

Bowraville & District Ex-Services Club Ltd

ABN: 92 001 062 844

Financial Statements

For the year ended 30 June 2023

Bowraville & District Ex-Services Club Ltd

Table of contents

For the year ended 30 June 2023

Directors' report	2
Auditor's independence declaration under Section 307C of the Corporations Act 2001	8
Statement of income and retained earnings	9
Detailed profit or loss statement	10
Statement of financial position	11
Statement of cash flows	12
Notes to the financial statements	13
Directors' declaration	28
Independent audit report	29

Bowraville & District Ex-Services Club Ltd

Directors' report

30 June 2023

The directors present their report on Bowraville & District Ex-Services Club Ltd for the financial year ended 30 June 2023.

Information on directors

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

Shawn Morgan

Special responsibilities	Chairperson & Treasurer
Qualifications	Self Employed
Experience	Continuing Director
Appointed	11 June 2017

Grant Noble

Special responsibilities	Vice Chairperson
Qualifications	Fencing Contractor
Experience	Continuing Director
Appointed	5 June 2022

Lance Noble

Special responsibilities	Deputy Chairperson
Qualifications	Retired
Experience	Continuing Director
Appointed	26 November 2017

Stephen Grant

Special responsibilities	Director
Qualifications	Arborist
Experience	Company Director
Appointed	26 April 2022

Shaye Hillery

Special responsibilities	Director
Qualifications	Retired
Experience	Continuing Director
Appointed	5 June 2022
Resigned	17 January 2023

Bowraville & District Ex-Services Club Ltd

Directors' report

30 June 2023

Thomas Grant

Special responsibilities	Director
Qualifications	Farmhand
Experience	Continuing Director
Appointed	5 June 2022

Jaiden Mackaway

Special responsibilities	Director
Qualifications	Diesel Mechanic
Experience	Continuing Director
Appointed	5 June 2022

Ronald Lovering

Special responsibilities	Director
Qualifications	Retired
Experience	Continuing Director
Appointed	5 June 2022

Harry Jarrett

Special responsibilities	Director
Qualifications	Aboriginal Liason Officer
Experience	Continuing Director
Appointed	5 June 2022
Resigned	31 May 2023

Julie Handley

Special responsibilities	Director
Qualifications	Sole Trader
Experience	Continuing Director
Appointed	24 January 2023

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

Bowraville & District Ex-Services Club Ltd

Directors' report

30 June 2023

Meetings of directors

During the financial year, 15 meetings of directors (including 3 special meetings) were held. Attendances by each director during the year were as follows:

Director's Name	Eligible to attend	Number attended
Shawn Morgan	15	14
Lance Noble	15	15
Stephen Grant	15	13
Shaye Hillery	6	2
Grant Noble	15	9
Thomas Grant	15	11
Jaiden Mackaway	15	7
Ron Lovering	15	9
Harry Jarrett	14	6
Julie Handley	9	8

Principal activities

The principal activity of Bowraville & District Ex-Services Club Ltd during the financial year was to conduct the operations of a Registered Licensed Club. No significant changes in the nature of the Company's activity occurred during the financial year.

Operating results

The profit/(loss) of the Company for the year was \$63,549. (2022:(\$60,996)).

Short term objectives of the Club

The Objectives of the Club are to operate in a responsible and financially sound manner with the aim of providing facilities and benefits to members and contributing to the local community. The Club endeavours to play an important role in honouring present and returned servicemen and servicewomen.

The Company's short term objectives are to:

- a. Provide food and beverages for the benefit of its members and guests;
- b. Improve profitability and increased efficiency in Club operations;
- c. Support social welfare of members and community sports and recreational organisations;

Bowraville & District Ex-Services Club Ltd

Directors' report

30 June 2023

- d. Encourage new membership.

