



AGM Booklet and Report

Cabarita Beach Bowls and Sports Club

37th Annual Report

Financial Year 2022/2023



Introduction

Welcome to the 37th Annual Report for Cabarita Beach Bowls and Sports Club. It certainly has been a very busy year and we are proud of the outcomes we have achieved. These included the following:

- Old Bowls Club Renovation and establishment of Greenview Function Centre
- Club Roof replacement
- 99kw Solar installation
- Purchase, renovation, and installation Tango Bowls Green Bar
- Engagement with the Cabarita community and members
- Popular outdoor activations and events
- New promotional activities
- Ongoing review and implementation of the Strategic Plan

This financial year we have focused on continuing to consolidate our trading and reducing expenses to improve our financial position. The result was a net profit for the year of \$241,391 which was great given the previous year's result was significantly impacted by an insurance payout and government subsidies. Improvements continued to be made in operational efficiencies, new events and activities and the use of technology in operations. We continued to build on the previous year's successes and have created a solid basis for growth, sustainability, and security. We are excited about our future potential and plans.

It's also been a busy year working on improving our facilities with the upgrade of the Old Bowls Club which has been refurbished as a function centre. This new space, Greenview is a Club and community asset where people can celebrate and participate in activities. We have been able to introduce new activities such as Paint Eat Sip and look forward to a range of community groups using the space and generating more community benefit. We also replaced the Club house main roof and installed a 99kw solar system to replace the previous installation. These works were well overdue, significant, and most importantly paved the way for future development and renovations of the Club.

We have provided some great outdoor events this year and were pleased to be able to introduce a container bar to improve service to the area. The Tango Bar has been a great success, and we are sure it will get lots of use in the future. Key events for the year include the Caba Carnival, Caba Shack Out, Kids Christmas Carnival, Hottest 100 Party, Octoberfest to name but a few. We have also support loads of local musicians and food truck operators. Also, of great success has been Jack Attack Bowls which is a fun relaxed bowls concept that everyone can enjoy.

Speaking of bowls, we also secured a Local Sporting Grant through NSW Government Sport and Recreation, to replace the shade structures in-between the bowls greens. This grant allowed us to upgrade and repair the shade covers and structures and the Club also provided funding to improve the pathways and access. Overall, the safety, accessibility and enjoyment of bowls has been improved through this initiative.

We look forward to sharing our financial, social and community outcomes in this report and are excited about the future of the Club. Thank you to all our loyal members for their ongoing support and we acknowledge that our staff, member, and community are our most important asset.

Kind Regards CBBSC Team

Vision, Mission, and Values

Vision: Heart of the Cabarita Beach Community

Mission: To welcome our community in an inclusive, friendly environment focusing on sustainability through innovation, diversity, and a positive culture

Values:

- We are Community Focused,
- We Care for our People,
- We act with Honesty and Integrity,
- We are Innovative and Business Orientated and
- We are Sustainable.

Community Benefit

CBBSC is proud to be a member of the local community. We show our support through financial and in-kind support. This financial year we have contributed the following amounts:

- Cabarita Beach Surf Club \$9,198
- Bogangar Public School P&C Association \$15,155
- Cudgen Netballers \$2,000
- Surf for Sanity Mental Health Initiative \$2,000
- Cabarita Social Fishing Club \$2,250
- Cabarita Beach Social Golf Club \$3,750
- Tweed Coast Raiders Juniors \$1,500
- Tweed Coast Raiders Women's \$1,500
- Tweed Coast Tigers Football Club \$300

As a Bowls Club, a significant portion of our community benefit goes toward funding Bowls operations which is approximately \$153,759 per annum. Overall, the annual combined Community Benefit contribution has been approximately \$191,412 per annum which is substantial for a small club.



CHAIRMAN OF THE BOARDS ANNUAL REPORT 2023

It is with a great deal of pride and satisfaction that I present my Annual Report as Chairman of the Board of Cabarita Beach Bowls and Sports Club for the year ending 30 June 2023

With the completion of Green View (our function area) and the replacement of our roof and solar panels, The Board of Directors and I wish to congratulate our General Manager, Stephen Penfold for his outstanding efforts this year. Steve's conscientious dedication and hardworking contribution to our club has seen us grow and prosper. He has had to rise to many unforeseen challenges (caused usually by an aging building). Steve he has been very successful in navigating our way through these vital issues. With the full support of the Board, Steve's enthusiasm, eagerness and determination has allowed many of our goals to be realised.

I would also like to acknowledge our loyal and supportive staff members who have assisted and worked hard for the Club during some very chaotic and often confusing times. You are the backbone of our club and the board and I are extremely grateful for your enthusiasm and positive contributions that you have made to our business.

I would also like to take this opportunity to acknowledge the contribution of our marvellous Green Keepers. Arguably, we are lucky enough to have the best greens in New South Wales. Unfortunately, when we have extreme weather events or our greens need to be renovated, criticism and negative comments abound. This is not justified. We must at all times try to remain positive and be respectful of our green keepers who do a wonderful job.

The renovation to the old club house, which is now called Green View, was completed in March 2023. The reformation of this building has created a beautiful, new and modern entertainment venue. We have already hosted birthdays, weddings and conferences in this new contemporary function space.

