

CANBERRA BOWLING CLUB INC



**NINETY FORTH ANNUAL FINANCIAL REPORT
TO BE PRESENTED TO MEMBERS AT THE
NINETY FORTH ANNUAL GENERAL MEETING
TO BE HELD AT THE CLUBHOUSE ON
SUNDAY 29th November 2020 at 11am.**

Treasurer's Report: 2019-2020

The year ended with a loss of \$57,579. It is nonetheless remarkable given the continuing challenges we have been facing over recent years were further compounded by the ravages of COVID-19 and the bar sales diddle. As a comparative, the preceding year had printed a loss of \$142,370.

Members may wish to note the following (highlights and lowlights);

- (i) Function and Catering income brought in \$69,856. An improvement of over 21% over the preceding year.
- (ii) Membership subscriptions remained steady at just a tad under \$16000.
- (iii) Federal and Territory COVID-19 support amounted to about \$22,000.
- (iv) Poker Machines showed a gain of \$14,450; last year's was \$5,579.
- (v) Bar trading revenue however was down 10% to \$143531. A loss of \$349 was recorded. This however did not take into account the any of the \$22,000 COVID-19 support we received.

It must be further said that the accounts do not fully capture nor reflect the commitment, support and efforts of many active members of the Club. You have our gratitude and thanks.

The road ahead is not getting easier as our finances can only keep us going for a few more years. The Club is looking forward to the release of the government inquiry into the future of lawn bowls to set our strategic plans.

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**Canberra Bowling Club Incorporated**

**ABN: 52 338 934 379**

**Committee's Report**

**30 June 2020**

Your Committee Members present this report on the entity for the financial year ended 30 June 2020.

**(a) General information**

**Committee members**

The names of committee members throughout the year and at the date of this report are:

|                 |                       |
|-----------------|-----------------------|
| Geoff McKay     | President             |
| Paul Kirby      | Vice President Men    |
| Heather Leonard | Vice President Women  |
| Gee Chua        | Treasurer             |
| William Wallis  | Secretary             |
| Helen Eiggins   | Bowls Organiser Women |
| Meg Lilliecrap  | Bowls Organiser Women |
| Kenneth Darby   | Bowls Organiser Men   |

**Principal activities**

The principal activities of the Association during the financial year were the promotion and education of the game of lawn bowls and of members' activities.

**Significant changes**

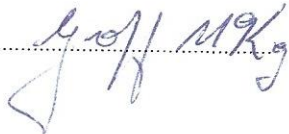
No significant change in the nature of these activities occurred during the year.

**(b) Operating result**

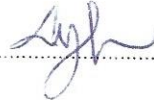
The loss of the Association for the financial year amounted to \$ (57,579) (2019: \$ (142,370)).

Signed in accordance with a resolution of the Members of the Committee:

President: .....



Treasurer: .....



Dated this 28 day of Nov 2020

**Canberra Bowling Club Incorporated**

**ABN: 52 338 934 379**

**Statement of Profit or Loss and Other Comprehensive Income**  
**For the Year Ended 30 June 2020**

|                                              |      | 2020            | 2019             |
|----------------------------------------------|------|-----------------|------------------|
|                                              | Note | \$              | \$               |
| Revenue from ordinary activities             | 5    | 343,462         | 335,117          |
| Interest received                            | 5    | 3,688           | 4,709            |
| Raw materials and consumables used           |      | (66,261)        | (78,312)         |
| Employee benefits expense                    |      | (91,727)        | (97,391)         |
| Depreciation and amortisation expenses       |      | (91,183)        | (96,575)         |
| Insurance expenses                           |      | (11,709)        | (11,417)         |
| Repairs and maintenance                      |      | (28,830)        | (65,034)         |
| Other expenses                               |      | (111,309)       | (131,029)        |
| Bank fees                                    |      | (3,710)         | (2,438)          |
| <b>Loss before income tax</b>                |      | <b>(57,579)</b> | <b>(142,370)</b> |
| Income tax expense                           |      | -               | -                |
| <b>Total comprehensive loss for the year</b> |      | <b>(57,579)</b> | <b>(142,370)</b> |

The Association has initially applied AASB 15 and AASB 1058 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 118, AASB 1004 and related interpretations.

The Association has initially applied AASB 16 using the modified restrospective method and has not restated comparatives. The comparatives have been prepared using AASB 117 and related interpretations.

The accompanying notes form part of these financial statements.