Long term objectives of the Club

The Company's long term objectives are to:

- a. Maintain financial stability of the Club;
- b. Enhance benefits to members;
- c. Repay debts of the Club;
- d. Maintain the ethics and traditions of the Club within our community;
- e. Support the community in times of natural disasters

Strategy for achieving the objectives

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

- a. Directors and volunteers to continue to assist in the Club;
- b. Monthly monitoring of financial performance to ensure the Club operates within its financial capabilities;
- c. Provide activities to attract patronage to the Club including advertising;
- d. Provide high quality, low priced meals and reasonably priced beverages;
- e. Making decisions that are consistent with the Club's role and in the interests of the members.

Key performance measures

The following measures are used within the Company to monitor performance:

- Comparing actual results to past performance;
- Members' satisfaction.

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Company during the year.

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.

Bowraville & District Ex-Services Club Ltd

Directors' report

30 June 2023

Future developments and results

On 25 May 2022, the Australian Government approved a rescope grant application to the Black Summer Bushfire Recovery Grants Program for \$1,786,800 to Bowraville & District Ex-Services Club Ltd. This grant will be used by the Company to undertake future projects to be able to provide support to members of the local community affected by natural disaster. This includes, but is not limited to:

- Upgrading the Club's power and communication infrastructure to provide independent and reliable communication and power during natural disasters;
- Building an extension to the Club with a commercial kitchen and an amenities block to cater for affected members of the community;
- Purchasing a four-wheel-drive bus to assist in the transport of affected persons through adverse and deteriorating conditions;
- Purchasing defibrillators and other first aid resources.

Property classification

In accordance with the Registered Club's Amendment Regulations 2007, the Board has determined the following Club Property Classifications:

Core Property: Club house, grounds and carpark
57 High Street Bowraville - Lot 1 DP 1285161
61 High Street Bowraville - Lots 2-4 DP 26077

Indemnification and insurance of officers and auditors

The Club has not during or since the financial year in respect of any person who is or has been an officer or auditor of the Club:

1. Indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings; or
2. Paid or agreed to pay a premium in respect of a contract insuring against a liability as an officer for the costs or expenses to defend the legal proceedings.

Bowraville & District Ex-Services Club Ltd

Directors' report

30 June 2023

Proceedings on behalf of the Company

No person has applied for leave of court under Section 237 of the *Corporations Act 2001* to bring proceedings 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 8 of the financial report.

Signed in accordance with a resolution of the Board of directors made pursuant to Section 298(2) of the *Corporations Act 2001*.



Shawn Morgan
Chairperson

Dated: 24 October 2023



Grant Noble
Vice Chairperson

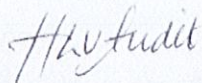
24 October 2023

To the Board of Directors
Bowraville & District Ex-Services Club Ltd
57 High Street
Bowraville NSW 2449

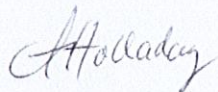
Auditor's independence declaration under Section 307C of the Corporations Act 2001

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

- no contraventions of the auditor independence requirements as set out in section 307C of the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in blue ink that reads 'HLV Audit'.

HLV Audit Pty Ltd

A handwritten signature in blue ink that reads 'Angela Holladay'.

Angela Holladay
Director
Macksville NSW

MACKSVILLE

18 Wallace Street
PO Box 27
MACKSVILLE NSW 2447
P 02 6568 3000
E macksville@hlv.com.au

NAMBUCCA HEADS

46 Bowra Street
PO Box 8
NAMBUCCA HEADS NSW 2448
P 02 6568 6197
E nambucca@hlv.com.au

URUNGA

15 Bonville Street
URUNGA NSW 2455
P 02 6655 5530
E urunga@hlv.com.au

HLV AUDIT

ABN 70 606 296 431
AAC 478051
W www.hlv.com.au
E info@hlv.com.au
Liability limited by a Scheme approved
under Professional Standards Legislation.

