



# 51<sup>ST</sup> ANNUAL REPORT 2023

AND FINANCIAL STATEMENTS FOR  
THE YEAR ENDING 31 MAY 2023

**BOWLERS' CLUB**  
of New South Wales Limited  
ABN 70 001 015 701



## DAY DELEGATE PACKAGES FROM \$800

*Minimum 10 people*

### **Inclusions:**

- Continuous Tea & Coffee
- Morning Tea
- Working Lunch
- WiFi
- White Board
- Data Projector
- AV System & Hand Held Mic

Extra delegates can be added for \$65pp

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**Call 02 8296 6406 or email  
events@clubyork.com.au to  
discuss a package that suits you!**

\*conditions apply



# NOTICE OF THE ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the Fifty-First Annual General Meeting of the members of the Bowlers' Club of New South Wales Limited will be held at the Registered Office, 95-99 York Street, Sydney on Thursday 28 September 2023, commencing at 6.00p.m.

## AGENDA

1. Apologies.
2. To receive and confirm the minutes of the Fiftieth Annual General Meeting held on Thursday 27th October 2022.
3. To receive and consider the Directors Reports to members and the Annual Report of the Board of Directors for the year ended 31 May 2023.
4. To receive and consider the financial report, including Statement of Profit or Loss and Other Comprehensive Income, Statement of Financial Position, Statement of Cash Flows and the Auditor's report for the year ended 31 May 2023.
5. To declare the result of the election of Directors to hold office in accordance with Article 26.3 (4)
6. To consider and if thought fit pass the following Ordinary Resolutions:

### FIRST ORDINARY RESOLUTION

That pursuant to Section 10 (6)(b) of the Registered Clubs Act 1976, the Members hereby approve the following honorarium for Directors of the Club for their services as Directors of the Club until the Annual General Meeting in the year 2023:

- a) The President of the Club to be paid an honorarium of \$15,000 plus the Superannuation Guarantee;
  - b) The Deputy Chairperson of the Club to be paid an honorarium of \$10,000 inclusive the Superannuation Guarantee;
  - c) Each of the four ordinary Directors and up to two board appointed Directors of the Club to be paid an honorarium of \$7,500 plus the Superannuation Guarantee;
7. To consider and if thought fit pass the following Ordinary Resolution:

### SECOND ORDINARY RESOLUTION

That pursuant to Section 10 (6)(a) and Section 10 (6)(d) of the Registered Clubs Act 1976, the members hereby approve the following benefits for Directors until the Annual General Meeting in 2023:

- a) The provision of reasonable refreshments and light supper for Directors at Board Meetings;
- b) The provision of two dinners per annum for the Board of Directors and invited guests of the Board of Directors;
- c) The reasonable cost of Directors and their partners attending the Annual General Meeting of ClubsNSW (Registered Clubs Association) and Club Managers Association of Australia and any Industry or other Association conference, provided such attendances are approved by the Board as being necessary for the betterment of the Club;



## NOTICE OF THE ANNUAL GENERAL MEETING

- d) The reasonable cost of Directors and their partners attending any community, social or charity function as the representatives of the Club and authorised by the Board to do so;
- e) The reasonable costs of Directors and their partners attending Regional ClubsNSW (Registered Clubs Association) meetings, trade displays, seminars and other similar events as approved by the Board as being necessary for the betterment of the Club;
- f) The reasonable costs of Directors attending other registered clubs for the purposes of viewing or assessing their facilities and their methods of operations provided such attendances are approved by the Board as being necessary for the betterment of the Club;
- g) The reasonable travel costs of Directors attending Board and other meetings of Directors and any incidental accommodation expenses;

Provided that all such costs and expenses are also approved by a current resolution of the Board, and the total cost to the Club of the items referred to does not exceed \$70,000.

8. To consider and if thought fit pass the following Ordinary Resolution:

### THIRD ORDINARY RESOLUTION

That the Members hereby approve the expenditure by the Club of a sum not exceeding \$75,000 for the cost of Directors attending seminars and trade shows outside of Australia provided that such attendance of any Director has been first approved by a current resolution of the Board as being of substantial benefit to the interests of the Club and the cost of such attendance is in the opinion of the Board reasonable.

9. To consider and if thought fit pass the Special Resolutions attached to this notice.
10. To deal with any other general business of which at least twenty-one (21) days' notice prior to the Annual General Meeting shall have been given in writing to the Chief Executive Officer.

Dated: 14th August 2023

By Direction of the Board

Angus Rimmer  
**Chief Executive Officer**



## NOTICE OF SPECIAL RESOLUTION

### SPECIAL RESOLUTION

*[The Special Resolution is to be read in conjunction with the notes to members set out below.]*

That the Constitution of the Bowlers Club of New South Wales Limited be amended by:

(a) **inserting** the following new Rules 2.5 and 2.6:

2.5 Every member is bound by and must comply with the Constitution and By-laws of the Club and any other applicable determination, resolution or policy which may be made or passed by the Board.

