

# **Castle Hill Bowling Club Ltd**

**ACN 000 932 758**

**Annual Report - 30 June 2022**

**Castle Hill Bowling Club Ltd**  
**Directors' report**  
**30 June 2022**

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2022.

**Directors**

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Noel Benson  
Paul William Bryan  
The Late Clarence Arthur White (Resigned 22 August 2022)  
Theresa Mary Potter  
Jeffrey Peter Everett (Resigned 21 November 2021)  
Andrew John Eadie  
Paul William Hodgkinson  
John Charles Bennett (Appointed 21 November 2021)  
Paul Gregory D'Arcy (Appointed 7 January 2022)

**Objectives**

The short-term objective of the company is to continue to provide facilities to allow the members of the Castle Hill Bowling Club Ltd ("CHBC") to play lawn bowls.

The long-term objective is to provide first class bowling facilities to the members of the CHBC and ensure the long term sustainability of the club.

**Strategy for achieving the objectives**

The company's operations have been impacted by COVID-19 during the reporting period by the mandatory shutdowns and ongoing Public Health restrictions.

On behalf of the company, the directors have entered into a deed of amalgamation and memorandum of understanding (Deed and MOU") with the Castle Hill RSL Club Ltd ("CHRG") on 17 August 2022 and obligated both companies to hold general meetings of members to vote on the proposed amalgamation of the CHBC with the CHRG with such an amalgamation to be effected by:

- The continuation of the CHRG (as the amalgamated club) and the dissolution of CHBC;
- The transfer of CHBC's assets to CHRG; and
- The transfer of the club licence of CHBC to CHRG.

If the members of both the CHBC and CHRG approve the proposal at their respective general meetings, and obtain the necessary regulatory approval and meet the terms of the Deed and MOU, the amalgamation can proceed with a strategy for the provision of ongoing and improved bowling facilities for members.

**Principal activities**

During the financial year the principal continuing activities of the company was the provision of bowling facilities for the members of the Castle Hill Bowling Club.

**Performance measures**

The company measures its performance by the number financial club members that it has for the year.

**Information on directors**

Name:	Noel Benson
Title:	Director and Chairman
Qualifications:	Retired
Experience and expertise:	Noel joined the Board of Castle Hill Bowling Club Ltd in September 2018 and was elected Chairman in September 2019.
Special responsibilities:	Member of the Sponsorship and Management and Staffing Committees

**Castle Hill Bowling Club Ltd  
Directors' report  
30 June 2022**

Name: Paul William Bryan  
Title: Director and Deputy Chairman  
Qualifications: Retired  
Experience and expertise: Paul joined the Board of Castle Hill Bowling Club Ltd in September 2015 and was re-elected Deputy Chairman in September 2021.  
Special responsibilities: Member of the Greens, Management and Staffing and Club Development Committees

Name: Late Clarrie Arthur White  
Title: Director and Treasurer (Resigned 22 August 2022)  
Qualifications: Retired  
Experience and expertise: Clarence joined the Board of Castle Hill Bowling Club Ltd in September 2014 and was re-elected as Treasurer in September 2020. Clarrie passed away on 22 August 2022. We express many thanks for his service and pass on our condolences to his spouse and family.  
Special responsibilities: Former Member of the Finance and Compliance Committee.

Name: Theresa Mary Potter  
Title: Director  
Qualifications: Retired  
Experience and expertise: Theresa joined the board of Castle Hill Bowling Club Ltd in October 2016 and was re-elected in September 2020.  
Special responsibilities: Member of the Social and Functions Committee

Name: Jeffrey Peter Everett  
Title: Director (Resigned 21 November 2021)  
Qualifications: Retired  
Experience and expertise: Jeffrey joined the board of Castle Hill Bowling Club Ltd in September 2019 and stepped down in November 2021.  
Special responsibilities: Member of the Club Development Committee

Name: Andrew John Eadie  
Title: Director  
Qualifications: General Manager  
Experience and expertise: Andrew joined the board of Castle Hill Bowling Club Ltd in September 2020.  
Special responsibilities: Member of the Staff and Management Committee

Name: Paul William Hodgkinson  
Title: Director  
Qualifications: Retired  
Experience and expertise: Paul joined the board of Castle Hill Bowling Club Ltd in September 2020.  
Special responsibilities: Member of the Finance and Compliance Committee