Bowraville & District Ex-Services Club Ltd

Statement of income and retained earnings

For the year ended 30 June 2023

	Note	2023 \$	2022 \$
Revenue	5	1,339,868	810,339
Finance income		12,358	36
Total income		1,352,226	810,375
Cost of goods sold		(337,488)	(258,338)
Depreciation and amortisation		(77,453)	(64,048)
Employee benefit expenses		(457,937)	(302,851)
Finance expenses		(1,316)	-
Other expenses		(414,483)	(246,134)
Total expenses		(1,288,677)	(871,371)
Profit (loss) before income taxes		63,549	(60,996)
Income tax	3.a	-	-
Profit (loss) from continuing operations		63,549	(60,996)
Profit (loss) for the year		63,549	(60,996)
Retained earnings	Note	2023 \$	2022 \$
Profit/(loss) for the year		63,549	(60,996)
Opening balance		841,962	902,966
Retained earnings at the end of the year		905,511	841,970

The accompanying notes form part of these financial statements.

Bowraville & District Ex-Services Club Ltd

Detailed profit or loss statement

For the year ended 30 June 2023

Description	2023	2022
	\$	\$
Income		
Bar Sales	423,774	286,676
Kitchen revenue	115,528	86,430
Gaming revenue	503,418	325,062
Member subscriptions	2,730	2,777
Commission income	19,998	15,031
Gaming tax rebate	17,180	17,180
NSW Government Business Grant	-	15,000
NSW Government JobSaver	-	34,923
Black Summer Bushfire Recovery Grant	202,396	-
Other revenue from ordinary activities	54,844	27,260
Interest income	12,358	36
Total income	1,352,226	810,375
Expenses		
Cost of goods sold	(337,488)	(258,338)
Depreciation expenses	(77,453)	(64,048)
Salary and wage expenses	(407,006)	(240,416)
Superannuation contributions	(41,593)	(24,071)
Workers compensation	(6,570)	(9,729)
Movement in leave provisions	(2,768)	(28,635)
Interest expense on lease liability	(1,316)	-
Auditor's remuneration	(19,200)	(28,390)
Repairs and maintenance	(39,418)	(10,520)
Marketing expenses	(1,761)	(971)
Occupancy Costs	(45,132)	(37,715)
Insurance	(48,566)	(34,231)
Donations	(16,994)	(11,110)
Raffles and promotions	(138,963)	(56,293)
Legal fees	(3,530)	(15,353)
Motor vehicles expenses	(6,863)	(4,869)
Other expenses	(94,056)	(46,682)
Total expenses	(1,288,677)	(871,371)
Profit(loss) before income taxes	63,549	(60,996)

Bowraville & District Ex-Services Club Ltd

Statement of financial position

As at 30 June 2023

	Note	2023 \$	2022 \$
Assets			
Current assets			
Cash and cash equivalents	7	1,142,478	1,028,229
Trade and other receivables	9	11,096	11,443
Inventories	10	26,375	24,718
Other assets	12	111,504	40,604
Total current assets		1,291,453	1,104,994
Non-current assets			
Property, plant and equipment	11	971,894	672,449
Total assets		2,263,347	1,777,443
Liabilities			
Current liabilities			
Trade and other payables	13	159,496	177,203
Employee benefits	14	32,565	30,694
Contract liabilities	15	1,048,364	714,720
Lease liabilities	16	40,756	-
Total current liabilities		1,281,181	922,617
Non-current liabilities			
Employee benefits	14	13,753	12,856
Lease liabilities	16	62,902	-
Total non-current liabilities		76,655	12,856
Total liabilities		1,357,836	935,473
Net assets		905,511	841,970
Equity			
Retained earnings		905,511	841,970

The accompanying notes form part of these financial statements.