2.6 The Constitution and By-laws of the Club have effect as a contract between:

- (a) the Club and each Member; and
- (b) the Club and each Director;
- (c) each Member and each other Member,

under which each person agrees to observe and perform the Constitution and By-laws so far as they apply to that person."

(b) **inserting** the following new Rule 3.4:

*"A reference to a person being present or participating in a meeting "in person" includes attendance by virtual or electronic means."*

(c) **inserting** the following new Rule 3.5:

*"A reference to a notice in writing includes a notice sent electronically or notification of the notice being available being sent electronically."*

(d) **inserting** the following new Rule 9.7

*Notwithstanding any other provision of this Constitution, and having regard to the harm minimisation objects of the Liquor Act (in relation to the responsible service of liquor) and the Gaming Machines Act (in relation to the responsible conduct of gambling), the Board has power to*

- (a) *implement house polices for the responsible service of liquor and the responsible conduct of gambling;*
- (b) *include in those polices measures to assist in the ham minimisation objects;*
- (c) *take steps to enforce those policies.*
- (d) *without limiting the generality of Rule 9.7(b), include in those polices provisions allowing the Club to prevent anyone (including Members) from entering the premises if the Board, the Secretary or the Secretary's delegate determine that such action is necessary for the purposes of these policies.*



## NOTICE OF SPECIAL RESOLUTION

- (e) **deleting** from Rule 15.1 the words “*provided that the annual subscription shall be not less than \$2.00 (excluding Goods And Services Tax) or such other minimum subscription provided from time to time by the Registered Clubs Act.*”
- (f) **deleting** from Rule 15.3 the words “*provided that it is not less than \$2.00 (excluding Goods And Services Tax) or such other minimum subscription provided from time to time by the Registered Clubs Act.*”
- (g) **inserting** the following new Rules 15.7 and 15.8

15.8 *If the Board resolve that a subscription is not required to be paid, the Board may resolve that a Member’s membership must be renewed by a date determined by the Board.*

15.9 *Any Member who does not renew their membership by the due date for the renewal of such membership shall cease to be entitled to the privileges of membership and by resolution of the Board may be removed from membership of the Club in which case the provisions of Rule 20.1 and Rule 20.2 shall not apply to such resolution.”*

- (h) **inserting** the following new Rule 21A:

### **Disciplinary Powers of the Secretary**

21A.1 *If, in the opinion of the Secretary, a Member has engaged in conduct that:*

- (a) *is unbecoming of a Member; or*
- (b) *is prejudicial to the interests of the Club,*

*then the Secretary may suspend the Member from some or all rights and privileges as a Member of the Club for a period of up to twelve (12) months.*

21A.2 *In respect of any suspension pursuant to Rule 21A.1 the requirements of Rule 20 shall not apply.*

21A.3 *If the Secretary exercises the power pursuant to Rule 21A.1, the Secretary must notify the member (by notice in writing) that:*

- (a) *the Member has been suspended as a Member of the Club; and*
- (b) *the period of suspension;*
- (c) *the privileges of membership which have been suspended; and*
- (d) *if the Member wishes to do so, the Member may request by notice in writing sent to the Secretary) the matter be dealt with by the Board pursuant to Rule 20.*

21A.4 *If a Member submits a request under Rule 21A.3(iv):*

- (a) *the Member shall remain suspended until such time as the charge is heard and determined by the Board; and*



## NOTICE OF SPECIAL RESOLUTION

- (b) *the Club must commence disciplinary proceedings against the Member in accordance with the requirements of Rule 20.*
- 21A.5 *The determination of the Board in respect of those disciplinary proceedings shall be in substitution for and to the exclusion of any suspension imposed by the Secretary*
- 21A.6 *If the Secretary is absent or on leave, the powers of the Secretary in this Rule 21.A may be exercised by another employee who is authorised by the Board to do so*
- 21A.7 *The Secretary must notify the board the details of any Member suspended by the Secretary under the use of Rule 21.A*
- (i) **deleting** from Rule 35.35 “twenty (20)” and in their place inserting “ten(10)”.
- (i) **inserting** the following new Rule 43.5:
- “A Director or the Secretary may sign a document pursuant to this Rule 43.4 either by signing a physical form of the document, or signing an electronic form of the document using electronic means and the two officers signing a document on behalf the Club can sign different copies of the document and all use different methods to sign the document.”*
- (k) **deleting** Rule 43 and **inserting** the following new Rule 43:
- “43.1 A notice may be given by the Club to any Member either:*
- (a) *personally; or*
- (b) *by sending it by post to the address of the Member recorded for that member in the Register of Members kept pursuant to this Constitution;*
- (c) *by sending it by any electronic means; or*
- (d) *by notifying the Member, either personally, by post, or electronically, that the notice is available and how the Member can access the notice.*
- 43.2 *Where a notice is sent by post or by electronic means to a Member in accordance with Rule 43.1, the notice shall be deemed to have been received by the Members on the day following that on which the notice was posted or sent.*
- 43.3 *Where a Member is notified in accordance with Rule 43.1(d), the notice is taken to have been received on the day following that on which the notification was sent.”*