The roof of our Club and Solar System were extremely damaged during a severe hail storm some years ago. With Steve's guidance and tenacity we now have a restored and renovated roof. In June 2023 new solar panels were installed. We now have a highly energy efficient solar electricity system which has reduced the clubs reliance on fossil fuels and made it more sustainable.

The erection of Tangos Bar in our beer garden was completed in late June and has proven to be very popular with members and guests as a great place to relax and enjoy a drink with friends and family.

Our Club sponsors a number of local sporting teams and sub clubs. These include the Raiders Leagues Club Juniors and Ladies Teams. The Pottsville Tigers AFL, Cudgen Netball and Sub Clubs of Golf and Fishing also come under our sponsorship. We are proud and pleased to support these teams because they play a vital role in our local community.

One of our major recipients of our sponsorship this year was Bogangar Public School. This year we have been able to donate \$15,155 to the school in order that the school could install a chilled bubbler system. This will help keep the children hydrated on hot days.

In December 2022 the Club hosted the Annual Children's Christmas Party. Over 100 excited children attended and enjoyed a variety of activities including Face Painting, games and a visit from Santa.

As I review our financial performance for this year, many positive aspects are to be noted.

Our operational profit for 2023 was \$241,391 which was down from the previous year which had included \$386,218 from Insurance claims and the Federal Government Jobkeeper subsidy. We have a very healthy Cash Flow which enables us to plan for the future.

Our Restaurant, Cheeky Chopsticks, is working well once again. Earlier in the year it was struggling to get some food supplies and find sufficient cooking staff. This impacted greatly on the consistency and quality of our meals. However, as problems have been rectified the combined business operation has improved and is beginning to grow strong and positive once again. I would like to acknowledge the ongoing support of our customers during these difficult times.

To our volunteers, I cannot thank you enough. We continually have people pitching in whenever something needs doing. You are highly valued and your time and trouble is much appreciated.

Lastly, I would like to thank the members for your support and understanding over the past year. Not all decisions have pleased everybody. We make these decisions with the long-term viability of the club in mind and we are excited about the future.

I look forward to another eventful year where we will continue to focus on supporting and building our CBBSC Community. I am excited about delivering a much overdue Club renovation which will complete Stage 2 of our Strategic Plan which is focused on refurbishing and renovating our assets.

These are the challenges that await us just around the corner. These tasks will give us a great opportunity to shape the club for the future and to ensure long-term success.

Greg Goode

Chairman of the Board

GENERAL MANAGERS REPORT

Dear Cabarita Beach Bowls and Sports Club Community

It is with great pleasure that I provide my report for the 37th Annual Report. This is my second report as CBBSC General Manager, and I am extremely proud of what we have achieved this year. The highlights of the year include:

- Original Bowls Club Renovation and establishment of Greenview Events & Community Space
- Club Roof replacement
- 99kw Solar installation
- Purchase, renovation, and installation Tango's Bar in the Beer Garden
- Engagement with the Cabarita community and members

It has been a very busy year implementing stage 2 of our Strategic Plan which focuses on refurbishment and renovation. The roof replacement was essential following extensive damage from past storms and hail which led to ongoing leaks and internal damage. The project involved relocation of plant and equipment, and re-sheeting the roof. Once this was complete the installation of a new solar system could take place. The previous system was not working and with escalating energy prices the installation of a 99kw system will make a significant impact on our power bills and aligns with our sustainability policy to reduce our environmental impact.

The other main renovation for the year was the original bowls club and green keeper shed. Like the Club roof, the renovation was essential so that it could be made safe and be used as an operational space. The renovation included a new roof, doors/windows, flooring, electrical, plaster, new bathrooms, bar installation, acoustic panels and more. Named 'Greenview' we now have an amazing venue for events and our community for years to come.

Another achievement was the installation of the Tango Bar which is positioned in-between the greens. This project involved sourcing the bar, laying a concrete base and services, refurbishing the interior and exterior and craning into place. This bar is a great asset for the outdoor seating and events and will be well used for the upcoming summer months.

The roof replacement has paved the way for a well overdue Club refurbishment. At the time of writing this report we are right in the middle of the works. The project will involve a gaming room reconfiguration, Sports Bar/TAB upgrade, and improvements to the main lounge area, pizzeria, and reception. New furniture, windows and finishes will complete the works which will be completed by the end of 2023.

As a Community Club, our community contribution is important. A list of recipients is provided below. We were able to support Bogangar School P&C with \$15,155 plus the surf club with \$9,198. We were also able to expand our sporting contribution from the Raiders junior and female teams to the Cudgen Netball teams which accommodate a significant amount of local netball players. Overall, we were proud of our contribution which when bowls is included was close to \$191,412.

Like many tourism and hospitality businesses, staffing has continued to be a key issue during the year. Fortunately, we have managed to secure some great new staff to work alongside our existing team and we are now working toward stabilising and growing our team further. I would like to take this opportunity to

acknowledge the contribution of all the staff who have worked tirelessly to look after our members and customers.

I would also like to thank the Board of Directors for their ongoing commitment and support. Often the contribution of this group of individuals is unseen but I can assure you that the board work tirelessly for the benefit of CBBSC and the members. I would also like to take this opportunity to thank our loyal suppliers who are an integral part of our success. Finally, I would like to thank our members and community for your ongoing support and patronage. We feel very grateful to be a part of such a great community.