Bowraville & District Ex-Services Club Ltd

Statement of cash flows

For the year ended 30 June 2023

	2023	2022
	\$	\$
Cash flows from operating activities:		
Receipts from customers	1,284,206	937,067
Payments to suppliers and employees	(1,443,791)	(792,628)
Interest received	12,358	36
Interest paid	(1,316)	-
Receipt from grants	536,040	714,720
Net cash flows from/(used in) operating activities	387,497	859,195
Cash flows from investing activities:		
Purchase of property, plant and equipment	(253,216)	(20,720)
Net cash provided by/(used in) investing activities	(253,216)	(20,720)
Cash flows from financing activities:		
Payment of lease liabilities	(20,032)	-
Net cash provided by/(used in) financing activities	(20,032)	-
Net increase/(decrease) in cash and cash equivalents	114,249	838,475
Cash and cash equivalents at beginning of year	1,028,229	189,754
Cash and cash equivalents at end of financial year	1,142,478	1,028,229

The accompanying notes form part of these financial statements.

Bowraville & District Ex-Services Club Ltd

Notes to the financial statements

For the year ended 30 June 2023

1. Introduction

The financial report covers Bowraville & District Ex-Services Club Ltd as an individual entity. Bowraville & District Ex-Services Club Ltd is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The principal activity of the Company for the year ended 30 June 2023 was to conduct the operations of a Registered Licensed Club. The functional and presentation currency of Bowraville & District Ex-Services Club Ltd is Australian dollars.

The financial report was authorised for issue by the Directors on 16 February 2023.

2. 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*.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. Comparatives are consistent with prior years, unless otherwise stated.

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

3. Summary of significant accounting policies

a. Income Tax

The Club calculates its income in accordance with the mutuality principle which excludes from income, any amounts of subscriptions and contributions from members, and payments received from members for particular services provided by the club (e.g., gaming machines and bar). The Commissioner of Taxation accepts this method of calculating income as appropriate for recognised clubs and associations. Therefore normal company rates of tax are not based on the operating surplus for the year but on the proportion applicable to visitors.

b. Borrowing costs

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

Bowraville & District Ex-Services Club Ltd

Notes to the financial statements

For the year ended 30 June 2023

c. 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.

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.

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

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.

e. 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).

i. Financial assets

Classification

On initial recognition, the Company classifies its financial assets into those measured at amortised cost. Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Bowraville & District Ex-Services Club Ltd

Notes to the financial statements

For the year ended 30 June 2023

Amortised cost

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. Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method (where material) less provision for impairment. Interest income and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Trade receivables and contract assets

Impairment of trade receivables and contract assets have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and contract asset and multiplied this by the amount of the expected loss arising from default. The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance

ii. 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 (where material). The financial liabilities of the Company comprise trade payables, bank and other loans and lease liabilities.

f. Adoption of new and revised accounting standards

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

Bowraville & District Ex-Services Club Ltd

Notes to the financial statements

For the year ended 30 June 2023

4. Critical accounting estimates and judgements

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

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

a. Key estimates - 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 fair value less cost to sell or value-in-use calculations which incorporate various key assumptions.

b. Key estimate - depreciation and estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

c. Key estimates - revenue recognition - long term contracts

The Company undertakes long term contracts which span a number of reporting periods. Recognition of revenue in relation to these contracts involves estimation of future costs of completing the contract and the expected outcome of the contract. The assumptions are based on the information available to management at the reporting date, however future changes or additional information may mean the expected revenue recognition pattern has to be amended.

d. Key estimate - employee benefits

The Company provides for employee benefits as a liability arising from services rendered by employees to the end of the reporting period. In determining the liability, consideration is given to expected employee wage increases and the probability that the employee may satisfy vesting requirements. Changes in the measurement of the liability are recognised in the profit or loss.

Bowraville & District Ex-Services Club Ltd

Notes to the financial statements

For the year ended 30 June 2023

5. Revenue and other income

a. Accounting policy

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

ii. Specific revenue streams

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

Sale of goods and provision of services

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods. Sales income, including bar sales, kitchen sales, net gaming revenue and other general sales are cash at point of sales and there are no specific ongoing performance obligations connected with the revenue. This revenue is recognised upon receipt.