# NOTICE OF SPECIAL RESOLUTION

## NOTES TO MEMBERS ON SPECIAL RESOLUTION

1. The Special resolution proposes a number of amendments to the Club's Constitution to update the document and ensure that it reflects current provisions of the Corporations Act and Registered Clubs Act. The Special Resolution also makes a number of other amendments to improve the drafting throughout the document, and ensure it is in good order, up to date, and reflects best practice.
2. **Paragraph (a)** will insert introductory Rules into the Constitution which reflect the status of the Constitution as a binding contract between Members.
3. **Paragraph (b)** clarifies that all persons participating at a meeting are attending the meeting in person, whether physically present or participating by technology.
4. **Paragraph (c)** clarifies that notices in writing can be given electronically.
5. **Paragraph (d)** inserts new provisions which refer to the Club's Responsible Service of Alcohol policy and Responsible Service of Gaming policy and provide that the Club can take action to enforce those policies, including removing persons from the premises, and denying them access to the premises. This reflects a pro active approach to harm minimisation.
6. **Paragraphs (e) to (g)** update the Rules in relation to annual subscriptions to Reflect the Registered Clubs Act.
7. **Paragraph (h)** includes new disciplinary powers to be exercised by the Secretary. In summary, they provide that the Secretary will have the power to suspend a member for up to 12 months without a Board hearing. The Secretary must notify the Member of the suspension. If a Member receives such notification, the Member could elect to have a Board hearing to determine a disciplinary charge based on the alleged conduct and the Board's decision would be in substitution for the Secretary's decision.
8. **Paragraph (i)** will reduce the quorum for general meetings, including annual general meetings from 20 to 10. Over recent years, it has become increasingly difficult to obtain a quorum of 20 Members for the Annual General Meeting, which risks have to adjourn the meeting for another week.
9. **Paragraph (j)** updates the Constitution to allow the Club to execute documents electronically.
10. **Paragraph (k) updates the Rules in relation to giving notices electronically.**



# PRESIDENT'S REPORT

Dear Members,

## WELCOME

After the challenges of the Pandemic and a forced shut down of 15 weeks in the previous year I am pleased to report a return to profitability and an operating profit of \$1,353,000 for the 2023 year.

Our Statement of Cash Flows shows we generated positive cash flows of \$2,084,000 which enabled us to maintain our substantial cash reserves and present a very strong Balance Sheet to you at year end.

## CASH FLOW/CAPITAL EXPENDITURE

The positive cash flows mentioned above allowed us to continue our investment in Club improvements, including gaming machine replacement and plant and furniture renewal in line with our strategic policy to continually upgrade our Club.

We have no debt and significant cash reserves, which augurs well for our future of the Club.

Speaking of those plans, we are embarking on a substantial redevelopment of the Club's facilities on the ground floor and level 1 to take place over the coming months. The architects commissioned to design the development have, we believe, delivered an exciting concept which will enhance the Member experience and take us to the next level (more in the CEO's report).

## STRATEGIC PLANNING

Our Annual strategic planning meetings will be held in October this year where we will be setting our goals and our plans to deliver on those. Broadly the strategic goals for the coming year remain to continue to grow organically, drive business growth and scale and achieve economies to contain our ever-increasing costs.

## GOVERNANCE-DIRECTORS TRAINING

The Board has an Audit and Risk Committee subject to a separate Charter which meets monthly and reports to the Board on Governance issues and financial results. The Committee also meets with the Auditor to discuss and review the scope of the audit and the audit plan to ensure the plan covers all material areas of risk.

We also have a Board Governance Charter in place which defines the roles, duties, and responsibilities of the Board and its relationship with the CEO and Management.

The Charter binds the Board to a Club code of conduct which embraces the principles of ethical behavior, transparency, and accountability.

We have a Risk Management Framework Policy in place which has as its core aim to identify, assess and mitigate potential risk issues within the Club including our risk culture driven by "tone at the top".

Other policies and procedures have been developed to assist in the evaluation of the Boards and Management performance to ensure the Board operates effectively and the Club operates efficiently through its executive.



## PRESIDENT'S REPORT

Regarding Director's training and the provisions of the Registered Clubs Act and its regulations, I am pleased to say that all existing Board members comply with the requirements having completed the required governance courses or have qualifying recognised prior learning.

Your Board has a diverse range of skills and is working cohesively with Management to set the strategic plan and monitor the execution of that plan. Through the Clubs Education Institute, AICD and others we continue to update our knowledge through regular training.

### THE YEAR AHEAD

The start to our financial year has shown some encouraging signs with increases in our revenues across the board.

We have budgeted on a conservative basis for our revenues to increase during the 23/24 year notwithstanding some disruption due to the redevelopment mentioned above. Since the pandemic we have seen an increase in foot traffic in the CBD as it recovers and people return to their office environments. This in turn is impacting favourably on visitations to the Club and driving our revenues.

Management will continue to focus on the key operational issues such as gaming strategies, membership benefits, community engagement and food and beverage.

### REGULATORY RISK

The compliance burden on Management, Board and staff has increased substantially with the introduction of the Gaming Code of Practice containing additional requirements to enhance the Staff and Board's knowledge around responsible gaming and AML/CTF practices.