Name: John Charles Bennett (Appointed on 21 November 2021)  
Title: Former Non-Executive Director  
Qualifications: Retired  
Experience and expertise: John joined the Board of Castle Hill Bowling Club Ltd in November 2021.  
Special responsibilities: Member of the Social and Functions Committee

Name: Paul Gregory D'Arcy (Appointed on 7 January 2022)  
Title: Director and Treasurer  
Qualifications: Head of Operations Execution and Performance Management  
Experience and expertise: Paul joined the Board of Castle Hill Bowling Club Ltd in January 2022.  
Special responsibilities: Member of the Finance and Compliance Committee

**Company secretary**

Peter John Garth has held the role of Company Secretary since January 2022. Prior to this Tony John Outal was Company Secretary from April 2021 to January 2022.

**Castle Hill Bowling Club Ltd**  
**Directors' report**  
**30 June 2022**

**Meetings of directors**

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2022, and the number of meetings attended by each director were:

	Full Board Attended	Held
Noel Benson	9	11
Paul William Bryan	10	11
Late Clarence Arthur White	11	11
Theresa Mary Potter	11	11
Jeffrey Peter Everett	4	4
Andrew John Eadie	11	11
Paul William Hodgkinson	11	11
John Charles Bennett	6	7
Paul Gregory D'Arcy	4	5

Held: represents the number of meetings held during the time the director held office.

**Contributions on winding up**

In the event of the company being wound up, ordinary members are required to contribute a maximum of \$10 each. Honorary members are not required to contribute.

The total amount that members of the company are liable to contribute if the company is wound up is \$4,200, based on 420 current ordinary members and 8 honorary life members.

**Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



\_\_\_\_\_  
Noel Benson  
Director and Chairman

Dated 20.9.22

**Auditor's Independence Declaration  
Castle Hill Bowling Club Ltd**

Registered Company Auditor No. 33930

Office 1300 360 186

Email [info@cp1.com.au](mailto:info@cp1.com.au)

To the directors of Castle Hill Bowling Club Ltd

CountPlus One Audit Pty Ltd  
ABN 14 137 175 396

I declare that to the best of my knowledge and belief, in relation to the audit of the Castle Hill Bowling Club Ltd for the reporting period ended 30 June 2022 there have been:

Level 9, 77 Pacific Highway  
North Sydney, NSW 2060

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

Level 1, 93 George Street  
Parramatta, NSW 2150

PO Box 501 North Sydney,  
NSW 2059

*CountPlus One Audit Pty Ltd*

**CountPlus One Audit Pty Ltd  
Registered Company Auditor Number 339306**



\_\_\_\_\_  
Ian George  
Director

Suite 901, Level 9, 77 Pacific Highway  
NORTH SYDNEY NSW 2060

Dated: 20 September 2022

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**General information**

The financial statements cover Castle Hill Bowling Club Ltd as an individual entity. The financial statements are presented in Australian dollars, which is Castle Hill Bowling Club Ltd's functional and presentation currency.

Castle Hill Bowling Club Ltd is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business are:

**Registered office and Principal Place of Business**

79 Castle Street  
Castle Hill NSW 2154

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 20<sup>th</sup> September 2022. The directors have the power to amend and reissue the financial statements.

**Castle Hill Bowling Club Ltd**  
**Statement of profit or loss and other comprehensive income**  
**For the year ended 30 June 2022**