Best Wishes
Steve Penfold

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED

ABN: 70 000 998 863

**Financial Report for the Year Ended
30 June 2023**

Cabarita Beach Bowls & Sports Club Limited

ABN: 70 000 998 863

Financial Report for the year ended 30 June 2023

CONTENTS	Page
Directors' Report	1
Auditor's Independence Declaration	5
Statement of Profit or Loss and Other Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	8
Notes to the Financial Statements	9
Directors' Declaration	28
Independent Auditor's Report	29

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED

ABN: 70 000 998 863

DIRECTORS' REPORT (Continued)

Your directors present this report on the Club for the financial year ended 30 June 2023.

Directors

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

Greg Dryden

John Klose

Ian Anderson (non-bowling member)

Wayne Moore (resigned January 2023)

Greg Goode

Peta McDonald

Margery Turner

Barry Poole (appointed January 2023)

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

Principal Activities

The principal activity of the Club during the financial year was:

- To provide members and guests with lawn bowling and other sporting activities
- Provide leisure and entertainment facilities and products and services.
- Support the Cabarita community and grow our membership.

Our Primary Goals and Pillars

Our primary goals as outlined in our strategic plan are as follows:

- **Financial Viability and Sustainability:** To be a financially viable and successful business that provides quality leisure and entertainment products and services for our customers in a comfortable and friendly environment.
- **Great Facilities:** To make enhancements to our assets including the Club house, old bowls club facility, our greens so they are well presented, modern and functional and to maximise space, comfort, and revenue returns.
- **Local Sport and Recreation:** Continue to support and grow sport in our community for the enjoyment of members and guests and to attract new patrons.
- **Community Benefit:** To create a community benefit program which supports our local community, financially, socially, and environmentally.

Short-term and Long-term Objectives

The Club's short-term objectives are to:

- Implement strategic and operational strategy and improvements that build a successful business.
- Develop an annual budget and continually monitor the financial activities to ensure the continued viability of the club (e.g., income and expenses).
- Monitor and improve the facilities and environment of the club to ensure that we are providing an inviting and safe place for our members, visitors, and staff.
- Implement and adhere to good governance and risk management protocols.
- Provide sporting facilities, financial and in-kind support to encourage local participation in recreational activities and community activities.
- Support the local community through monitoring and advertising the distribution of Club GRANTS funds to local organisations and providing in-kind community support.
- Promote Bowls by continuing to seek major sponsorship for bowls tournaments and submitting applications for State / Zone / District Bowling Carnivals and increase the number of visits-in from other bowling clubs.

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863

DIRECTORS' REPORT
(Continued)

The Club's long-term objectives are to:

- Create and implement strategies to achieve our goals and objectives as identified in our Strategic Plan
- Continually review and improve our facilities about improving the outdoor & indoor ambience of the Club for our members, visitors, and staff.
- Continue discussions and strategy development that will ensure the continued development and viability of the Cabarita Beach Bowls & Sports Club.
- Be recognised as an integral part of our local community that provides both financial and in-kind support plus options for local sport and recreation.

Strategies

To achieve its stated objectives, the Club has adopted the following strategies:

- Strategic plan development and implementation and annual strategic planning days
- Increase visitation and membership with new and popular activities and events
- Build community relationships through proactively foster a positive community relationship and encouraging local organisations to make application for Club GRANTS funds or utilise club facilities
- Apply sound financial principles including budgeting, forecasting, investing, and monitoring of expenses and revenue.
- Create a capital and asset expense plan for major projects and equipment renewal
- Allocate adequate resources to compliance including Workplace Health & Safety and adherence to regulations and legislation
- Support and encourage the professional development of staff to create a friendly and welcoming environment within the Club.
- Communicate with stakeholders and engage with members and the wider community

Performance Indicators

- Satisfactory operating profit
- Low debt to equity ratios
- Financial viability and sustainability
- Membership and visitation benchmarks set and achieved
- Approved capital projects implemented and equipment replacement
- New events and activities created and implemented
- Customer and member satisfaction
- Compliance reporting with zero compliance and governance breaches
- Community benefit program implemented and promoted
- Bowls participation, sponsorship, and visitation
- Support for local sport and recreation including sub clubs

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863

DIRECTORS' REPORT
(Continued)

Information on Directors

Greg Goode	—	Chairman / Chair since 12/11/2020
Qualifications	—	Member of the Board since January 2011
Special Responsibilities	—	Finance Committee, Citation Committee, Poker Machines
Greg Dryden	—	Deputy Chairman
Qualifications	—	Member of the Board since April 2016
Special Responsibilities	—	Greens, Poker Machines, Strategic Planning & Development
John Klose	—	Director
Qualifications	—	Member of the Board since May 2017
Special Responsibilities	—	Finance Committee, Disciplinary Committee
Peta McDonald	—	Director
Qualifications	—	Member of the Board since June 2021
Special Responsibilities	—	Finance, Disciplinary Committee, Communications
Ian Anderson	—	Director
Qualifications	—	Member of the Board since November 2021
Special Responsibilities	—	Finance, Disciplinary Committee, Communications
Margery Turner	—	Director
Qualifications	—	Member of the Board since April 2017
Special Responsibilities	—	Strategic Planning & Development, Raffles
Barry Poole	—	Director
Qualifications	—	Member of the Board since January 2023
Special Responsibilities	—	Strategic Planning and Development, Sub Club Liaison
Wayne Moore	—	Director
Qualifications	—	Member of the Board since November 2019
Special Responsibilities	—	Resigned January 2023 Strategic Planning and Development, Sub Club Liaison