Training required under the code needs to be completed by Board and CEO by 1/7/2024. All gaming related staff are required to complete staff awareness training to prevent, mitigate and report potential money laundering.

Boards are also responsible and accountable for sexual harassment prevention, discrimination and bullying in the workplace.

Plans are in place to address these issues.

### ACKNOWLEDGEMENTS

I would like to acknowledge the positive contribution of our CEO Angus Rimmer to our organisation since he was appointed in January 2022. His focus on the risk culture at the Club has I believe resulted in a cohesive staff and management relationship where the operational message delivered ("tone at the top") is clearly understood and acted upon by our executive management team and line managers right through to our front-line staff.



## PRESIDENT'S REPORT

I would also wish to acknowledge Kobie Brassington – (HR | People & Culture Manager and Angus's PA), Sonia Li (CFO), Polly Santipakorn (Assistant Accountant), Dean Radosavljevic (Functions Manager), Steve Chand (Operations Manager) and all our dedicated management team and staff who do an exceptional job and continually strive to meet the needs of our members.

**The reputation of our Club is inextricably linked to the people who work for us and the trust we place in them. (some wag once said "trust arrives on the back of a tortoise and leaves on the back of a hare" – so true)**

To our Members who continue to support the Club thank you for your loyalty.

To our caterers Alex, Helen and family and staff in Zabou Bar and Grill thank you for your high level of service to our Members and the quality of the food you present.

To Goran and his staff in Primi Italian restaurant thank you for your excellent offering and customer service. Congrats on your second place in this year's Perfect Plate awards after winning in the previous two years. Looking forward to the imminent completion of the new Primi Bar.

Further thanks to my fellow Directors who have worked together in a professional and harmonious manner always with the best interests of the Club forefront in their minds.

The responsibility and personal liability taken on by Directors is considerable and increasingly under scrutiny by the many regulators in our industry. My role as the Chair is greatly assisted by their commitment and loyalty.

**Cheers and hope to see you at the Club in the near future.**

David Conroy F.C.A  
**President**



# CHIEF EXECUTIVE OFFICER'S REPORT

Dear Members,

It is my pleasure to be able to present to you the 51st Annual Report and Financial Statements for the Bowlers Club of NSW for the year ending 31st May 2023.

## TRADING RESULTS

Pleasingly 2023 has shown a remarkable turnaround from the prior year which was heavily impacted by the Covid pandemic. As many have returned to their workplaces in the CBD over the last 12 months, it's still clear that there has been a shift in the city's foot traffic due to how workplaces have evolved in the post pandemic world. Positively, we have enjoyed strong patronage in the Club through the last 12 months which is reflected in the Clubs' profit of 1.35 million after taking into consideration depreciation of 1.14 million. This represented a turnaround of approximately 2 million for the annual period ending 31st May 2023 to the prior year. Total revenues increased by approximately 4.5 million from \$5.828 to 10.395 million.

The Club has finished the year with again a very strong balance sheet with solid revenue streams. This puts the Club in a strong position for planned future investment into the Club's facility in the coming year.

## INDUSTRY

Over the past 12 months there has been extensive focus and media attention Clubs and the wider gaming industry, the catalyst being the findings of the Crime Commission Report released in October 2022. There was plenty of attention on the issues of problem gambling and money laundering in the political campaign leading up to the March 2023 election. Without going into detail there was certainly much to comprehend throughout this contentious debate. There was a push by some in the political sphere including the previous state government to make cashless technology mandatory on electronic gaming machines within a short timeframe. This causing great concern that a kneejerk reaction would cause significant adverse impacts on the industry without substantive evidence that proposed measures would achieve the desired outcomes. It is certainly my view, and that of many that any implementation towards cashless needs to happen organically and over time to allow patrons to become comfortable with the technology without causing significant unnecessary adverse effects on the industry. Club York is proud to participate in the first full venue digital payment trial together with IGT. The willingness of Club York to engage in this trial demonstrates our commitment to improving our operations and in our adoption of new technologies. We look forward to seeing the industry and government positively engage in reforms that are beneficial to all stakeholders in the community.

As touched on in the Presidents Report the implementation of the new Gaming Code of Conduct has put further pressure on the club industry in terms of regulatory compliance that will be an ongoing focus into the foreseeable future.

## COMMUNITY

Once again Club York has provided vital support for the local community, supporting many through the Club Grants Scheme and beyond with donations exceeding \$100,000. We were again this year the major sponsor of the Glebe Dirty Reds who were last year's runner up in the Ron Massey Cup and look to be a strong contender in the 2023 Finals. At the



## CHIEF EXECUTIVE OFFICER'S REPORT

end of 2022 a group of staff attended the Payce Foundation Street Feast event held at St Marys Cathedral, financially sponsored by Club York, where we were able to assist in delivering an amazing feast for some of our vulnerable and disadvantaged members of our community. Recently we have committed to a significant grant to the Sydney Men's Choir and look forward to building upon that existing relationship into the future. Of course, we have supported many other valuable community organisations as listed in our report.

