entity and its related parties during the year.

18 Key Management Personnel Disclosures

The remuneration paid to key management personnel of the Company is \$ 15,320 (2022: \$ 15,010).

The Picnic Point Bowling & Social Club Ltd

ABN 34 000 243 247

Notes to the Financial Statements For the Year Ended 30 June 2023

19 Auditors' Remuneration

	2023	2022
	\$	\$
Remuneration of the auditor Accru Felsers, for:		
- auditing the financial statements	<u>19,845</u>	<u>18,900</u>

20 Cash Flow Information

(a) Reconciliation of cash

	2023	2022
Note	\$	\$
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:		
Cash and cash equivalents	6 <u>221,823</u>	<u>273,084</u>
	<u>221,823</u>	<u>273,084</u>

(b) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2023	2022
	\$	\$
(Deficit) / surplus for the year	(51,604)	85,432
Non-cash flows in profit:		
- depreciation - PPE	51,272	53,596
- depreciation - right of use asset	4,451	22,342
- interest expense on lease liability	551	625
- loss on write-off of PPE	11,980	-
Changes in assets and liabilities:		
- (increase)/decrease in other assets	9,013	(11,935)
- increase/(decrease) in trade and other payables	23,452	39,846
- (increase)/decrease in other liabilities	(80,004)	(80,004)
- (increase)/decrease in inventories	(4,102)	-
- increase/(decrease) in employee benefits	34,573	-
Cashflows from operations	<u>(418)</u>	<u>109,902</u>

21 Events After the End of the Reporting Period

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

22 Contingencies

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

The Picnic Point Bowling & Social Club Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2023

23 Statutory Information

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

The Picnic Point Bowling & Social Club Ltd
124 Lambeth St
Panania NSW 2213

24 Registered Clubs Act Reporting Requirement

A separate schedule is provided in the report, in respect to the reporting requirements under the Registered Club Act.

The Picnic Point Bowling & Social Club Ltd

ABN 34 000 243 247

Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 6 to 24, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards - Simplified Disclosure Standard; and
 - b. give a true and fair view of the financial position as at 30 June 2023 and of the performance for the year ended on that date of the Company.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Director
Trevor John Tindall

Director
William Brown

Dated 28 November 2023

The Picnic Point Bowling & Social Club Ltd

Independent Audit Report to the members of The Picnic Point Bowling & Social Club Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of The Picnic Point Bowling & Social Club Ltd (the Company), which comprises the statement of financial position as at 30 June 2023, 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, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

- (i) giving a true and fair view of the Company's financial position as at 30 June 2023 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - Simplified Disclosures and the *Corporations Regulations 2001*.

Basis for Opinion

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

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Responsibilities of Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Simplified Disclosures and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

The Picnic Point Bowling & Social Club Ltd

Independent Audit Report to the members of The Picnic Point Bowling & Social Club Ltd

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identifies and assesses the risks of material misstatement of the financial report, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence that is sufficient and appropriate to provide a basis for the auditor's opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by those charged with governance.
- Concludes on the appropriateness of those charged with governance's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If the auditor concludes that a material uncertainty exists, the auditor is required to draw attention in the auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the auditor's opinion. The auditor's conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluates the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the management 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 our audit.

The Picnic Point Bowling & Social Club Ltd

Independent Audit Report to the members of The Picnic Point Bowling & Social Club Ltd

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

FELSERS
Chartered Accountants

Vindran Vengadasalam
Registered Company Auditor

Sydney

28 November 2023

The Picnic Point Bowling & Social Club Ltd

ABN 34 000 243 247

Compilation Report

30 June 2023

COMPILATION REPORT TO THE PICNIC POINT BOWLING & SOCIAL CLUB LTD

We have compiled the accompanying income and expenditure statement and trading account of The Picnic Point Bowling & Social Club Ltd. The financial statements comprise the statement of financial position as at 30 June 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the income and expenditure statement and trading accounts have been prepared is set out in Note 1.

The Responsibility of the Directors

The directors of The Picnic Point Bowling & Social Club Ltd are solely responsible for the information contained in the income and expenditure statement and trading accounts and the reliability, accuracy and completeness of the information.