**Canberra Bowling Club Incorporated**

**ABN: 52 338 934 379**

**Statement of Financial Position**

**30 June 2020**

|                                  | Note | 2020<br>\$       | 2019<br>\$       |
|----------------------------------|------|------------------|------------------|
| <b>ASSETS</b>                    |      |                  |                  |
| <b>CURRENT ASSETS</b>            |      |                  |                  |
| Cash and Cash Equivalents        | 6    | 366,981          | 363,238          |
| Inventories                      | 7    | 10,754           | 9,536            |
| Other Assets                     | 8    | -                | 32               |
| <b>TOTAL CURRENT ASSETS</b>      |      | <b>377,735</b>   | <b>372,806</b>   |
| <b>NON-CURRENT ASSETS</b>        |      |                  |                  |
| Property, Plant and Equipment    | 9    | 1,076,269        | 1,164,503        |
| <b>TOTAL NON-CURRENT ASSETS</b>  |      | <b>1,076,269</b> | <b>1,164,503</b> |
| <b>TOTAL ASSETS</b>              |      | <b>1,454,004</b> | <b>1,537,309</b> |
| <b>LIABILITIES</b>               |      |                  |                  |
| <b>CURRENT LIABILITIES</b>       |      |                  |                  |
| Trade and Other Payables         | 10   | 12,479           | 31,070           |
| Provisions                       | 11   | 17,513           | 15,512           |
| Other Liabilities                | 12   | 15,326           | 24,462           |
| <b>TOTAL CURRENT LIABILITIES</b> |      | <b>45,318</b>    | <b>71,044</b>    |
| <b>TOTAL LIABILITIES</b>         |      | <b>45,318</b>    | <b>71,044</b>    |
| <b>NET ASSETS</b>                |      | <b>1,408,686</b> | <b>1,466,265</b> |
| <b>EQUITY</b>                    |      |                  |                  |
| Reserves                         |      | 12,562           | 12,562           |
| Retained Earnings                |      | 1,396,124        | 1,453,703        |
| <b>TOTAL EQUITY</b>              |      | <b>1,408,686</b> | <b>1,466,265</b> |

The Association has initially applied AASB 15 and AASB 1058 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 118, AASB 1004 and related interpretations.

The Association has initially applied AASB 16 using the modified retrospective method and has not restated comparatives. The comparatives have been prepared using AASB 117 and related interpretations.

The accompanying notes form part of these financial statements.

## Canberra Bowling Club Incorporated

ABN: 52 338 934 379

### Statement of Changes in Equity For the Year Ended 30 June 2020

2020

|                                         | Retained Earnings | Revaluation Reserve | Total     |
|-----------------------------------------|-------------------|---------------------|-----------|
|                                         | \$                | \$                  | \$        |
| Balance at 1 July 2019                  | 1,453,703         | 12,562              | 1,466,265 |
| Profit/loss attributable to association | (57,579)          | -                   | (57,579)  |
| Balance at 30 June 2020                 | 1,396,124         | 12,562              | 1,408,686 |

2019

|                                         | Retained Earnings | Revaluation Reserve | Total     |
|-----------------------------------------|-------------------|---------------------|-----------|
|                                         | \$                | \$                  | \$        |
| Balance at 1 July 2018                  | 1,596,073         | 12,562              | 1,608,635 |
| Profit/loss attributable to association | (142,370)         | -                   | (142,370) |
| Balance at 30 June 2019                 | 1,453,703         | 12,562              | 1,466,265 |

The Association has initially applied AASB 15 and AASB 1058 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 118, AASB 1004 and related interpretations.

The Association has initially applied AASB 16 using the modified retrospective method and has not restated comparatives. The comparatives have been prepared using AASB 117 and related interpretations.

The accompanying notes form part of these financial statements.

**Canberra Bowling Club Incorporated**

**ABN: 52 338 934 379**

**Statement of Cash Flows**

**For the Year Ended 30 June 2020**

|                                                           | 2020             | 2019            |
|-----------------------------------------------------------|------------------|-----------------|
| Note                                                      | \$               | \$              |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>              |                  |                 |
| Receipts from operating receipts                          | 365,920          | 384,433         |
| Payments to suppliers and employees                       | (362,915)        | (417,247)       |
| Interest received                                         | 3,688            | 4,709           |
| Interest paid                                             | -                | (3,242)         |
| Net cash provided by/(used in) operating activities       | <u>6,693</u>     | <u>(31,347)</u> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>              |                  |                 |
| Purchase of property, plant and equipment                 | (2,950)          | -               |
| Net cash used by investing activities                     | <u>(2,950)</u>   | <u>-</u>        |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>              |                  |                 |
| Repayment of borrowings                                   | -                | (6,344)         |
| Net cash used by financing activities                     | <u>-</u>         | <u>(6,344)</u>  |
| Net increase/(decrease) in cash and cash equivalents held | 3,743            | (37,691)        |
| Cash and cash equivalents at beginning of year            | 363,238          | 400,929         |
| Cash and cash equivalents at end of financial year        | 6 <u>366,981</u> | <u>363,238</u>  |

The Association has initially applied AASB 15 and AASB 1058 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 118, AASB 1004 and related interpretations.

The Association has initially applied AASB 16 using the modified retrospective method and has not restated comparatives. The comparatives have been prepared using AASB 117 and related interpretations.

The accompanying notes form part of these financial statements.