### FUTURE PLANS

At the time of writing this report I'm excited to inform our members that a new bar is under construction in the Primi Italian restaurant which will be completed by the end of October. This will be an exciting addition to complete the offering in this space. The Club has further planned renovations over the next 12 months to take a full refurbishment of main bar lounge and gaming room on the ground floor and the Zabou Bar and Grill inclusive of the entire Alfresco area. The Club has been working with designer Loop Creative and builder Paynter Dixon in creating amazing spaces within the Club for all to enjoy. The Club has now made lodgement of the Development Application with a planned commencement of works to occur early next year, all going well. This will involve complete renovation of the ground floor area excluding Primi Italian. It will also result in an extensive refurbishment of the Zabou area on level 1.

In July this year the Club was excited to implement our new Digital Loyalty System with the aim of being able to deliver an exceptional loyalty experience to all our members. We look forward to further improving the experience with the launch of our digital loyalty app soon.

### CATERING

The last 12 months saw the team from Primi once again excel in the Clubs NSW Perfect Plate awards competition. After winning in 2021 they again took out first place in the 2022 competition with their Lamb Osso Buco. With an amazing Lobster Pie in the 2023 competition Primi made a podium place again with a second place for the region. Thank you to all our Members and guests who took the time to vote.

I would like to thank our caterers, Alex and Helen (Zabou), and Goran (Primi), along with their team members for providing the Club with an excellent choice of dining options throughout the Club.

### OUR TEAM

During 2023 Club York provided employment for around 40 staff members. Over the past year we have put focus and energy on our reinstating our team service commitment and values, and driving efficiency in how we operate. We look forward to continuing with developing our staff through providing learning and growth opportunities to ensure our team delivers you the best experience at Club York.

I would like to thank Mr David Conroy, Club President, and all of the Board of Directors for their ongoing support, dedication and professionalism throughout the past year. The Club is very fortunate to have a very committed and cohesive board who are immensely supportive to my role as CEO.



## CHIEF EXECUTIVE OFFICER'S REPORT

I would like to sincerely thank the management team of the Club, along with all the staff, for their loyalty and commitment to their roles. We have a group of very valuable team members at Club York and the success of the operation is very much attributed to their ongoing efforts. I would like to make a special mention of Lili who has this year achieved an impressive milestone of thirty years of employment at Club York.

Finally, and most importantly I would like to thank all the loyal members of Club York for your ongoing patronage. It is your continued support of this great Club that enables the Club to prosper. I look forward to seeing you around the Club throughout the year.

A handwritten signature in black ink, appearing to read "Angus Rimmer".

Angus Rimmer  
**Chief Executive Office**

## BALLOT FOR BOARD OF DIRECTORS

Nominations for the Board of Directors will close with the Chief Executive Officer of the Company at 6.00pm on Thursday the 7th of September 2023.

The Ballot for Directors, if necessary, will be conducted at the club premises and will be open from 11.30am till 6.00pm on Monday the 25th and Tuesday the 26th of September 2023.

Nomination forms are available at the Club's office. (See Article 27).

**Dated 14th August 2023**

A handwritten signature in black ink, appearing to read "Angus Rimmer".

Angus Rimmer  
**Chief Executive Officer**



## CLUB GRANTS SCHEME

The Bowlers' Club of NSW supports a wide range of local community groups, charities, schools and sporting organisations through the ClubsNSW ClubGRANTS Scheme. This Scheme is designed to ensure that registered Clubs in NSW contribute to the provision of front-line services needed in their local communities.

This year the Club donated **\$77,957.00** under the various categories of the ClubGRANTS Scheme. A total of **\$77,957.00** was donated to the following organisations under category 1 and 2 of the Scheme:

- Glebe Dirty Reds Rugby League Club
- Sydney Male Choir
- Youth Off The Streets Limited
- Sir Roden & Lady Cutler Foundation Inc.
- CareFlight
- The Fact Tree Youth Service
- Dandelion Support Network Inc
- Ted Noffs Foundation Ltd
- ProjectKindness Incorporated
- City Community Care Incorporated
- Surry Hills Neighbourhood Centre
- Heaps Decent
- South Eastern Community Connect
- Sir David Martin Foundation
- Little Wings Limited
- Kings Cross Community Centre Inc.
- B Miles Women's Foundation
- Kings Cross Police Area Command
- Miracle Babies Foundation
- Lillian Howell Project INC
- Bayside Women's Shelter
- The Shepherd Centre - For Deaf Children
- B Miles Women's Foundation
- Sydney City View Club



## DIRECTORS REPORT

The Directors present their report, together with the financial statements of the Bowlers' Club of New South Wales Limited (the Company) for the year ended 31 May 2023.