Meetings of Directors

During the financial year, twelve (12) regular meetings and one (1) special meeting of directors were held. Attendances by each director were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Greg Goode	13	11
Greg Dryden	13	13
Peta McDonald	13	13
John Klose	13	12
Ian Anderson	13	12
Marg Turner	13	13
Barry Poole	9	8
Wayne Moore	5	5

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863

DIRECTORS' REPORT
(Continued)

The Club is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the Club is wound up, the constitution states that each member is required to contribute a maximum of \$1 each towards meeting any outstanding obligations of the Club. At 30 June 2023, the total amount that members of the Club are liable to contribute if the Club is wound up is \$4,694 (2022: \$6,264).

Core – Non-Core Property as required under Section 41J of The Registered Clubs Act

The Directors consider the Club's defined premises and all its facilities to be Core Property. The directors do not consider the Club to have Non-Core Property.

Section 41J of the Act defines core property as meaning any real property owned or occupied by the Club that comprises: -

- a) the defined premises of the club, or
- b) any facility provided by the club for use of its members and their guests' or
- c) any other property declared, by resolution passed by most of the members present at a general meeting of the ordinary members of the club, not to be core property of the Club.

Non-core property is defined as meaning any real property owned or occupied by the Club that is not core property.

Significant Changes in State of Affairs

Other than as outlined in these notes and elsewhere in the financial statements, there have been no significant change in the state of affairs of the Club during the year. Members' attention is drawn however, extreme weather and unpredictable weather events occurring during the year.

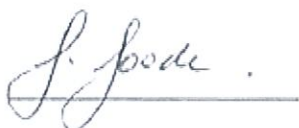
Events After the Reporting Date

Other than as outlined elsewhere in these financial statements, including Note 19 (Events occurring after balance date and going concern) there have been no matters or circumstances that have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Club, the results of those operations or the state of affairs of the Club in future financial years.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2023 has been received and can be found on page 5 of the financial report.

This directors' report is signed in accordance with a resolution of the Board of Directors.



Greg Goode
Chairman

Dated this 12th day of October 2023

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863

AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS

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

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

WFD Assurance Services

WFD Assurance Services

Santos Place
Level 27, 32 Turbot Street
Brisbane
Dated: 12 October 2023

Leanne Smith

Leanne Smith
Principal

Redefining Quality

Liability limited by a scheme approved under Professional Standards Legislation

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863

**STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023**

	Note	2023 \$	2022 \$
Revenue	3	5,356,916	5,286,842
Other income	3	-	386,218
Interest income		36,584	1,479
Total revenue and other income		5,393,500	5,674,539
Employee benefits expense	4	(1,415,864)	(1,505,735)
Depreciation and amortisation expense	4	(442,657)	(382,535)
Interest expense		(43,096)	(25,233)
Cost of sales	4	(1,732,953)	(1,788,367)
Other expenses	4	(1,517,539)	(1,331,263)
Total expenditure		(5,152,109)	(5,033,133)
Profit/(loss) before income tax		241,391	641,406
Tax expense	2(k)	-	-
Profit/(loss) for the year		241,391	641,406
Other comprehensive for the year, net of income tax		-	-
Total comprehensive income/(loss) for the year		241,391	641,406

The accompanying notes form part of these financial statements.

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	Note	2023 \$	2022 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5	1,296,392	1,715,050
Trade and other receivables		10,833	11,828
Inventories		96,220	106,871
Prepayments		63,847	62,595
Total current assets		<u>1,467,292</u>	<u>1,896,344</u>
Non-current assets			
Property, plant and equipment	6	5,732,442	5,414,419
Intangible assets	7	104,417	104,417
Right of use assets	8	95,015	-
Total non-current assets		<u>5,931,874</u>	<u>5,518,836</u>
TOTAL ASSETS		<u>7,399,166</u>	<u>7,415,180</u>
LIABILITIES			
Current liabilities			
Trade and other payables	9	295,741	466,361
Borrowings	10	108,693	193,196
Lease liabilities	8	22,705	-
Provisions	11	139,802	142,128
Total current liabilities		<u>566,941</u>	<u>801,685</u>
Non-current liabilities			
Borrowings	10	428,647	524,120
Lease liabilities	8	72,185	-
Provisions	11	12,098	11,471
Total non-current liabilities		<u>512,930</u>	<u>535,591</u>
TOTAL LIABILITIES		<u>1,079,871</u>	<u>1,337,276</u>
NET ASSETS		<u>6,319,295</u>	<u>6,077,904</u>
EQUITY			
Retained earnings		4,495,385	4,253,994
Asset revaluation reserve		1,823,910	1,823,910
TOTAL EQUITY		<u>6,319,295</u>	<u>6,077,904</u>

The accompanying notes form part of these financial statements.