## Canberra Bowling Club Incorporated

ABN: 52 338 934 379

### Notes to the Financial Statements

For the Year Ended 30 June 2020

The financial statements cover Canberra Bowling Club Incorporated as an individual entity. Canberra Bowling Club Incorporated is a not-for-profit Association incorporated in the Australian Capital Territory under the *Associations Incorporation Act (ACT) 1991* ('the Act').

The functional and presentation currency of Canberra Bowling Club Incorporated is Australian dollars.

#### 1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements and the Associations Incorporation Act (ACT) 1991.

##### 1(a) Going concern

The financial statements have been prepared on a going concern basis.

The Association has \$366,981 in cash and cash equivalents as at 30 June 2020.

Going forward assuming normal operations over the next 12 months, the Association has forecasted

- To receive \$338,480 in revenue and
- Expecting to incur \$262,831 in operating and administrative expenses

The leadership team believe that the financial statements should be prepared on a going concern basis assuming normal operations and no new Covid restrictions as currently there is only one active case of Covid in the ACT as at 26 November 2020.

Should the covid situation deteriorate further, the Club will be able to reduce the operating and administrative expenses as the expenditure is discretionary and can accordingly be reduced to ensure that the Association has sufficient cash to continue operations over the next 12 months from the financial statements sign off date.

#### 2 Change in Accounting Policy

##### Revenue from Contracts with Customers - Adoption of AASB 15 / Income of Not-for-Profit Entities - Adoption of AASB 1058

The Association has adopted AASB 15 *Revenue from Contracts with Customers* and AASB 1058 *Income of Not-for-Profit Entities* for the first time in the current year with a date of initial application of 1 July 2019.

The Association has applied AASB 15 and AASB 1058 using the cumulative effect method which means the comparative information has not been restated and continues to be reported under AASB 111, AASB 118, AASB 1004 and related interpretations.

The Association has adopted AASB 1058 *Income of Not-for-Profit Entities* for the first time in the current year with a date of initial application of 1 July 2019.

AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities, in conjunction with AASB 15. The new income recognition requirements shift the focus from a reciprocal/non-reciprocal basis to a basis of assessment that considers the enforceability of a contract and the specificity of performance obligations.



**Canberra Bowling Club Incorporated**

ABN: 52 338 934 379

**Notes to the Financial Statements**

**For the Year Ended 30 June 2020**

**2 Change in Accounting Policy**

**Revenue from Contracts with Customers - Adoption of AASB 15 / Income of Not-for-Profit Entities - Adoption of AASB 1058**

The core principle of the new income recognition requirements in AASB 1058 is when a NFP entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives, the excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately.

Where there is an 'enforceable' contract with a customer with 'sufficiently specific performance obligations, income is recognised when (or as) the performance obligations are satisfied under AASB 15, as opposed to immediate income recognition under AASB 1058.

Under AASB 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. AASB 15 introduces a 5-step approach to revenue recognition, which is more prescriptive than AASB 118.

**Leases - Adoption of AASB 16**

The Association has adopted AASB 16 *Leases* using the modified retrospective (cumulative catch-up) method from 1 July 2019 and therefore the comparative information for the year ended 30 June 2019 has not been restated and has been prepared in accordance with AASB 117 *Leases* and associated Accounting Interpretations.

**Impact of adoption of AASB 16**

The impact of adopting AASB 16 is described below:

**Association as a lessee**

Under AASB 117, the Association assessed whether leases were operating or finance leases based on its assessment of whether the significant risks and rewards of ownership had been transferred to the Association or remained with the lessor. Under AASB 16, there is no differentiation between finance and operating leases for the lessee and therefore all leases which meet the definition of a lease are recognised on the statement of financial position (except for short-term leases and leases of low value assets).

The Association currently has short term leases and has elected to use the exception to lease accounting for short-term leases and leases of low value assets, and the lease expense relating to these leases are recognised in the statement of profit or loss on a straight line basis.

**3 Summary of Significant Accounting Policies**

**(a) Income Tax**

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

**(b) Leases**

For comparative year

Leases for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

## Canberra Bowling Club Incorporated

ABN: 52 338 934 379

### Notes to the Financial Statements

For the Year Ended 30 June 2020

#### 3 Summary of Significant Accounting Policies

##### (b) Leases

For current year

At inception of a contract, the Association 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:

- 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 Association has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Association 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.

At the lease commencement, the Association recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Association 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 Association'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 Association'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.

##### (c) Revenue and other income

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 Association expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

## Canberra Bowling Club Incorporated

ABN: 52 338 934 379

### Notes to the Financial Statements

For the Year Ended 30 June 2020

#### 3 Summary of Significant Accounting Policies

##### (c) Revenue and other income

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; and
5. Recognise revenue as and when control of the performance obligations is transferred

None of the revenue streams of the Association have any significant financing terms as there is no significant time lag between receipt of funds and satisfaction of performance obligations. Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Association and specific criteria relating to the type of revenue as noted below, has been satisfied.

##### Specific revenue streams

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

##### Sale of goods

Revenue from sale of goods such as Bar sales 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.