	Note	2022 \$	2021 \$
<b>Revenue</b>	3	522,592	738,947
Interest revenue calculated using the effective interest method		-	-
<b>Expenses</b>			
<b>Cost of sales &amp; direct expenses</b>			
Cost of sales – Bar		97,461	133,439
Cost of sales – Bowls clothing & accessories		1,057	1,200
Direct expenses – Bar		75,378	79,274
Direct expenses – Gaming		37,669	54,275
Direct expenses - Bowls		109,837	114,918
Direct expenses – Kitchen		1,547	1,320
Direct expenses – Entertainment		11,224	17,229
		<u>334,173</u>	<u>401,655</u>
<b>Other expenses</b>			
Accounting & auditor fees		6,333	9,996
Advertising and promotion		2,023	1,941
Bank charges		3,061	3,066
Cleaning		24,563	32,879
Computer software		3,579	3,622
Depreciation		29,854	30,681
Electricity		23,823	29,351
Entertainment, artists & bands		3,748	7,286
Holiday pay		(766)	11,925
Insurance		29,133	29,355
Licensing fees		2,026	1,133
Long service leave		1,453	699
Member amenities		2,357	1,858
Postage, printing & stationery		2,918	4,245
Rates & taxes		5,175	10,752
Repairs & maintenance		11,803	19,977
Redevelopment costs impaired		127,147	-
Security costs		2,263	3,262
Security deposit expensed		5,000	-
Staff recruitment		310	365
Sundry expenses		156	36
Superannuation contributions		6,514	6,715
Sullage removal		3,973	4,011
Telephone		3,929	3,152
Wages		70,187	73,930
		<u>370,562</u>	<u>290,237</u>
<b>Surplus before income tax expense</b>		704,735	691,892
Income tax expense		-	-
<b>Surplus after income tax expense for the year attributable to the members of Castle Hill Bowling Club Ltd</b>	15	(182,143)	47,055
Other comprehensive income for the year, net of tax		-	-
<b>Total comprehensive income for the year attributable to the members of Castle Hill Bowling Club Ltd</b>		<u>(182,143)</u>	<u>47,055</u>

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

**Castle Hill Bowling Club Ltd**  
**Statement of financial position**  
**As at 30 June 2022**

	Note	2022 \$	2021 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	5	235,446	254,523
Trade and other receivables	6	5,569	5,943
Inventories	7	21,641	23,127
Other	8	3,103	4,463
<b>Total current assets</b>		<u>265,758</u>	<u>288,056</u>
<b>Non-current assets</b>			
Property, plant and equipment	9	470,396	510,256
Other	10	-	132,148
<b>Total non-current assets</b>		<u>470,396</u>	<u>642,404</u>
<b>Total assets</b>		<u>736,154</u>	<u>930,460</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	11	142,155	157,303
Other liabilities	12	27,450	29,783
Employee benefits	13	54,278	48,960
<b>Total current liabilities</b>		<u>223,883</u>	<u>236,046</u>
<b>Non-current liabilities</b>			
Employee benefits		-	-
<b>Total non-current liabilities</b>		<u>-</u>	<u>-</u>
<b>Total liabilities</b>		<u>223,883</u>	<u>236,046</u>
<b>Net assets</b>		<u>512,271</u>	<u>694,414</u>
<b>Equity</b>			
Reserves	14	71,838	71,838
Retained surpluses	15	440,433	622,576
<b>Total equity</b>		<u>512,271</u>	<u>694,414</u>

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



**Castle Hill Bowling Club Ltd**  
**Statement of changes in equity**  
**For the year ended 30 June 2022**

	<b>Reserves</b>	<b>Retained</b>	<b>Total equity</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance at 1 July 2020	71,838	575,521	647,359
Surplus after income tax expense for the year	-	47,055	47,055
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year	-	47,055	47,055
Balance at 30 June 2021	<u>71,838</u>	<u>622,576</u>	<u>694,414</u>
	<b>Reserves</b>	<b>Retained</b>	<b>Total equity</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance at 1 July 2021	71,838	622,576	694,414
Surplus/(loss) after income tax expense for the year	-	(182,143)	(182,143)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income/(loss) for the year	-	(182,143)	(182,143)
Balance at 30 June 2022	<u>71,838</u>	<u>440,433</u>	<u>512,271</u>

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

**Castle Hill Bowling Club Ltd**  
**Statement of cash flows**  
**For the year ended 30 June 2022**

	Note	2022 \$	2021 \$
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		529,440	720,035
Payments to suppliers and employees (inclusive of GST)		<u>(591,700)</u>	<u>(690,725)</u>
		(62,260)	29,310
Interest received		-	-
COVID jobkeeper subsidies		-	49,500
COVID support grants		33,000	19,852
Sponsorships received		9,650	17,931
Other revenue received		<u>533</u>	<u>200</u>
Net cash from operating activities		<u>(19,077)</u>	<u>116,793</u>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		<u>-</u>	<u>(6,647)</u>
Net cash used in investing activities		<u>-</u>	<u>(6,647)</u>
<b>Net cash from financing activities</b>			
		<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents		(19,077)	110,146
Cash and cash equivalents at the beginning of the financial year		<u>254,523</u>	<u>144,377</u>
Cash and cash equivalents at the end of the financial year	5	<u><u>235,446</u></u>	<u><u>254,523</u></u>

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

### **Note 1. Significant accounting policies**

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **New or amended Accounting Standards and Interpretations adopted**

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

The following Accounting Standards and Interpretations are most relevant to the company:

#### *Conceptual Framework for Financial Reporting (Conceptual Framework)*

The company has adopted the revised Conceptual Framework from 1 July 2021. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the company's financial statements.