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023

	Retained Earnings	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 July 2021	3,612,588	1,823,910	5,436,498
Profit for the year	641,406	-	641,406
Balance at 30 June 2022	4,253,994	1,823,910	6,077,904
Profit for the year	241,391	-	241,391
Balance at 30 June 2023	4,495,385	1,823,910	6,319,295

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023	2022
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members, tenants, patrons and government		5,946,564	6,195,659
Payments to suppliers, employees and ATO		(5,417,929)	(5,141,021)
Interest paid		(43,096)	(25,233)
Interest received		36,584	1,479
Net cash generated from operating activities	18.2	522,123	1,030,884
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(714,426)	(346,854)
Net cash used in investing activities		(714,426)	(346,854)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings - instalments		(147,327)	(59,213)
Repayment of borrowings - loan		(55,149)	(40,052)
Repayment of Lease Liabilities		(23,879)	-
Proceeds from borrowings - loans		-	110,000
Net cash from/(used in) financing activities		(226,355)	10,735)
Net increase in cash held		(418,658)	694,765
Cash on hand at beginning of the financial year		1,715,050	1,020,285
Cash on hand at end of the financial year	18.1	1,296,392	1,715,050

The accompanying notes form part of these financial statements.

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED

ABN: 70 000 998 863

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

The financial report covers Cabarita Beach Bowls & Sports Club Limited as an individual entity. Cabarita Beach Bowls & Sports Club Limited is a not-for-profit Company limited by guarantee, registered and domiciled in Australia.

The functional and presentation currency of the Club is Australian dollars.

The financial report was authorised for issue by the directors on 12 October 2023.

Comparatives are consistent with prior years, unless otherwise stated.

1. BASIS OF PREPARATION

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The entity is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

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

2. Summary of Significant Accounting Policies

(a) Revenue

The core principle of ASSB 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 Club expects to receive in exchange for those goods or services.

Generally, the timing of the payment for the 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 Club have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Rendering of services

Revenue from rendering of services comprised from gaming subsidies are recognised at a point of time, which aligns with the timeframe the poker machines are patronised. Revenue from gaming is derived from poker machines and is recognised 'net' of payouts to players.

Commission revenue is recognised at a point in time and is derived from patronising the ATM, Keno and TAB facilities provided.

Revenue from bingo and raffles is derived from ticket sales and is recognised at a point in time when the event is held.

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023
(Continued)

2. Summary of Significant Accounting Policies (Continued)

(a) Revenue (Continued)

Rendering of services (continued)

Revenue from mat fees is recognised at a point in time where the bowling green is used by playing patrons for such purposes. The receipt of fees and playing of bowls usually occurs in the same timeframe.

Sale of goods

Revenue from the sale of goods comprises revenue earned from the provision of food and beverages and is recognised at the point in time, upon the consumer obtaining the good, which is generally at the time of delivery.

Rental income

Rent received from the use of club facilities is recognised over time in accordance with negotiated lease agreements. The periods recognised equate to those of the financial year under review. Those received in advance are deferred and recognised as a liability in the statement of financial position until lease period comes into effect.

Sub Clubs

Revenue earned through sub-clubs of Club and is a family orientated Club engaged in various activities i.e. Golf Club, Fishing Club, Cricket Club, Carpet Bowls, Men's Bowls Club and Women's Bowls Club. Revenue is recognised at the point in time is used by patrons. The receipt of fees and activity usually occurs in the same timeframe.

Membership subscriptions

Revenue from membership subscriptions is recognised over time as the member consumes the benefit of the membership, which is over the life of the membership. Those received in advance are deferred and recognised as a liability in the statement of financial position until membership is effective.

Interest income

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other income

Donations and bequests are recognised as revenue when received.

Sponsorship revenue is recognised at a point in time when the agreed pledge event or purpose has occurred.

Revenue from promotional rebates is recognised in the period they are earned, per the negotiated contracts.

Other income is recognised when the right to receive the income has been established.

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

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023
(Continued)

2. Summary of Significant Accounting Policies (Continued)

(b) Inventories

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

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

(c) Property, Plant and Equipment

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

Freehold land is not depreciated. In the event the carrying amount of an asset is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses recognised in profit and loss.

A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(f) for details of impairment).

Plant and equipment that have 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.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Buildings	2.5%
Plant and equipment	5 - 20%

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 accounting estimate.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise.

(d) Intangible Assets

Poker Machine Entitlements

Poker machine entitlements are recorded at cost. They are assessed annually for impairment.

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023
(Continued)

2. Summary of Significant Accounting Policies (Continued)

(e) Financial Instruments

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

On initial recognition, all financial instruments are measured at fair value plus transaction costs.

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 Club classifies its financial assets into the following categories, those measured at amortised cost.

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

The Club'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.

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimate of lifetime expected credit losses. The Club 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 uncollectible then the gross carrying amount is written off against the associated allowance.

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

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.

No provision for the impairment of receivables or other financial assets measured at amortised cost was required in either the current or prior financial year.

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023
(Continued)

2. Summary of Significant Accounting Policies (Continued)

(f) Financial Instruments

Financial liabilities

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

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

(g) Impairment of non-financial Assets

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

Where an indicator exists the recoverable amount of the asset 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.

(h) Employee Benefits

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

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

Defined contribution schemes

Obligations for contributions to defined contribution superannuation plans are recognised as an employee benefit expense in profit or loss in the periods in which services are provided by employees.