##### Rendering of services

Revenue from rendering of services such as club house hire has one performance obligation which is essentially providing the club house on hire. The customer simultaneously consume and receive the benefits as and when they use the Club house for the agreed duration and therefore revenue is recognised over time on a time proportionate basis over the period of the hire.

##### Subscriptions

The Association has concluded that the Revenue from the provision of membership subscriptions includes one performance obligation which is essentially to provide bowling club amenity to its members. The members simultaneously consume and receive the benefits as and when the services are provided by the Association and therefore revenue is recognised over time on a time proportionate basis over the period of the membership as the association's efforts or inputs are expended evenly throughout the performance period

The terms of the Association's membership agreements either require that the members pay the fixed amount in instalments over the contract duration or payment in full upfront.

Where payment is made upfront, subscriptions received in advance is recognised as a liability upon receipt of the payment and recognised as revenue as the services are provided.

**Canberra Bowling Club Incorporated**

ABN: 52 338 934 379

**Notes to the Financial Statements**  
**For the Year Ended 30 June 2020**

**3 Summary of Significant Accounting Policies**

**(c) Revenue and other income**

**Specific revenue streams**

**Grants and donations income**

Grants and donations where there is an enforceable contract with a customer with sufficiently specific performance obligations are accounted for under AASB 15, where by income is recognised as and when the performance obligations are satisfied.

Grants and donations that are not enforceable or where the performance obligations are not sufficiently specific, are accounted for under AASB 1058- where by income is recognized immediately on receipt.

**Interest revenue**

Interest is recognised using the effective interest method.

**Other income**

Other income is recognised on an accruals basis when the Association is entitled to it.

**(d) 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 payables 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.

**(e) 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.

**(f) Inventories**

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first-in-first-out 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.

## Canberra Bowling Club Incorporated

ABN: 52 338 934 379

### Notes to the Financial Statements

For the Year Ended 30 June 2020

#### 3 Summary of Significant Accounting Policies

##### (g) Property, plant and equipment

###### Buildings

Buildings are measured using the revaluation model.

###### Property

Property is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

###### Plant and equipment

Plant and equipment is measured on the basis of cost less depreciation and impairment losses. The carrying amount of plant and equipment is reviewed annually by the committee 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 assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

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

###### Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

| Fixed asset class             | Depreciation rate |
|-------------------------------|-------------------|
| Building                      | 2.5%              |
| Leasehold Improvements        | 2.5% - 5%         |
| Plant & Equipment - Greens    | 5% - 15%          |
| Plant & Equipment - Clubhouse | 5% - 37.5%        |
| Poker Machines                | 5% - 10%          |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Each asset class's carrying amount is written down immediately to its recoverable amount if the class's carrying amount is greater than its estimated recoverable amount.

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

## Canberra Bowling Club Incorporated

ABN: 52 338 934 379

### Notes to the Financial Statements For the Year Ended 30 June 2020

#### 3 Summary of Significant Accounting Policies

##### (h) Financial instruments

###### 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.

###### Classification

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

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)
- fair value through other comprehensive income - debt investments (FVOCI - debt)

Financial assets are not reclassified subsequent to their initial recognition unless the Association 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 that are solely payments of principal and interest on the principal amount outstanding.

The Association'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 less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

###### *Impairment of financial assets*

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

When determining whether the credit risk of a financial asset has increased significantly since initial recognition

## Canberra Bowling Club Incorporated

ABN: 52 338 934 379

### Notes to the Financial Statements

For the Year Ended 30 June 2020

#### 3 Summary of Significant Accounting Policies

##### (h) Financial instruments

###### Financial Assets

and when estimating ECL, the Association considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Association's historical experience and informed credit assessment and including forward looking information.

The Association uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Association uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Association in full, without recourse to the Association to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Association in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

###### Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Association has determined the probability of non-payment of the receivable 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.

Where the Association renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

###### Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

The Association's financial liabilities include borrowings, trade and other payables (including finance lease liabilities), which are measured at amortised cost using the effective interest rate method.

##### (i) Employee benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

## Canberra Bowling Club Incorporated

ABN: 52 338 934 379

### Notes to the Financial Statements

For the Year Ended 30 June 2020

#### 3 Summary of Significant Accounting Policies

##### (i) Employee benefits

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. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

##### (j) Trade and other payables

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

#### 4 Critical Accounting Estimates and Judgements

The committee members 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 Association assesses impairment at the end of each reporting period by evaluating conditions specific to the Association 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 - inventory

Each item on inventory is reviewed on an annual basis to determine whether it is being carried at higher than its net realisable value.