### DIRECTORS

The Directors of the company in office at any time during or since the end of the financial year are:

Names of Directors	Position / Special Responsibilities	Years as Director
David Conroy F.C.A.	Principal – Conroy Audit & Advisory. Chartered Accountants, Registered Company Auditor, Registered Tax Agent, Fellow – Chartered Accountants Australia and New Zealand. Member of Audit and Risk Committee. Director of the Club since 29 September 1997. Elected as President of the Club on 24 April 2002.	26
Jonathan Smith B. Bus C.A.	Member – Chartered Accountants Australia and New Zealand. Fellow – Taxation Institute of Australia. Former Principal - Gilbert Smith Johnson, Chartered Accountants. Associate Director - ProYou Business Advisory Pty Limited, Chartered Accountants. Registered Company Auditor and Tax Agent. Chairman of Audit and Risk Committee. Elected 30 September 2005. Appointed Deputy Chairman 22 September 2010.	18
Raymond Clark	Owner, Managing Director – Raymond Clark Jewellery. Elected 25 September 2008. Member of Membership Committee.	15
Robert Pearson	Self Employed, Solicitor, Principal – Creagh & Creagh Solicitors. Chairman of Remuneration Committee. Elected 23 September 2009.	14
Peter Whiteman F.C.A.	Consultant, Former Managing Partner – Thomas Davis & Co. Chartered Accountants & Registered Tax Agent. Fellow - Chartered Accountants Australia and New Zealand. Member of Audit and Risk Committee. Appointed 22 September 2010.	13
Kerry Sidaway	Partner Eakin McCaffery Cox Lawyers. Member Audit & Risk Committee, Member Remuneration Committee. Appointed 20 September 2018.	5
Rocky Massaria	Former Chief Executive Officer of the Company for 25 years. Appointed as a Director on 26 July 2022.	1



## DIRECTORS REPORT

### DIRECTORS' MEETINGS

The number of meetings of the company's Board of Directors (the Board) and of each board committee held during the year ended 31 May 2023, and the number of meetings attended by each director were:

Director	Number of Meetings Attended	Number of Meetings Held/Eligible to Attend
David Conroy	13	13
Jonathan Smith	11	13
Raymond Clark	11	13
Robert Pearson	11	13
Peter Whiteman	13	13
Kerry Sidaway	11	13
Rocky Massaria (appointed 26 July 2022)	12	12

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 activities of the company during the financial year was to provide the facilities of a licensed club to the Members and their guests.

### SHORT AND LONG TERM OBJECTIVES OF THE ENTITY

The club's objectives are to focus on:

1. Provide the best possible club facilities to Members.
2. Encourage new membership.
3. Remain financially viable to achieve the above objectives.
4. Establish and maintain membership relationships that foster the Club's Strategic Plan.
5. Be sustainable and strive for continuous improvement so as to offer the best possible facilities and social amenities to Members.

### STRATEGY FOR ACHIEVING THOSE OBJECTIVES

The strategy for the achieving the objectives has been to:



## DIRECTORS REPORT

1. The Board strives to attract and retain quality management and staff who are committed to providing high standards of service levels to the Members. The Board believes that attracting and retaining quality staff will assist with the success of the Club in both the short and long term.
2. Maintain rigorous control over the Club's finances to ensure the Club remains viable and encourage new membership.
3. The Board is committed to meet consistent standards of governance best practice and provide clear expectations of professional accountabilities and responsibilities to all members.

### PERFORMANCE MEASUREMENT AND KEY PERFORMANCE INDICATORS

The Club's financial performance is measured against the annual budget, previous year's results and benchmark data from the club industry.

### FINANCIAL PERFORMANCE MEASURES INCLUDE:

- Earnings before Interest, Taxation, Depreciation and Amortisation, and Impairment (EBITDAI)
- Wage percentages to Income
- Expense percentages to Income
- Gross Profit percentages
- Cash Flow

### NON-FINANCIAL PERFORMANCE MEASURES INCLUDE:

- Members' feedback
- Market research
- Patronage numbers

### OPERATING RESULT

The net profit of the company for the year after providing for income tax was \$1,352,890 (2022 Net Loss: \$638,821).

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Operating profit before depreciation and amortisation	2,423,034	574,172
Less:		
Depreciation and amortisation expense	(1,136,243)	(1,236,411)
Profit/(loss) before income tax	1,286,791	(662,239)
Income tax benefit	66,099	23,418
Net profit/(loss) for the year	1,352,890	(638,821)



# DIRECTORS REPORT

## CORPORATE INFORMATION

The Club is a not for profit entity, registered as a company limited by guarantee. It does not issue shares to its Members. Under its constitution it does not have the capacity to issue dividends to its Members. Any surplus on winding up will be distributed to an organisation which has similar objects as dictated by the Constitution.

## INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During or since the financial year, the Club has paid premiums in respect of a contract insuring all the Directors of Revesby Workers' Club Ltd against legal costs incurred, as far as permitted by law, in defending proceedings for conduct involving:

- (a) a wilful breach of duty; or
- (b) a contravention of sections 182 or 183 of the Corporations Act 2001, as permitted by section 199B of the Corporations Act 2001.

The amount of the premium cannot be disclosed due to policy conditions.

## EVENTS SUBSEQUENT TO REPORTING DATE

There are no matters or circumstances that have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the company in future financial years.