(i) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED

ABN: 70 000 998 863

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023
(Continued)**

2. Summary of Significant Accounting Policies (Continued)

(j) Goods and Services Tax (GST)

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

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

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

(k) Income Tax

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

(l) Provisions

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

(m) Trade and Other Payables

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

(n) Leases

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

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 Club recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Club 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 amortised over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED

ABN: 70 000 998 863

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023
(Continued)**

2. Summary of Significant Accounting Policies (Continued)

(n) Leases (continued)

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

(o) Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Club.

Key estimates

Valuation of freehold land and buildings – refer Note 6 and Note 14.

Impairment of property, plant and equipment and intangible assets – refer Note 2 (g).

Impairment of intangible assets

A five (5) year discounted cash flow was prepared in order to assess whether the carrying amount of the Club's intangible assets was impaired. This cash flow took into account the downward trend in poker machine revenue experienced by the Club over the last five (5) years. This assessment indicated that the expected future cash flows exceeded the carrying amount of the Club's intangible assets at 30 June 2023 and therefore no impairment provision is considered necessary at this time.

Long Service Leave Entitlement - assessments are made on the probability of staff taking long service leave and the provisions structured accordingly. Refer Note 10.

Receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

No provision was considered necessary in either the current or prior financial year.

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023
(Continued)

2. Summary of Significant Accounting Policies (Continued)

(o) Critical Accounting Estimates and Judgements (continued)

Provision for inventories

The inventory held is reviewed on an annual basis to determine whether there is any old, damaged or obsolete stock or other stock items which need to be written down to net realisable value based on the current economic conditions, sales histories and forecasts performed by the Club.

No provision was considered necessary in either the current or prior financial year.

(p) Comparative Figures

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

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023
(Continued)

3. Revenue and Other Income

	2023	2022
	\$	\$
Gaming	1,923,585	1,919,005
Bar sales	1,311,411	1,200,304
Restaurant sales	942,430	1,065,106
Bottleshop sales	432,128	446,790
Coffee shop and Pizzeria sales	339,073	275,975
Functions, promotional rebates, mat fees etc.	150,594	172,318
Commission	126,725	99,672
Sub Clubs	41,683	43,114
Club raffles	26,977	15,902
Member subscriptions	44,609	31,154
Government subsidy	17,180	17,180
Bowls shop sales	521	322
Total Revenue	5,356,916	5,286,842
Insurance claims	-	290,466
Federal government Jobkeeper subsidy	-	95,752
Total Other Income	-	386,218
Disaggregation of revenue from contracts with customers		
Timing of revenue recognition		
At a point in time	5,312,307	5,255,688
Over time	44,609	31,154
Total revenue from contracts with customers	5,356,916	5,286,842

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED

ABN: 70 000 998 863

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023
(Continued)**

4. Expenses

	Note	2023 \$	2022 \$
Employee benefits expense including superannuation		1,372,432	1,401,661
Employee on-costs		43,432	104,074
Total employee benefits expense		1,415,864	1,505,735
Land and buildings		143,177	130,752
Plant and equipment		275,726	251,783
Right of use assets		23,754	-
Total Depreciation and Amortisation expense		442,657	382,535
Restaurant		748,890	867,018
Bar		431,273	422,264
Bottleshop		351,573	343,606
Coffee shop and Pizzeria		185,060	154,339
Bowls shop		16,157	1,140
Total Cost of Sales		1,732,953	1,788,367
Poker machine expenses		376,844	380,801
Insurance		138,759	95,763
Repairs and maintenance		135,200	115,468
Electricity		123,854	96,188
Members expenses		87,842	81,929
Cleaning		81,715	70,706
Accounting & auditing services		74,253	55,472
Consultant and marketing fees		67,804	47,230
Entertainment		50,705	47,174
Sub Clubs		50,307	41,342
Council rates and water charges		35,317	29,211
Subscriptions		34,212	8,700
Club raffles		32,020	24,135
Sky and Giddy Up		25,612	16,211
Bank fees		24,573	24,589
Licences and permits		20,060	19,025
Waste removal		17,332	18,203
Directors' honorariums		10,682	7,528
Advertising		8,126	8,972
Donations and CDSE		3,250	12,279
Other operating expenses		119,072	130,337
Total Other expenses		1,517,539	1,331,263

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023
(Continued)

5. Cash and Cash Equivalents

	2023	2022
	\$	\$
Cash on hand	203,022	159,306
Cheque account	939,769	1,366,683
Cash Maximiser account	33,342	63,651
Sub Clubs	120,259	125,410
	<hr/>	<hr/>
Total Cash and Cash Equivalents	1,296,392	1,715,050

6. Property, Plant and Equipment

Land and buildings

Freehold land:

At valuation	900,000	900,000
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Buildings

At valuation	3,304,451	3,304,452
Renovations – at cost	1,146,597	362,907
Accumulated depreciation	(740,653)	(597,476)

Total buildings	3,710,395	3,069,883
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Total land and buildings	4,610,395	3,969,883
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Plant and equipment

At cost	3,653,134	3,520,496
Accumulated depreciation	(2,560,084)	(2,284,358)

Total plant and equipment	1,093,050	1,236,138
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Capital Works in Progress (CWIP)