Membership Subscriptions

Revenue from the provision of membership subscriptions are recognised in the year in which they relate to as this is deemed to be the point in time when the risks and rewards are transferred. Payments are generally received in advance. If paid prior to the year commencing, this is shown as a liability in the balance sheet and recognised as revenue on a straight-line basis over the period of membership.

Bowraville & District Ex-Services Club Ltd

Notes to the financial statements

For the year ended 30 June 2023

Grants or subsidies (including economic stimulus)

The Company assesses the specific facts and circumstances of each grant or subsidy received to determine the appropriate application of revenue recognition requirements. These will generally vary between AASB 15 Revenue from Contracts with Customers (recognised as performance obligations are satisfied) or AASB 1058 Income for Not-for-Profit Entities (recognised immediately in the profit or loss once irrevocably entitled).

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised when control of each performance obligations is satisfied. Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract.

For consideration received under agreements that are either not enforceable or do not have sufficiently specific performance obligations are recognised in accordance with AASB 1058, either as:

1. Income immediately in the profit or loss for the excess of the initial carrying amount of an asset over any related amounts recognised in accordance with other Standards; or
2. Where the transfer of those grants are to enable the acquisition or construction of a recognisable non-financial asset that is to be controlled by the entity, as income in the profit or loss when (or as) the entity satisfies its obligations under that transfer.

6. Auditor's remuneration

	2023	2022
	\$	\$
Auditing or reviewing the financial statements	16,200	21,290
Other remuneration of the auditor	3,000	7,100
Total Auditor remuneration	19,200	28,390

Other service include assistance with the preparation of the financial report and the company's income tax return.

Bowraville & District Ex-Services Club Ltd

Notes to the financial statements

For the year ended 30 June 2023

7. Cash and cash equivalents

a. Accounting policy

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.

b. Cash and cash equivalent details

	2023	2022
	\$	\$
Cash at bank and on hand	633,505	528,509
Short-term deposits	508,973	499,720
Total Cash and cash equivalents	1,142,478	1,028,229

8. Cash flow information

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

	2023	2022
	\$	\$
Profit/(loss) for the year	63,549	(60,996)
Add / (less) non-cash items:		
Depreciation and amortisation	77,453	64,048
Changes in assets and liabilities:		
(increase) / decrease in receivables	347	(6,163)
(increase) / decrease in inventories	(1,657)	428
(increase) / decrease in other assets	(70,900)	(5,779)
increase / (decrease) in payables	(17,707)	124,302
increase / (decrease) in employee benefits	2,768	28,635
increase / (decrease) in contract liabilities	333,644	714,720
Cash flows from operations	387,497	859,195

Bowraville & District Ex-Services Club Ltd

Notes to the financial statements

For the year ended 30 June 2023

9. Trade and other receivables

Current	2023	2022
	\$	\$
Trade receivables	4,793	5,946
Deposits	5,000	5,000
Other trade and other receivables	1,303	497
Total Trade and other receivables	11,096	11,443

10. Inventories

a. Accounting policy

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.

b. Inventory details

Current	2023	2022
	\$	\$
Inventory - at cost	26,375	24,718

11. Property, plant and equipment

a. Accounting policy

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

i. Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a reducing balance basis over the asset's useful life to the Company, commencing when the asset is ready for use. The estimated useful lives used for each class of depreciable asset are shown below:

Bowraville & District Ex-Services Club Ltd

Notes to the financial statements

For the year ended 30 June 2023

Fixed asset class	Depreciation rate
Buildings	2.5%
Capital works in progress	0%
Plant and equipment	7.5% to 40%
Furniture, fixtures and fittings	7.5% to 40%
Motor vehicles	22.5%

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. When an asset is disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to profit or loss.