## MEMBERS' LIMITED LIABILITY

In accordance with the Constitution of the Company, every Member of the Company undertakes to contribute an amount limited to \$1 (2022: \$1) in the event of the winding up of the Company during the time that he/she is a member or within one year thereafter. At 31 May 2023 the number of Members was 8,677 (2022: 6,185).

## 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 on page 6.

Signed in accordance with a resolution of the directors.

Dated at Sydney this 27th day of July 2023.

David Conroy F.C.A  
**Director**

Jonathan Smith B.BUS.C.A.  
**Director**



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Sydney NSW 2000  
Australia

## **DECLARATION OF INDEPENDENCE BY CLAYTON EVELEIGH TO THE DIRECTORS OF THE BOWLERS' CLUB OF NEW SOUTH WALES LIMITED**

As lead auditor of Bowlers' Club of New South Wales Limited for the year ended 31 May 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

Clayton Eveleigh  
**Director**

**BDO Audit Pty Ltd**  
Sydney, 27 July 2023



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## INDEPENDENT AUDITOR'S REPORT

To the members of Bowlers' Club of New South Wales Limited

### REPORT ON THE AUDIT OF THE FINANCIAL REPORT

#### Opinion

We have audited the financial report of Bowlers' Club of NSW Limited (trading as Club York) (the Company), which comprises the statement of financial position as at 31 May 2023, the statement of profit or loss and other comprehensive income, the statement of changes in members' funds and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the accompanying financial report of Bowlers' Club of NSW Limited (trading as Club York), is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Company's financial position as at 31 May 2023 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards – Simplified Disclosures and the Corporations Regulations 2001.

#### Basis for opinion

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

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

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

#### Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Directors' Report, 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 we do not express any form of assurance conclusion thereon.



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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 on the other information obtained prior to the date of this auditor's report, 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.

### **Responsibilities of the directors for the Financial Report**

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

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has 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.

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

[https://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf).

This description forms part of our auditor's report.

### **BDO Audit Pty Ltd**

Clayton Eveleigh  
Director

Sydney, 27 July 2023



## DIRECTORS DECLARATION

The Directors of Bowlers' Club of New South Wales Limited declare that:

- (a) In the Directors' opinion the financial statements and notes set out on pages 10 to 27, are in accordance with the Corporations Act 2001, including:
  - (i) Complying with Australian Accounting Standards - Simplified Disclosures and Corporations Regulations 2001.
  - (ii) Giving a true and fair view of the company's financial position as at 31 May 2023 and of its performance, for the financial year ended on that date; and
- (b) 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 the directors made pursuant to section 295 (5)(a) of the Corporations Act 2001.

Dated at Sydney this 27 July 2023.

D. Conroy F.C.A  
**Director**

J. Smith B.BUS C.A  
**Director**



## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MAY 2023

	Note	2023 \$	2022 \$
<b>Revenue and other income</b>			
Sale of goods revenue		2,861,884	1,321,133
Rendering of services revenue		5,774,534	2,906,820
Other revenue		1,582,850	1,189,029
Other income		175,324	410,896
<b>Total revenue and other income</b>	1	<b>10,394,592</b>	<b>5,827,878</b>
<b>Expenses</b>			
Cost of sales		(1,107,810)	(528,556)
Donations and subsidies		(102,062)	(40,962)
Employee benefits expense		(2,507,010)	(1,849,471)
Entertainment, marketing and promotional costs		(505,257)	(328,155)
Gaming taxes		(803,869)	(347,166)
Property and occupancy expenses		(1,506,395)	(1,279,372)
Administrative expenses		(452,119)	(419,571)
York Events catering expenses		(600,271)	(226,246)
Other expenses from ordinary activities		(386,765)	(234,207)
<b>Total expenses</b>	2	<b>(7,971,558)</b>	<b>(5,253,706)</b>
<b>Earnings before depreciation, amortisation and tax</b>		<b>2,423,034</b>	<b>574,172</b>
Depreciation and amortisation		(1,136,243)	(1,236,411)
<b>Profit/(loss) before income tax expense</b>		<b>1,286,791</b>	<b>(662,239)</b>
Income tax benefit	3(a)	66,099	23,418
<b>Profit/(loss) after income tax expense</b>		<b>1,352,890</b>	<b>(638,821)</b>
<b>Other comprehensive income</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Decrease in fair value of investments		(73,422)	(108,227)
Other comprehensive income for the year, net of tax		(73,422)	(108,227)
<b>Total comprehensive income/(loss) for the year attributable to members</b>		<b>1,279,468</b>	<b>(747,048)</b>

The Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes set out on pages 14 to 27.