##### Key judgements - useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets.



**Canberra Bowling Club Incorporated**

ABN: 52 338 934 379

**Notes to the Financial Statements**

**For the Year Ended 30 June 2020**

**5 Revenue and Other Income**

|                                                   | 2020           | 2019           |
|---------------------------------------------------|----------------|----------------|
|                                                   | \$             | \$             |
| - Interest Received                               | 3,688          | 4,709          |
| - Membership Subscriptions                        | 15,953         | 15,881         |
| - Function and Catering Income and Clubhouse Hire | 69,856         | 57,604         |
| - Competition and Green Fees                      | 44,829         | 57,192         |
| - Raffle and Fund Raising Proceeds                | 1,350          | 4,757          |
| - ACT government grant                            | 11,726         | -              |
| - Donations and Sponsorships                      | 3,607          | 1,509          |
| - Poker Machines                                  | 29,913         | 27,827         |
| - Bar Trading                                     | 143,531        | 160,394        |
| - ATO Cash Flow Boost                             | 4,230          | -              |
| - Jobkeeper Subsidy                               | 6,000          | -              |
| - Other income                                    | 12,466         | 9,953          |
| <b>Total revenue</b>                              | <u>343,461</u> | <u>335,117</u> |
| <b>Total Revenue and Other Income</b>             | <u>347,149</u> | <u>339,826</u> |

**6 Cash and Cash Equivalents**

|                                        |                |                |
|----------------------------------------|----------------|----------------|
| Cash Float                             | 10,561         | 13,508         |
| ANZ Bank Cheque Account                | 110,760        | 11,249         |
| Short-term Deposits                    | 103,954        | 187,981        |
| ANZ Online Saver Account               | 141,706        | 150,500        |
| <b>Total Cash and Cash Equivalents</b> | <u>366,981</u> | <u>363,238</u> |

**7 Inventories**

|                          |               |              |
|--------------------------|---------------|--------------|
| CURRENT                  |               |              |
| Stock                    | 10,754        | 9,536        |
| <b>Total Inventories</b> | <u>10,754</u> | <u>9,536</u> |

**8 Other Assets**

|                |   |    |
|----------------|---|----|
| CURRENT        |   |    |
| Accrued Income | - | 32 |

**Canberra Bowling Club Incorporated**

ABN: 52 338 934 379

**Notes to the Financial Statements**

**For the Year Ended 30 June 2020**

**9 Property, plant and equipment**

|                                            | 2020                    | 2019                    |
|--------------------------------------------|-------------------------|-------------------------|
|                                            | \$                      | \$                      |
| Buildings                                  |                         |                         |
| At cost                                    | 950,000                 | 950,000                 |
| Accumulated Depreciation                   | (587,349)               | (563,599)               |
|                                            | <u>362,651</u>          | <u>386,401</u>          |
| Land and leasehold improvements            |                         |                         |
| At cost                                    | 1,031,489               | 1,031,489               |
| Accumulated Amortisation                   | (643,377)               | (617,374)               |
|                                            | <u>388,112</u>          | <u>414,115</u>          |
| Greens Plant and Equipment                 |                         |                         |
| At cost                                    | 429,601                 | 429,601                 |
| Accumulated Depreciation                   | (204,532)               | (175,396)               |
|                                            | <u>225,069</u>          | <u>254,205</u>          |
| Clubhouse Plant and Equipment              |                         |                         |
| At cost                                    | 122,068                 | 119,118                 |
| Accumulated Depreciation                   | (86,484)                | (82,683)                |
|                                            | <u>35,584</u>           | <u>36,435</u>           |
| Poker Machines                             |                         |                         |
| At cost                                    | 137,562                 | 137,562                 |
| Accumulated Depreciation                   | (118,191)               | (112,340)               |
|                                            | <u>19,371</u>           | <u>25,222</u>           |
| Solar Panels                               |                         |                         |
| At cost                                    | 52,837                  | 52,837                  |
| Accumulated depreciation                   | (7,355)                 | (4,712)                 |
|                                            | <u>45,482</u>           | <u>48,125</u>           |
| <b>Total Property, Plant and Equipment</b> | <u><u>1,076,269</u></u> | <u><u>1,164,503</u></u> |