At cost	28,997	208,398
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Total property, plant and equipment	5,732,442	5,414,419
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CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023
(Continued)

6. Property, Plant and Equipment (Continued)

Movements in Carrying Amounts

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

	Land \$	Buildings \$	Plant and Equipment \$	Capital Works in Progress \$	Total \$
Balance at the beginning of the year	900,000	3,069,883	1,236,138	208,398	5,414,419
Additions at cost	-	-	60,930	675,996	736,926
Transfers	-	783,689	71,708	(855,397)	-
Depreciation expense	-	(143,177)	(275,726)	-	(418,903)
Carrying amount at the end of the year	900,000	3,710,395	1,093,050	28,997	5,732,442

(a) Land

The valuation of land was based on 2017 'notices of valuation' issued by the New South Wales Valuer General. This value is also reflected in the current rates notice. Having considered circumstances which could give rise to a material change in the value in the 2023 financial year, the Board have elected to make no changes.

(b) Buildings

Herron Todd White Brisbane Pty Ltd were engaged to provide a valuation of the Club's building and its improvements for the 2017 financial year. The cost approach methodology was used, an approach recognised by AASB 13 fair value measurement. A depreciated cost estimate, determined on 25 May 2016, was adopted by the Board for the 2017 financial year. Herron Todd White Brisbane Pty Ltd were engaged to provide an updated valuation of the Club's building and improvements in April 2021. This valued these assets at a depreciated replacement cost of \$3,262,400. The Board have elected to make no changes to the carrying value of these assets at this time.

7. Intangible Assets

	2023 \$	2022 \$
Poker machine entitlements - at cost	104,417	104,417

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023
(Continued)

8. Right of Use Assets and Lease Liabilities

In 2023, the Club entered into a lease for a cash recycler machine. The lease term is for 5 years and payments are fixed for the duration of the lease.

Right-of-use assets

	\$
Opening balance at 1 July 2022	
Balance at beginning of year	-
Additions	118,769
Depreciation charge	(23,754)
	<hr/>
Balance at 30 June 2023	<u>95,015</u>

Lease liabilities

Lease liabilities comprise:

	2023 \$	2022 \$
Current lease liabilities	22,705	-
Non-current lease liabilities	72,185	-
	<hr/>	
	<u>94,890</u>	<u>-</u>

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

	< 1 year	1 to 5 years	> 5 years	Total undiscounted lease liabilities	Lease liabilities included in the Statement of Financial Position
	\$	\$	\$	\$	\$
2023					
Lease liabilities	26,976	78,679	-	105,655	94,890

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023
(Continued)

8. Right of Use Assets and Lease Liabilities (continued)

Statement of Profit or Loss and Other Comprehensive Income

The amounts recognised in the statement of profit or loss and other comprehensive income relating to interest expense on lease liabilities and leases of low value assets are shown below:

	2023 \$	2022 \$
Interest expense on lease liabilities	5,344	-

9. Trade and Other Payables

	Note		
Current			
Accrued expenses		86,798	118,120
Payroll liabilities		34,758	34,166
Trade payables		127,199	147,218
GST payable		21,092	94,473
ATO payment plan		-	44,049
Deferred income - membership fees in advance		-	10,250
Sundry creditors		25,894	18,085
Total current trade and other payables		<u>295,741</u>	<u>466,361</u>
Financial liabilities at amortised cost classified as trade and other payables			
Trade and other payables:			
Total current		295,741	466,361
Less other payables (net amount of GST payable)		-	(10,250)
Financial liabilities as trade and other payables	43	<u>295,741</u>	<u>456,111</u>

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023
(Continued)

10. Borrowings

	Note	2023 \$	2022 \$
Current			
Instalment arrangements	10(a)	36,295	120,798
Bank loan	10(b)	72,398	72,398
Total Current Borrowings		<u>108,693</u>	<u>193,196</u>
Non-Current			
Instalment arrangements	10(a)	-	40,324
Bank loan	10(b)	428,647	483,796
Total Non-Current Borrowings		<u>428,647</u>	<u>524,120</u>
Total Borrowings		<u>537,340</u>	<u>717,316</u>

(a) Supplier Instalment arrangements

Various suppliers have provided vendor finance arrangements for the purchase of poker machines and furniture, repayable in instalments ranging from 12 to 36 months. The Club entered in to one new instalment arrangement during the year ended 30 June 2023 which has a term of 12 months. No interest is payable under these arrangements.

(b) Bank Loans
Better Business

The Club has a Business Loan facility of \$500,000 with ANZ Bank (ANZ).

- The loan matures on 20 July 2035
- This is a mortgage loan secured over the property described below.
- The Club is required to make monthly capital and interest repayments over the term of the loan.
- The Club was granted a 6 month deferral of repayments for the period 20 April 2020 to 20 October 2020.

Security for the Business Loans

A First Rank Registered Mortgage by Cabarita Beach Bowls & Sports Club Ltd ACN 000998863 over the property situated at 3-5 Jacaranda Avenue Bogangar NSW 2488.

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023
(Continued)

11. Provisions	2023	2022
	\$	\$
Current		
Provision for annual leave	66,962	52,718
Provision for long service leave	70,901	87,471
RDO's	1,939	1,939
Total Current Provisions	139,802	142,128
Provision for long service leave	12,098	11,471
Total Non-Current Provisions	12,098	11,471
Total Provisions	151,900	153,599

12. Key Management Personnel Compensation

Key Management Personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity directly or indirectly, including any director (whether executive or otherwise) is considered key management personnel (KMP).