b. Property, plant and equipment details

Summary	2023	2022
	\$	\$
Freehold land and buildings		
Freehold land and buildings at Cost	672,114	646,385
Accumulated depreciation	(164,523)	(156,291)
Total Freehold land and buildings	507,591	490,094
Capital works in progress	118,643	-
Plant and equipment		
Plant and equipment at cost	732,004	581,401
Accumulated depreciation	(492,272)	(430,951)
Total Plant and equipment	239,732	150,450
Furniture, fixtures and fittings		
Furniture, fixtures and fittings at cost	123,947	122,468
Accumulated depreciation	(101,299)	(94,205)
Total Furniture, fixtures and fittings	22,648	28,263
Motor vehicles		
Motor vehicles at cost	90,457	10,000
Accumulated depreciation	(7,177)	(6,358)
Total Motor vehicles	83,280	3,642
Total Property, plant and equipment	971,894	672,449

Bowraville & District Ex-Services Club Ltd

Notes to the financial statements

For the year ended 30 June 2023

Moving in carrying amounts

	Freehold land and buildings	Capital works in progress	Plant and equipment	Furniture, fixtures and fittings	Motor vehicles	Total
2023	\$	\$	\$	\$	\$	\$
Opening balance	490,094	-	150,450	28,263	3,642	672,449
Additions	25,712	118,643	150,604	1,480	80,457	376,896
Depreciation	(8,216)	-	(61,322)	(7,094)	(819)	(77,451)
Closing balance	507,590	118,643	239,732	22,649	83,280	971,894

12. Other assets

Current	2023	2022
	\$	\$
Prepayments and deposits	111,504	40,604

13. Trade and other payables

Current	2023	2022
	\$	\$
Trade payables	115,411	69,680
GST and PAYG payable	2,099	80,553
Superannuation payable	11,136	-
Accrued expenses	29,817	25,989
Keno and TAB payables	1,033	981
Total trade and other payable	159,496	177,203

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.

Bowraville & District Ex-Services Club Ltd

Notes to the financial statements

For the year ended 30 June 2023

14. Employee benefits

a. Accounting policy

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, plus related on-costs. Changes in the measurement of the liability are recognised in profit or loss.

b. Employee benefit details

Current	2023	2022
	\$	\$
Long service leave	2,826	2,864
Annual Leave	29,739	27,830
Total Current employee benefits	32,565	30,694

Non-current	2023	2022
	\$	\$
Long service leave	13,753	12,856
Total Non-current employee benefits	13,753	12,856

15. Contract balances

The Company has recognised the following liabilities:

Current contract liabilities	2023	2022
	\$	\$
Grant monies received in advance	1,048,364	714,720

The nature of contract assets and liabilities are as follows:

The contract liabilities relates to the grant funds received in advance for the Black Summer Bushfire Recovery Grant. The total amount of the grant is \$1,786,800. The project will upgrade and secure power, communications and amenities at the Club to provide support to members of the local community affected by natural disaster. At the 30 June 2023, a total of \$1,250,760 (plus GST) had been received from the Department, and \$202,396 plus GST had been expended on grant activities, leaving a balance of \$1,048,364 funds received in advance.

Bowraville & District Ex-Services Club Ltd

Notes to the financial statements

For the year ended 30 June 2023

16. Leases

a. Accounting policy

At inception of a contract, the Company assesses whether a lease exists.

i. Lessee accounting

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.

Bowraville & District Ex-Services Club Ltd

Notes to the financial statements

For the year ended 30 June 2023

b. Company as a lessee

The Company has leases over gaming machine equipment and the related licenses.

i. Terms and conditions of leases

Leases liabilities relate to the purchase of gaming machines and the related Type 4 licenses for a term of 36 months effective January 2023. The liability is secured by the underlying assets. The carrying amount of the underlying right of use assets at 30 June 2023 is \$107,658, which is included in the total plant and equipment balance in Note 11 of these financial statements.