Canberra Bowling Club Incorporated

ABN: 52 338 934 379

Notes to the Financial Statements

For the Year Ended 30 June 2020

9 Property, plant and equipment

(a) Movements in carrying amounts of property, plant and equipment

|                                       | Buildings<br>\$ | Leasehold<br>Improvements<br>\$ | Greens Plant<br>and<br>Equipment<br>\$ | Clubhouse<br>Plant and<br>Equipment<br>\$ | Poker<br>Machines<br>\$ | Solar<br>Panels<br>\$ | Total<br>\$      |
|---------------------------------------|-----------------|---------------------------------|----------------------------------------|-------------------------------------------|-------------------------|-----------------------|------------------|
| <b>Year ended 30 June 2020</b>        |                 |                                 |                                        |                                           |                         |                       |                  |
| Balance at the beginning of year      | 386,401         | 414,115                         | 254,205                                | 36,435                                    | 25,222                  | 48,125                | 1,164,503        |
| Additions                             |                 |                                 |                                        |                                           |                         |                       |                  |
| Additions                             | -               | -                               | -                                      | 2,950                                     | -                       | -                     | 2,950            |
| Depreciation expense                  | (23,750)        | (26,003)                        | (29,136)                               | (3,801)                                   | (5,851)                 | (2,643)               | (91,184)         |
| <b>Balance at the end of the year</b> | <b>362,651</b>  | <b>388,112</b>                  | <b>225,069</b>                         | <b>35,584</b>                             | <b>19,371</b>           | <b>45,482</b>         | <b>1,076,269</b> |
| <b>Year ended 30 June 2019</b>        |                 |                                 |                                        |                                           |                         |                       |                  |
| Balance at the beginning of year      | 410,151         | 440,118                         | 288,040                                | 42,806                                    | 29,196                  | 50,767                | 1,261,078        |
| Depreciation expense                  | (23,750)        | (26,003)                        | (33,835)                               | (6,371)                                   | (3,974)                 | (2,642)               | (96,575)         |
| <b>Balance at the end of the year</b> | <b>386,401</b>  | <b>414,115</b>                  | <b>254,205</b>                         | <b>36,435</b>                             | <b>25,222</b>           | <b>48,125</b>         | <b>1,164,503</b> |

10 Trade and Other Payables

|                                       | 2020<br>\$    | 2019<br>\$    |
|---------------------------------------|---------------|---------------|
| <b>CURRENT</b>                        |               |               |
| Trade Payables                        | 7,147         | 24,993        |
| GST Payable                           | 540           | 813           |
| PAYG Liabilities                      | 3,058         | 4,430         |
| Superannuation                        | 1,479         | 579           |
| Payroll Liabilities                   | 255           | 255           |
| <b>Total Trade and Other Payables</b> | <b>12,479</b> | <b>31,070</b> |

## Canberra Bowling Club Incorporated

ABN: 52 338 934 379

### Notes to the Financial Statements

For the Year Ended 30 June 2020

#### 11 Provisions

|                         | 2020          | 2019          |
|-------------------------|---------------|---------------|
|                         | \$            | \$            |
| CURRENT                 |               |               |
| Employee Entitlements   | 17,513        | 15,512        |
| <b>Total Provisions</b> | <b>17,513</b> | <b>15,512</b> |

#### 12 Other Liabilities

|                                | 2020          | 2019          |
|--------------------------------|---------------|---------------|
| CURRENT                        |               |               |
| Accrued expenses               | 3,465         | 3,465         |
| Income in advance              | 5,136         | 8,115         |
| Poker machine HP liability     | 6,725         | 12,882        |
| <b>Total Other Liabilities</b> | <b>15,326</b> | <b>24,462</b> |

#### 13 Key Management Personnel Remuneration

The total remuneration paid to key management personnel of the Association is \$64,775 (2019: \$54,675).

Honorarium has been paid to committee members every year. Total honorarium paid to directors of the association for 2020 financial year was \$1,700.

#### 14 Contingencies

In the opinion of the Committee of Management, the Association did not have any contingencies at 30 June 2020 (30 June 2019: None).

#### 15 Embezzlement of Bar sales

In August 2020, management of the association have identified an instance of cash embezzlement by an employee relating to Bar sales. The employee has subsequently been dismissed and management have decided not to investigate the matter further as they view the cost of doing a detailed investigation to quantify the amount of embezzlement and pursuing it further through legal framework would significantly exceed the potential future benefits.

After the employee was dismissed, management have had no further correspondence with or from him. From management's limited investigation, management is of the view that the amount embezzled is in the range of \$10,000-\$20,000.

#### 16 Impacts of COVID-19

The impact of COVID-19 has been raised and considered by both special and monthly meetings of the Canberra Bowling Club's Board on many occasions since the pandemic began.

Management has addressed, and will continue to address, the potential effects of COVID19 on the operations of the Club.

Playing rules and club operations have been amended to reduce the risk of COVID-19 being transmitted

The Club's financial performance was adversely affected in the financial year 2019-20 as the club was shut down during the period 1 March 2020- 30 June 2020 in order to comply with the government shut down and restrictions

**Canberra Bowling Club Incorporated**

**ABN: 52 338 934 379**

**Notes to the Financial Statements**

**For the Year Ended 30 June 2020**

**16 Impacts of COVID-19**

resulting in lower operational revenue.

The Club has however benefited from Government assistance through the Cash Flow Boost program. Management is reviewing performance on a regular basis and making changes when needed.

Management believe that the probability of second wave of covid in the ACT is remote as currently as on 19<sup>th</sup> November 2020 there is only one active case of Covid in the ACT.

Should the covid situation deteriorate further, the Club will be able to reduce the operating and administrative expenses where the expenditure is discretionary and can accordingly ensure that the Club has sufficient cash to continue as a operation over the next 12 months from the financial statements sign off date.