#### *AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*

The company has adopted AASB 1060 from 1 July 2021. The standard provides a new Tier 2 reporting framework with simplified disclosures that are based on the requirements of IFRS for SMEs. As a result, there is increased disclosure in these financial statements for key management personnel and related parties.

#### **Basis of preparation**

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB'), the Australian Charities and Not-for-profits Commission Act 2012 and associated regulations and the Corporations Act 2001, as appropriate for not-for-profit oriented entities.

#### *Historical cost convention*

The financial statements have been prepared under the historical cost convention.

#### *Critical accounting estimates*

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

#### **Going Concern**

The financial report has been prepared on a going concern basis, which contemplates continuity of normal business activities and realisation of assets and settlement of liabilities in the ordinary course of business.

At 30 June 2022, the company's total current assets exceeded the total current liabilities by \$41,875 (2021: \$52,011). The directors have concluded that the use of the going concern assumption in the preparation of the financial statements is appropriate for the following reasons:

- An insurance premium funding arrangement was entered into on 12 August 2022 with Hunter Premium Funding Limited to fund an insurance premium in the amount of \$41,131 which provides coverage from 31 July 2022 to 31 July 2023 with monthly repayments spread out until 30 April 2023, when the debt will be fully repaid;
- On behalf of the company, the directors have entered into a deed of amalgamation and memorandum of understanding ("Deed and MOU") with the Castle Hill RSL Club Ltd ("CHRG") on 17 August 2022 and as part of the Deed and MOU, the CHRG will guarantee amalgamation legal costs of the company and provide a loan facility of \$75,000; and
- Management have provided conservative cashflow projections which reflects a positive cash position 12 months subsequent to the date of signing the accounts.

**Note 1. Significant accounting policies (continued)**

**Revenue recognition**

The company recognises revenue as follows:

*Revenue from contracts with customers*

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

*Sales revenue*

Events, fundraising and raffles are recognised when received or receivable.

*Donations*

Donations are recognised at the time the pledge is made.

*Grants*

Grant revenue is recognised in profit or loss when the company satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the company is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

*Interest*

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 revenue*

Other revenue is recognised when it is received or when the right to receive payment is established.

*Volunteer services*

The company has elected not to recognise volunteer services as either revenue or other form of contribution received. As such, any related consumption or capitalisation of such resources received is also not recognised.

**Income tax**

As the company was established for the encouragement of a game or sport, under subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

**Current and non-current classification**

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

**Note 1. Significant accounting policies (continued)**

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

**Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**Trade and other receivables**

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

**Inventories**

Inventories are measured at cost. Costs have been assigned to inventory quantities on hand at balance date using the weighted average cost basis.

**Property, plant and equipment**

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

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Buildings	40 years
Poker machines	15 years
Plant and equipment	3-7 years
Greens equipment & improvements	5-7 years
Other assets	3-5 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

**Impairment of non-financial assets**

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

**Trade and other payables**

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

**Employee benefits**

*Short-term employee benefits*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

**Note 1. Significant accounting policies (continued)**

*Other long-term employee benefits*

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

*Defined contribution superannuation expense*

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

**Fair value measurement**

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

**Goods and Services Tax ('GST') and other similar taxes**

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other 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 tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

**Note 2. Critical accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

*Coronavirus (COVID-19) pandemic*

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has been financially negative for the company up to 30 June 2022 due to the interruption of scheduled events, it is not practicable to estimate the potential impact, positive or negative, after the reporting date.