Our Responsibility

On the basis of the information provided by the directors we have compiled the accompanying income and expenditure statement and trading accounts in accordance with the financial reporting framework and APES 315 *Compilation of Financial Information*.

We have applied our expertise in accounting and financial reporting to compile the income and expenditure statement and trading accounts. We have complied with the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants*.

Assurance Disclaimer

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile the income and expenditure and trading accounts. Accordingly, we do not express an audit opinion or a review conclusion on the income and expenditure and trading accounts.

The income and expenditure and trading accounts were compiled for the benefit of the directors who are responsible for the reliability, accuracy and completeness of the information used to compile them. We do not accept responsibility for the contents of the income and expenditure and trading accounts.

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ACCRU FELSERS
Chartered Accountants
28 November 2023

INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
INCOME		
Net surplus from poker machines	292,902	205,919
Net surplus from bar trading	36,060	20,218
Rebates	15,691	19,509
Bowls	510	144
Commission - cigarette	318	146
Commission - Keno	49,392	30,443
Commission - TAB	2,029	1,629
Grants and donations	14,051	33,000
Green fees	-	17,945
Interest income	179	430
Lease income	207,501	203,165
Mens and Womens Club Income	111,486	20,629
Raffle	57,072	50,331
Sundries	10,246	32,782
TOTAL INCOME	<u>797,438</u>	<u>636,292</u>

This Income and Expenditure Account does not form part of the audited financial report and should be read in conjunction with the attached compilation report.

INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
EXPENSES		
Affiliation and competition fees	201	6,758
Apparel	4,663	1,771
Auditor's remuneration fees	39,155	7,541
Badge draw	9,800	3,700
Bank and Eftpos fees	6,050	4,324
Catering expenses	6,546	9,683
Cleaning and laundry	60,429	46,557
Club vouchers	750	135
Computer support and software	6,568	3,586
Contract green keepers	116,364	101,794
Depreciation	51,076	53,270
Donations	2,578	-
Electricity and gas expenses	71,045	37,791
Greens fees	21,180	9,779
Greens maintenance	16,938	1,141
Honorariums	23,025	20,060
Insurance	49,673	42,824
Interest expenses	756	6,436
Long service leave	28,963	-
Keno expenses	2,280	1,304
Membership fees	8,933	11,718
Mens Club and Womens Club Expenses	27,931	9,886
Printing, postage, stationery and advertising	12,896	11,127
Prizes and trophies	10,096	5,313
Promotions and entertainment expenses	38,785	19,314
Raffle expenses	63,806	44,810
Rates and taxes	10,069	10,298
Repairs and Maintenance	53,886	22,784
Security expenses	5,503	1,457
Sundries expenses	22,458	8,475
Superannuation	36,726	19,747
TAB and Sky channel purchases	18,978	11,278
Telephone	4,463	3,460
Travelling expenses	1,505	414
Water expenses	14,970	12,327
TOTAL EXPENSES	849,042	550,860
OPERATING (DEFICIT) / SURPLUS	(51,604)	85,432

This Income and Expenditure Account does not form part of the audited financial report and should be read in conjunction with the attached compilation report.

**BAR TRADING ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2023**

	2023	2022
	\$	\$
Sales	744,309	566,251
Cost of Sales:		
Opening stock	15,845	15,845
Purchases	363,059	256,651
	378,904	265,856
Less: Closing stock	19,947	15,845
	358,957	256,651
 GROSS PROFIT	 385,352	 309,600
	51.77%	54.68%
Direct Expenses		
Stocktake	-	-
Wages	349,292	289,382
	349,292	289,382
 NET SURPLUS	 36,060	 20,218
	9.36%	6.53%

**POKER MACHINE ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2023**

INCOME		
Net Clearances	297,712	238,463
Poker machine rebate	17,180	16,391
	314,892	254,854
EXPENSES		
Data Monitoring	8,820	6,283
Depreciation	4,647	22,668
Short term lease expense	(256)	13,529
Repairs and Maintenance	8,779	6,454
	21,990	48,934
 NET SURPLUS	 292,902	 205,919

This Income and Expenditure Account does not form part of the audited financial report and should be read in conjunction with the attached compilation report.