**17 Statutory Information**

The principle place of business is:  
Canberra Bowling Club Incorporated  
25 Hobart Avenue  
Forrest  
Canberra ACT 2603

**Canberra Bowling Club Incorporated**

**ABN: 52 338 934 379**

**Statement by Members of the Committee**

In the opinion of the committee the financial report as set out on pages 2 to 19:

1. Present fairly the financial position of Canberra Bowling Club Incorporated as at 30 June 2020 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that Canberra Bowling Club Incorporated will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the committee and is signed for and on behalf of the committee by:

President ..... 

Treasurer ..... 

Dated this 28 day of Nov 2020

27 November 2020

The President  
Canberra Bowling Club Incorporated  
PO Box 3350  
Manuka ACT 2603

Dear Sir / Madam,

**Re: 2020 Audit Management Letter**

We have completed the audit of Canberra Bowling Club Incorporated for the year ended 30 June 2020. During the course of our audit work, the following matters came to our attention upon which we would like to comment:

**1) Operating result for the year**

The association achieved an overall operating deficit for the year totalling \$57,579, as compared to a total operating deficit for the 2019 year of \$142,370. The current year result represents an overall result increase of \$84,791.

Total income for the year of \$347,150 represented a 2% decrease as compared to the 2019 year of \$339,826

The decrease in revenue was primarily due to temporary club shutdown due to covid 19.

**2) Creditors reconciliation**

*Observation*

During the course of the audit we observed that the aged payables listing from MYOB was not reconciled to the general ledger (\$20,810 variance). It required significant additional effort on the part of the accountant to reconcile this and the discrepancy was subsequently corrected by the accountant during the final stages of the audit.

*Recommendation*

The Club should regularly reconcile the MYOB payables listing to the general ledger on a monthly basis

It should be appreciated that our audit procedures are designed primarily to enable us to form an opinion on the financial statements of the association, and may therefore not bring to light all the errors or weaknesses that may exist in terms of internal controls, procedures and systems. It is the committee's responsibility to maintain an adequate system of internal control as the principle safeguard against irregularities which an audit examination may not disclose.

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We would like to thank you and your staff for your assistance and co-operation while conducting our work.

Should you require any further assistance, please do not hesitate to contact our office.

Yours faithfully,



**Phillip W Miller CA**  
Director

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27 November 2020

The President/Chairperson  
Canberra Bowling Club Incorporated  
PO Box 3350  
Manuka ACT 2603

Dear Sir/Madam,

### **Independence Discussions**

We confirm that during the audit of the financial report of Canberra Bowling Club Incorporated for the year ended 30 June 2020, we have maintained our independence in accordance with the requirements of Professional Statement APES 110.

In the spirit of this confirmation, we have prepared the following comments to facilitate discussion and enable you to have a clear understanding of the issue.

### **Other Services**

We have not carried out any other engagements for Canberra Bowling Club Incorporated that would impair our firm's professional independence as auditor.

Any services provided are subject to our own and the profession's strict rules and policies regarding auditor independence. We enforce these rules and policies in order to maintain objectivity and to be free of interest when discharging our professional responsibilities.

Our appointment as service provider for these engagements has been subject to Canberra Bowling Club Incorporated's corporate governance procedures encompassing the selection of service providers and the setting of their remuneration.

Some of the safeguards we follow with regard to auditor independence in relation to the provision of these services include ensuring:

- The services have not involved partners or staff acting in a managerial or decision-making capacity, or being involved in the processing or originating of transactions;
- The services have only been provided where we are satisfied that the related function or process will not have a material bearing on our planned audit procedures and would not involve us auditing our own work;
- The partners and staff involved in the provision of non-auditing services have not participated in Canberra Bowling Club Incorporated's associated or authorisation processes.

Based on the above safeguards, we are satisfied that the provision of other services has not in any way compromised our independence as external auditor of Canberra Bowling Club Incorporated.

### **Financial Interests**

As your auditor, direct and material indirect investments in any shares of Canberra Bowling Club Incorporated are prohibited to us. In summary this prohibition extends to:

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- All partners and professional staff; and
- The families of these partners and professional staff; and
- The firm's partner and staff superannuation funds.

We seek annual confirmation from partners and staff that they have complied with this requirement. Based on the results of this process, we are not aware of any instances where partners or staff are not in compliance with this requirement in relation to this engagement.

**Other Relationships**

We are not aware of any situations where a spouse or close relative of a partner or staff members involved in the audit occupies a position as a director or executive at Canberra Bowling Club Incorporated that is significant to the audit.

We are not aware of any situations where a partner or staff member has accepted a position of employment with Canberra Bowling Club Incorporated in a senior executive or managerial capacity during or since the end of the financial year.

This report is intended solely for Canberra Bowling Club Incorporated and should not be used for any other purpose.

Should you require any further assistance, please do not hesitate to contact our office.