**Note 2. Critical accounting judgements, estimates and assumptions (continued)**

*Estimation of useful lives of assets*

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

*Impairment of non-financial assets other than goodwill and other indefinite life intangible assets*

The company assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

*Employee benefits provision*

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

**Note 3. Revenue**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<i>Revenue from contracts with customers</i>		
Bar sales	234,015	316,081
Gaming machine net clearances revenue	50,043	70,415
Bowls revenue	111,670	170,355
Kitchen revenue	9,799	12,012
Entertainment revenue	32,677	50,160
Hall hiring fees	36,405	27,305
Rental received	4,800	5,136
	<u>479,409</u>	<u>651,464</u>
<i>Other revenue</i>		
COVID Jobkeeper subsidies	-	49,500
COVID Support grants	33,000	19,852
Sponsorships	9,650	17,931
Other revenue	533	200
	<u>43,183</u>	<u>87,483</u>
Revenue	<u><u>522,592</u></u>	<u><u>738,947</u></u>

**Castle Hill Bowling Club Ltd**  
**Notes to the financial statements**  
**30 June 2022**

**Note 3. Revenue (continued)**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<b>Bar Trading</b>		
Income		
Bar sales	234,015	316,081
COVID jobkeeper subsidies received	-	14,850
	<u>234,015</u>	<u>330,931</u>
Less: Cost of sales		
Opening stock	19,014	15,597
Purchases	97,032	136,856
Less: Closing stock	<u>(18,585)</u>	<u>(19,014)</u>
	97,461	133,439
Less: Direct costs		
Wages & superannuation	66,667	68,704
Laundry & uniforms	247	409
Annual leave & LSL	3,580	3,588
Staff refreshments	420	596
Repairs & maintenance	1,141	1,696
Workers compensation insurance	2,013	3,026
Till system support	<u>1,310</u>	<u>1,255</u>
	<u>75,378</u>	<u>79,274</u>
Bar trading gross profit	<u>61,176</u>	<u>118,218</u>
<b>Gaming machine trading</b>		
Income		
Poker machines – net clearances	26,467	34,471
Keno – net commission	17,384	25,729
TAB – net commission	3,522	6,928
GST rebate received	2,670	3,287
COVID jobkeeper subsidies received	-	4,950
	<u>50,043</u>	<u>75,365</u>
Less: Direct costs		
Depreciation	2,047	808
Wages & superannuation	15,084	18,811
Annual leave & LSL	1,052	1,320
Repairs & maintenance	12,059	23,003
Poker machine analysis	6,679	8,723
Workers compensation insurance	603	920
Gaming machine stationery	<u>145</u>	<u>690</u>
	<u>37,669</u>	<u>54,275</u>
Gaming machine trading gross profit	<u>12,374</u>	<u>21,090</u>



**Castle Hill Bowling Club Ltd**  
**Notes to the financial statements**  
**30 June 2022**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<b>Bowls Trading</b>		
Income		
Green fees	84,263	134,877
Sales – Bowls apparel & sundry items	1,692	2,478
Members subscriptions	25,715	33,000
	<u>111,670</u>	<u>170,355</u>
Less: Cost of sales		
Opening stock	4,113	2,643
Purchases	-	2,670
Less: Closing stock	<u>(3,056)</u>	<u>(4,113)</u>
	1,057	1,200
Less: Direct costs		
Affiliation fees	15,294	7,041
Depreciation	6,987	7,026
Entry & nomination fees	2,161	2,027
Laundry & uniforms	567	1,754
Green keepers expenses	78,756	90,265
General expenses & bowls stickers	1,469	1,267
Trophies	4,442	5,291
Repairs & maintenance	162	247
	<u>109,838</u>	<u>114,918</u>
 Bowls trading gross profit	 <u>775</u>	 <u>54,237</u>
<b>Kitchen Trading</b>		
Income		
Sales commission	8,937	8,132
Sales other	862	3,880
	<u>9,799</u>	<u>12,012</u>
Less: Direct costs		
Depreciation	972	974
Laundry & uniforms	-	91
Repairs & maintenance	575	256
	<u>1,547</u>	<u>1,320</u>
 Kitchen trading gross profit	 <u>8,252</u>	 <u>10,692</u>
<b>Entertainment Trading</b>		
Income		
Raffles revenue	32,677	50,160
Less: Direct costs		
Purchase of raffle prizes	11,224	17,230
 Entertainment trading gross profit	 <u>21,453</u>	 <u>32,930</u>

**Note 4. Expenses**

	2022 \$	2021 \$
Surplus before income tax includes the following specific expenses:		
<i>Superannuation expense</i>		
Defined contribution superannuation expense	13,355	13,890