ii. Lease liabilities

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

	2023	2022
	\$	\$
< 1 year	42,696	-
1 - 5 years	64,044	-
Total undiscounted lease liabilities	106,740	-
Less unexpired interest	(3,082)	-
Lease liabilities included in the statement of financial position	103,658	-

iii. Statement of income and retained earnings

The amounts recognised in the statement of income and retained earnings relating to interest expense on lease liabilities and short-term leases or leases of low value assets are shown below:

	2023	2022
	\$	\$
Interest expense on lease liability	1,316	-

Bowraville & District Ex-Services Club Ltd

Notes to the financial statements

For the year ended 30 June 2023

17. Financial risk management

Financial assets	2023	2022
	\$	\$
Held at amortised cost		
Cash and cash equivalents	1,142,478	1,028,229
Trade and other receivables	11,096	11,443
Total financial assets	1,153,574	1,039,672

Financial liabilities	2023	2022
	\$	\$
Trade and other payables	(159,496)	(177,203)
Contract liabilities	(1,048,364)	(714,720)
Lease liabilities - current	(40,756)	-
Lease liabilities - non-current	(62,902)	-
Total financial liabilities	(1,311,518)	(891,923)

18. Contingencies

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

Bowraville & District Ex-Services Club Ltd

Notes to the financial statements

For the year ended 30 June 2023

19. Related parties

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

Related parties include key management personnel and those charged with governance (the Directors of the Club). The total remuneration paid to key management personnel the Company is \$145,798 (2022: \$100,554). This includes the Chairperson's honorarium.

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. During the year th following related party transaction occurred:

- Payment to Marenaire Pty Ltd of \$600 for tree removal and maintenance. Stephen Grant is a shareholder of Marenaire Pty Ltd and a Director of the Bowraville & District Ex-Services Club Ltd.

20. Events occurring 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.

This financial report was authorised for issue by the Board of Director on 24 October 2023.

21. Statutory information

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

Bowraville & District Ex-Services Club Ltd
57 High Street
Bowraville NSW Australia
2449

Bowraville & District Ex-Services Club Ltd

Directors' declaration

The directors of the Company declare that:

The financial statements and notes for the year ended 30 June 2023 are in accordance with the *Corporations Act 2001* and:

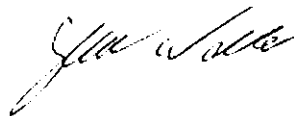
- comply with Australian Accounting Standards - Simplified Disclosures; and
- give a true and fair view of the financial position as at 30 June 2023 and of the performance for the year ended on that date of the Company.

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.



Shawn Morgan
Chairperson



Grant Noble
Vice Chairperson

Dated: 24 October 2023

Independent audit report to the members of Bowraville & District Ex-Services Club Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report, being a simplified disclosure financial report of Bowraville & District Ex-Services Club Ltd (the Company), which comprises the statement of financial position as at 30 June 2023, the statement of income and retained earnings and the statement of cash flows for the year then ended, notes to the financial statements and the Directors' declaration.

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

1. 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
2. complying with Australian Accounting Standards - Simplified Disclosures and the *Corporations Act 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 Entity in accordance with the auditor independence requirements of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (the Code)* that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Simplified Disclosures, and for such internal control as management determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

MACKSVILLE

18 Wallace Street
PO Box 27
MACKSVILLE NSW 2447

P 02 6568 3000
E macksville@hlv.com.au

NAMBUCCA HEADS

46 Bowra Street
PO Box 8
NAMBUCCA HEADS NSW 2448

P 02 6568 6197
E nambucca@hlv.com.au

URUNGA

15 Bonville Street
URUNGA NSW 2455

P 02 6655 5530
E urunga@hlv.com.au

HLV AUDIT

ABN 70 606 296 431
AAC 478051
W www.hlv.com.au

E info@hlv.com.au
Liability limited by a Scheme approved
under Professional Standards Legislation.

In preparing the financial report, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

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

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

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

HLV Audit

HLV Audit Pty Ltd

A Holladay

Angela Holladay

Director

Nambucca Heads NSW

24 October 2023