Yours sincerely  
**Phillip Miller**



**Director**  
**Vincent's Assurance and Risk Advisory**



## CANBERRA BOWLING CLUB

### Community Contributions 2019 – 2020

|                               |         |
|-------------------------------|---------|
| Charitable and Social Welfare | \$3000  |
| Total Contributions           | \$3000  |
| GGMR                          | \$31047 |




**COMMUNITY CONTRIBUTIONS INFORMATION  
FINANCIAL REPORT BY A CLUB**  
(Pursuant to section 166 of the *Gaming Machine Act 2004*)

|                           |                           |                 |                                |
|---------------------------|---------------------------|-----------------|--------------------------------|
| Applicable Financial Year | 2019-2020                 |                 |                                |
| Name of Licensee          | Canberra Bowling Club Inc |                 |                                |
| Name of Venue             | Canberra Bowling Club Inc | 4500860         |                                |
| Postal Address            | PO Box 3350 Manuka ACT    |                 |                                |
| Contact Name              | William Wallis            | Title/Position: | Secretary                      |
| Contact Details           | Phone: 6295 2508          | Fax:            | None                           |
|                           |                           | Email:          | canberra bowlingclub@gmail.com |

**DECLARATION BY CHIEF FINANCIAL OFFICER (OR EQUIVALENT)**

I, as the Chief Financial Officer (or equivalent) of the above named Licensee, declare:

- that the information provided in this community contributions report is true and correct; and
- that I have read Part 12 of the *Gaming Machine Act 2004* and Part 9 of the *Gaming Machine Regulation 2004*; and
- that this report does not include contributions that are ineligible under section 164(3) of the *Gaming Machine Act 2004* and section 63 of the *Gaming Machine Regulation 2004* such as expenditure by the venue on GST, alcohol, commercial activities, activities promoting the Licensee, on members' social activities and entertainment, activities related to gambling, subsidised or free meals and beverages for patrons, capital payments, provisions, business associations, registered parties, associated entities, trade unions and does not include contributions made from donations collected from fundraising activities or contributions that cannot be substantiated from the venue's records or contributions that are duplicated claims.

Signed:  Name: Gee Cuna Date: 25 Nov 2020

|           |                                                                                                                                                                                                                    |          |
|-----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| <b>A.</b> | <b>GROSS GAMING MACHINE REVENUE (GGMR)</b><br>[Total after deducting players' winnings (excluding linked jackpots) and any amount set aside under a linked-jackpot arrangement for the payment of jackpot payouts] | \$31,047 |
| <b>B.</b> | <b>24% OF GGMR</b>                                                                                                                                                                                                 | \$7,451  |
| <b>C.</b> | <b>GAMING MACHINE TAX LIABILITY (tax payable under section 159 of the Act)</b>                                                                                                                                     | \$0      |
| <b>D.</b> | <b>TOTAL NET GAMING MACHINE REVENUE (NGMR) [A-B-C]</b>                                                                                                                                                             | \$23,596 |
| <b>E.</b> | <b>VALUE OF PROBLEM GAMBLING ASSISTANCE FUND PAYMENTS IN FIN. YEAR</b>                                                                                                                                             | \$0      |
| <b>F.</b> | <b>VALUE OF CLAIMED COMMUNITY CONTRIBUTIONS OTHER THAN AT (E)</b>                                                                                                                                                  | \$3,000  |
| <b>G.</b> | <b>TOTAL VALUE OF CLAIMED COMMUNITY CONTRIBUTIONS [E+F]</b>                                                                                                                                                        | \$3,000  |
| <b>H.</b> | <b>CLAIMED COMMUNITY CONTRIBUTIONS AS A % OF NGMR [G/D x 100]</b>                                                                                                                                                  | 12.71%   |
| <b>I.</b> | <b>REQUIRED COMMUNITY CONTRIBUTIONS [D x 0.08]</b>                                                                                                                                                                 | \$1,888  |
| <b>J.</b> | <b>EXCESS/(DEFICIT) OF CLAIMED COMMUNITY CONTRIBUTIONS COMPARED TO REQUIRED CONTRIBUTIONS [G-I]</b>                                                                                                                | \$1,112  |
| <b>K.</b> | <b>VALUE OF CONTRIBUTIONS TO REGISTERED POLITICAL PARTIES AND THEIR ASSOCIATED POLITICAL ENTITIES</b>                                                                                                              | \$0      |

**COMMUNITY CONTRIBUTIONS INFORMATION**  
**RECORD OF CONTRIBUTIONS BY A CLUB PURSUANT TO S.165 OF THE GAMING MACHINE ACT 2004**  
**CHARITABLE AND SOCIAL WELFARE**

|            |                                                                                                 | TOTAL FOR CHARITABLE AND SOCIAL WELFARE                                                  |                 | \$ 3,000       |
|------------|-------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|-----------------|----------------|
|            |                                                                                                 | Sub Totals for Charitable and Social Welfare                                             |                 | \$ 3,000       |
| Date       | Beneficiary (the person, charity or social welfare group that benefitted from the contribution) | Purpose (the reason the contribution was made, for example, to provide food to homeless) | Amount Monetary | Amount In-Kind |
| 30/06/2020 | Probus Club of Canberra                                                                         | Club hire x 8 meetings @ \$400 and -\$200 Donation                                       | -               | \$ 3,000.00    |