**Note 5. Current assets - cash and cash equivalents**

	2022 \$	2021 \$
Cash on hand	17,996	17,996
Cash at bank	217,171	236,248
Cash on deposit	279	279
	<u>235,446</u>	<u>254,523</u>

**Note 6. Current assets - trade and other receivables**

	2022 \$	2021 \$
Trade receivables	1,577	3,456
Other receivables	3,992	2,487
	<u>5,569</u>	<u>5,943</u>

**Note 7. Current assets - inventory**

	2022 \$	2021 \$
Bar Inventory – at cost	18,585	19,014
Clothing & accessories inventory – at cost	3,056	4,113
	<u>21,641</u>	<u>23,127</u>

**Note 8. Current assets – other**

	2022 \$	2021 \$
Prepayments	3,103	4,463
	<u>3,103</u>	<u>4,463</u>

**Castle Hill Bowling Club Ltd**  
**Notes to the financial statements**  
**30 June 2022**

**Note 9. Non-current assets - property, plant and equipment**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Freehold land – at cost	44,961	44,961
Buildings & improvements - at cost	801,711	801,711
Less: Accumulated depreciation	<u>(511,160)</u>	<u>(495,558)</u>
	290,551	306,153
Plant & equipment - at cost	313,975	313,975
Less: Accumulated depreciation	<u>(278,878)</u>	<u>(268,844)</u>
	35,097	45,131
Poker machines - at cost	217,943	217,943
Less: Accumulated depreciation	<u>(213,595)</u>	<u>(211,548)</u>
	4,348	6,395
Greens equipment - at cost	9,287	9,287
Less: Accumulated depreciation	<u>(9,200)</u>	<u>(9,150)</u>
	87	137
Greens improvements - at cost	271,678	271,678
Less: Accumulated depreciation	<u>(205,958)</u>	<u>(199,021)</u>
	65,720	72,657
Furniture & fittings – at cost	165,573	165,573
Less: Accumulated depreciation	<u>(139,041)</u>	<u>(134,823)</u>
	26,532	30,750
Kitchen equipment – at cost	65,812	65,812
Less: Accumulated depreciation	<u>(62,712)</u>	<u>(61,740)</u>
	3,100	4,072
	<u>470,396</u>	<u>510,256</u>

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Land and buildings \$	Plant & equipment \$	Poker machines \$	Greens equipment & Improvements \$	Other \$	Total \$
Balance at 1 July 2021	351,114	45,131	6,395	72,794	34,822	510,256
Additions	-	-	-	-	-	-
Depreciation expense	<u>(15,602)</u>	<u>(10,034)</u>	<u>(2,047)</u>	<u>(6,987)</u>	<u>(5,190)</u>	<u>(39,860)</u>
Balance at 30 June 2022	<u>335,512</u>	<u>35,097</u>	<u>4,348</u>	<u>65,807</u>	<u>29,632</u>	<u>470,396</u>

**Valuation of Land & Buildings**

The independent valuation of the company's land and buildings located at 79 Castle Street Castle Hill carried out in July 2022 by Stuart Hunter, Certified Practising Valuer with Asset Property Valuers on the basis of the market value for existing use resulted in a valuation of land and buildings of \$10,400,000. As land and buildings are recorded at cost, the valuation has not been brought to account.

**Castle Hill Bowling Club Ltd**  
**Notes to the financial statements**  
**30 June 2022**

**Note 10. Non-Current assets - other assets**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Security deposits	-	5,000
Redevelopment costs – at cost	-	127,148
Less: Impairment of redevelopment costs	-	-
	<u>-</u>	<u>132,148</u>

**Note 11. Current liabilities - trade and other payables**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Trade payables	17,504	21,670
GST payable	7,505	9,614
Accrued expenses	109,782	112,687
Lucky badge draw	-	1,500
Other payables	7,364	11,832
	<u>142,155</u>	<u>157,303</u>

**Note 12. Current liabilities – other liabilities**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Deferred membership subscription income	23,000	22,596
Deposits received for functions	1,450	1,214
Deferred income – lion contribution	-	2,973
Deferred income – sponsorship received	3,000	3,000
	<u>27,450</u>	<u>29,783</u>

**Note 13. Current liabilities - employee benefits**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Employee benefits – annual leave	32,651	29,386
Employee benefits – long service leave	21,627	19,574
	<u>54,278</u>	<u>48,960</u>