The total remuneration paid to KMP of the entity are as follows:

KMP compensation:	<u>109,657</u>	<u>82,855</u>
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13. Other Related Party Transactions

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

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 the son of Greg Dryden (Director) was an employee of SilverChef with whom the Club undertakes equipment finance. Greg's son does not have an active role in the quotations, negotiations or contract exchanges with the Club.

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023
(Continued)

14. Financial Risk Management

The entity's financial instruments consist mainly of deposits with banks, short-term and long-term investments, payables and borrowings.

The totals for each category of financial instruments, measured in accordance with AASB 9: Financial Instruments as detailed in the accounting policies to these financial statements, are as follows:

	Note	2023	2022
Financial assets		\$	\$
Cash and cash equivalents	5	1,296,392	1,715,050
Trade and other receivables		10,833	11,828
Total financial assets		1,307,225	1,726,878
Financial liabilities			
Lease Liabilities	8	94,890	-
Trade and other payables	9	295,741	456,111
Borrowings	10	537,340	717,316
Total financial liabilities		927,971	1,173,427

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023
(Continued)

15. Fair Value Measurements

(a) Fair Value Hierarchy

The Club 's assets and liabilities are measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

Property, plant and equipment held at valuation have been valued on the basis of depreciated replacement cost which includes a number of unobservable inputs. As such, these assets are considered to be held at Level 3.

Assets and liabilities held for sale are measured at fair value on a non-recurring basis. There were no transfers between levels during the financial year.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

16. Entity Details

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

Cabarita Beach Bowls & Sports Club Limited
Cabarita Road
Bogangar NSW 2488

17. Members' Guarantee

The entity is incorporated under the Corporations Act 2001 and is a Club limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$1 towards meeting any outstanding obligations of the entity. At 30 June 2023 the number of members was 4,694 (2022: 6,264).

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023
(Continued)

18. Cash Flow Information

18.1 Reconciliation of cash and cash equivalents

	2023	2022
	\$	\$
Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:		
Cash on hand	203,022	159,306
Cheque account	939,769	1,366,683
Cash Maximiser Account	33,342	63,651
Sub Clubs	120,259	125,410
	<hr/>	<hr/>
Total cash and cash equivalents	1,296,392	1,715,050

18.2 Reconciliation of Net cash provided by operating activities with Profit (loss) for the period after income tax

Profit (loss) for the period after income tax	241,391	641,406
Non-cash flows in profit (loss):		
- Depreciation and amortisation	442,657	382,535
Changes in assets and liabilities:		
- (increase)/decrease in receivables	995	(759)
- (increase)/decrease in other assets	(1,252)	(54,092)
- (increase)/decrease in inventories	10,651	(3,227)
- increase/(decrease) in trade and other payables	(170,620)	64,238
- increase/(decrease) in provisions	(1,699)	783
Net cash provided by operating activities	<hr/>	<hr/>
	522,123	1,030,884

19. Auditors' Remuneration

Remuneration of the auditor of the Club, WFD Assurance Services Pty Ltd for:

- Auditing the financial statements	<hr/>	<hr/>
	17,040	16,480

20. Events Occurring After Balance Date and Going Concern

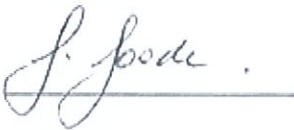
There were no material events subsequent to 30 June 2023 and up until the authorisation of the financial statements for issue, that have not been disclosed elsewhere in the financial statements.

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863

DIRECTORS' DECLARATION

In accordance with a resolution of the directors, the directors of the entity declare that:

1. The financial statements and notes, as set out on pages 6 to 27, satisfy the requirements of the Corporations Act 2001 and:
 - (a) comply with Australian Accounting Standards – Simplified Disclosures; and
 - (b) give a true and fair view of the financial position of the entity as at 30 June 2023 and of its performance for the year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the Club will be able to pay its debts as and when they become due and payable.

A handwritten signature in dark ink, appearing to read 'G. Goode', is written over a horizontal line.

Greg Goode
Chairman

Dated this 12th day of October 2023

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CABARITA BEACH BOWLS & SPORTS CLUB LIMITED

Opinion

We have audited the financial report of Cabarita Beach Bowls & Sports Club Ltd (the entity), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

The accompanying financial report of Cabarita Beach Bowls & Sports Club Ltd is in accordance with the Corporations Act 2001, including:

- i. giving a true and fair view of the entity's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- ii. complying with Australian Accounting Standards – Simplified Disclosure Standard and the Corporations Regulations 2001.

Basis for Opinion

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

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

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

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the entity's annual report for the year ended 30 June 2023 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Redefining Quality

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
(CONTINUED)

Responsibilities of the Directors for the Financial Report

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

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

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 entity'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 entity'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 entity 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the entity audit. We remain solely responsible for our audit opinion.

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
(CONTINUED)

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.

WFD Assurance Services

WFD Assurance Services

Santos Place
Level 27, 32 Turbot Street
Brisbane
Dated: 12 October 2023

Leanne Smith

Leanne Smith
Principal