**Note 14. Equity - reserves**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Asset revaluation reserve	<u>71,838</u>	<u>71,838</u>

**Castle Hill Bowling Club Ltd**  
**Notes to the financial statements**  
**30 June 2022**

**Note 15. Equity - retained surpluses**

	2022 \$	2021 \$
Retained surpluses at the beginning of the financial year	622,576	575,521
Surplus after income tax expense for the year	<u>(182,143)</u>	<u>47,055</u>
Retained surpluses at the end of the financial year	<u>440,433</u>	<u>622,576</u>

**Note 16. Key management personnel disclosures**

*Compensation*

The aggregate compensation made to directors and other members of key management personnel of the company is set out below:

	2022 \$	2021 \$
Aggregate compensation	<u>-</u>	<u>-</u>

**Note 17. Remuneration of auditors**

During the financial year the following fees were paid or payable for services provided by CountPlus One Audit Pty Ltd, the auditor of the company:

	2022 \$	2021 \$
<i>Audit services – CountPlus One Audit Pty Ltd</i>		
Audit of the financial statements	<u>7,500</u>	<u>7,500</u>

**Note 18. Contingent liabilities**

The company had no contingent liabilities as at 30 June 2022 and 30 June 2021.

**Note 19. Commitments**

The company had no commitments for expenditure as at 30 June 2022 and 30 June 2021.

**Note 20. Related party transactions**

*Key management personnel*

Disclosures relating to key management personnel are set out in note 16.

*Transactions with related parties*

All directors act in an honorary capacity and do not receive an honorarium. No director has received or become entitled to receive, during or since the end of the financial year, a benefit because of a contract made by the company or a related body corporate with the director, a firm of which the director is a member of an entity in which a director has a substantial interest. Directors are not provided any discounts with regards to their membership, bowling fees, or any other transaction with the company. There were no other transactions with related parties during the current and previous financial year.

*Receivable from and payable to related parties*

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

*Loans to/from related parties*

There were no loans to or from related parties at the current and previous reporting date.

**Note 21. Core and Non-Core Property**

Following the extra-ordinary general meeting on 15 August 2019, the directors classified the core and non-core property in accordance with the provisions under section 41J(2) of the Registered Clubs Act 1976 No.31. In particular, the Land at 79 Castle Street, Castle Hill NSW including the club house, car park and bowling greens had been classified as non-core property of the company at 30 June 2022. However, at the general meeting on 11 September 2022, the ordinary members approved the resolution that all of the land at 79 Castle Street Castle Hill NSW including the club house, car park and bowling greens be again classified as core property of the company. The directors have enacted this decision of the general meeting.

**Note 22. Members Guarantee**

The company is limited by guarantee. If the company is wound up, the Constitution states that each member undertakes to contribute such amount as may be required not exceeding Ten Dollars (\$10) during the time that they are a member or within one year thereafter for payment of the debts and liabilities of the company contracted before the time as which they cease to be a member and of the costs, charges and expenses of winding up the same for the adjustment of the rights of the contributories amongst themselves.

<i>Membership Categories</i>	<i>2022</i>	<i>2021</i>
Life members	8	10
Bowling members (Men)	106	114
Bowling members (Women)	59	69
Social bowling members (Women)	49	45
Social members	203	212
Junior members	1	0
Multi bowling members	2	2
Total members	428	452

**Note 23. Contingent Liabilities**

The company entered into an agreement with Augadv Pty Ltd trading as Augusta Advisers for the investigation of redevelopment and amalgamation opportunities that deliver a new clubhouse, provide first class blowing facilities and ensures the long term sustainability of the bowling club. Should any redevelopment opportunity or amalgamation be presented to the general meeting of members of the Castle Hill Bowling Club Ltd by the directors, and receive the required approval at the general meeting and then continues to Amalgamation Completion, a success fee will be payable. No amount is currently payable under this agreement, but if the proposed amalgamation with the Castle Hill RSL Club Ltd ABN 35 001 043 910 receives all required approvals and completes, then an amalgamation success payment in the amount of \$342,000 plus GST will be payable to Augusta Advisers within 30 days of the Amalgamation Completion date.

**Note 24. Events after the reporting period**

*COVID-19*

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has been financially negative for the company up to 30 June 2022 due to the interruption of scheduled events, it is not practicable to estimate the potential impact, positive or negative, after the reporting date.

*Insurance Premium Funding*

An insurance premium funding arrangement was entered into on 12 August 2022 with Hunter Premium Funding Limited to fund an insurance premium in the amount of \$41,131 which provides coverage from 31 July 2022 to 31 July 2023. The insurance premium funding is based on an interest rate of 16.25% pa with monthly repayments until 30 April 2023, when the debt will be fully repaid.

*Amalgamation Proposal*

**Note 24. Events after the reporting period (continued)**

On behalf of the company, the directors have entered into a deed of amalgamation and memorandum of understanding (Deed and MOU) with the Castle Hill RSL Club Ltd ("CHRG") on 17 August 2022 and obligated both companies to hold general meetings of members to vote on the proposed amalgamation of the Castle Hill Bowling Club Ltd ("CHBC") with the CHRG with such an amalgamation to be effected by:

- The continuation of the CHRG (as the amalgamated club) and the dissolution of CHBC;
- The transfer of CHBC's assets to CHRG; and
- The transfer of the club licence of CHBC to CHRG.

If the members of both the CHBC and CHRG approve the proposal at their respective general meetings, and also obtain the necessary regulatory approval and meet the terms of the Deed and MOU, the amalgamation can proceed with a strategy for the provision of ongoing and improved bowling facilities for members.

As part of the terms of the deed, amongst other items:

- CHRG has agreed to guarantee the legal costs incurred by CHBC;
- CHRG has agreed to pay the Amalgamation success fee to Augusta Advisors; and
- CHRG has agreed to provide a \$75,000 loan facility to CHBC.

At the general meeting of CHBC on 11 September 2022 the members of the CHBC approved both resolutions put to the meeting being:

- That all the land at 79 Castle Street, Castle Hill owned by the CHBC to be core property of the Club; and
- That the ordinary members approve in principle the amalgamation of the CHBC with the CHRG.

At the general meeting of CHRG on 19<sup>th</sup> September 2022 the members approved the resolution put to the meeting that the ordinary members approve in principle the amalgamation of the CHRG with the CHBC.

No other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

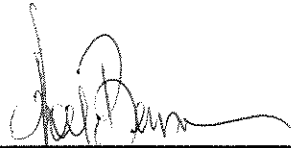
**Castle Hill Bowling Club Ltd**  
**Directors' declaration**  
**30 June 2022**

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Simplified Disclosures, the Australian Charities and Not-for-profits Commission Act 2012 and associated regulations, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



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Noel Benson  
Director and Chairman

Dated 20.6.22



**Independent auditor's report to the members of  
Castle Hill Bowling Club Ltd**

Registered Company Auditor No. 33930

Office 1300 360 186

Email [info@cp1.com.au](mailto:info@cp1.com.au)

*Report on the Financial Report*

We have audited the accompanying financial report, being a general purpose financial report of Castle Hill Bowling Club Ltd which comprises the statements of financial position as at 30 June 2022, the statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the company at the year's end.

CountPlus One Audit Pty Ltd  
ABN 14 137 175 396

Level 9, 77 Pacific Highway  
North Sydney, NSW 2060

Level 1, 93 George Street  
Parramatta, NSW 2150

PO Box 501 North Sydney,  
NSW 2059

*Opinion*

In our opinion the financial report of Castle Hill Bowling Club Ltd is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the company's financial position as at 30 June 2022 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards – Simplified Disclosures, to the extent described in Note 1, the Australian Charities and Not-for-profits Commission Act 2012 and associated regulations and the Corporations Act 2001.

*Basis for opinion*

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

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

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

*Other information*

The directors are responsible for the other information. The other information comprises the information included in the company's annual report for the year ended 30 June 2022, 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.

**Independent auditor's report to the members of  
Castle Hill Bowling Club Ltd**

*Directors' responsibility for the financial report*

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures, to the extent described in Note 1, the Australian Charities and Not-for-profits Commission Act 2012 and associated regulations and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

*Auditor's responsibility*

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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

*CountPlus One Audit Pty Ltd*

**CountPlus One Audit Pty Ltd  
Registered Company Auditor Number 339306**



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Ian George  
Director

Suite 901, Level 9, 77 Pacific Highway  
NORTH SYDNEY NSW 2060

Dated: 20 September 2022