## STATEMENT OF FINANCIAL POSITION

### AS AT 31 MAY 2023

	Note	2023 \$	2022 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4	14,610,466	13,334,038
Trade and other receivables	5	602,410	306,285
Inventories		132,868	104,183
Current tax assets		-	-
<b>Total Current Assets</b>		<b>15,345,744</b>	<b>13,744,506</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	6	13,571,815	13,856,807
Investments – equity instruments	9	1,542,972	1,586,334
Deferred tax assets		170,578	104,479
<b>Total Non-Current Assets</b>		<b>15,285,365</b>	<b>15,547,620</b>
<b>Total Assets</b>		<b>30,631,109</b>	<b>29,292,126</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	7	647,171	626,026
Employee benefits provisions	8	283,010	244,062
<b>Total Current Liabilities</b>		<b>930,181</b>	<b>870,088</b>
<b>Non-Current Liabilities</b>			
Employee benefits provision	8	14,870	15,448
<b>Total Non-Current Liabilities</b>		<b>14,870</b>	<b>15,448</b>
<b>Total Liabilities</b>		<b>945,051</b>	<b>885,536</b>
<b>Net Assets</b>		<b>29,686,058</b>	<b>28,406,590</b>
<b>Members' Funds</b>			
Retained profits		29,474,111	28,121,221
Revaluation reserve		211,947	285,369
<b>Total Members' Funds</b>		<b>29,686,058</b>	<b>28,406,590</b>

The Statement of Financial Position should be read in conjunction with the accompanying notes set out on pages 14 to 27.



## STATEMENT OF CHANGES IN MEMBERS' FUNDS FOR THE YEAR ENDED 31 MAY 2023

	Revaluation Reserve \$	Retained Profits \$	Total Members' Funds \$
<b>Balance at 31 May 2021</b>	393,596	28,760,042	29,153,638
Net loss after income tax expense for the year	-	(638,821)	(638,821)
Other comprehensive loss for the year, net of tax	(108,227)	-	(108,227)
Total comprehensive loss for the year	<u>(108,227)</u>	<u>(638,821)</u>	<u>(747,048)</u>
<b>Balance at 31 May 2022</b>	285,369	28,121,221	28,406,590
Net profit after income tax expense for the year	-	1,352,890	1,352,890
Other comprehensive loss for the year, net of tax	(73,422)	-	(73,422)
Total comprehensive income for the year	<u>(73,422)</u>	<u>1,352,890</u>	<u>1,279,468</u>
<b>Balance at 31 May 2023</b>	<u>211,947</u>	<u>29,474,111</u>	<u>29,686,058</u>

The Statement of Changes in Members' Funds should be read in conjunction with the accompanying notes set out on pages 14 to 27.



## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MAY 2023

	Note	2023 \$	2022 \$
<b>Cash Flows from Operating Activities</b>			
Receipts from customers		10,910,596	5,921,203
Payments to suppliers and employees		(9,001,602)	(5,942,840)
Government stimulus packages		-	264,936
Dividend and interest received		175,324	173,960
Income tax received		-	64,038
<b>Net cash inflow from operating activities</b>		<b>2,084,318</b>	<b>481,297</b>
<b>Cash Flows from Investing Activities</b>			
Proceeds on disposal of non-current assets		43,362	31,550
Payment for property, plant & equipment		(851,252)	(727,199)
<b>Net cash used in investing activities</b>		<b>(807,890)</b>	<b>(695,649)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>1,276,428</b>	<b>(214,352)</b>
<b>Cash and cash equivalents at the beginning of the financial year</b>		<b>13,334,038</b>	<b>13,548,390</b>
<b>Cash and cash equivalents at the end of the financial year</b>	4	<b>14,610,466</b>	<b>13,334,038</b>

The Statement of Cash Flows should be read in conjunction with the accompanying notes set out on pages 22 to 34.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2023

### BASIS OF PREPARATION

Bowlers' Club of New South Wales Limited is a company limited by guarantee, incorporated and domiciled in Australia and is a non-for-profit entity for the purposes of preparing the financial statements.

The financial statements were approved for issue by the Directors on 27th July 2023.

The financial statements are general purposes financial statements which:

- Have been prepared in accordance with the requirements of the *Corporations Act 2001* and Australia Accounting Standards – Simplified Disclosure Requirements issued by the Australian Accounting Standards Board ('AASB');
- Have been prepared under the historical cost convention;
- Are presented in Australian dollars;
- Where necessary comparative information has been restated to conform with changes in presentation in the current year; and
- Have been prepared on a going concern basis.

### New or amended Accounting Standards and Interpretations adopted

The Company has adopted all 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 following Accounting Standards and Interpretations are most relevant to the company:

*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 May 2022. The standard provides a new Tier 2 reporting framework with simplified disclosures that are based on the requirements of AASB. The adoption of this standard has not had a significant impact on the Company's financial statements.

### Critical Accounting Judgements, Estimates and Assumptions

In the process of applying the Company's accounting policies, management has made a number of judgements and applied estimates of future events. Judgements and estimates that are material to the financial statements include:

Allowance for expected credit losses	Note 5
Estimation of useful lives of assets	Note 6
Impairment of assets	Note 6
Employee benefits provision	Note 8
Financial Assets fair value measurement	Note 9



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2023

<b>1 REVENUE AND OTHER INCOME</b>	<b>2023</b>	<b>2022</b>
	\$	\$
<b>Sale of goods</b>		
Bar sales	2,861,884	1,321,133
<b>Total sale of goods</b>	<b>2,861,884</b>	<b>1,321,133</b>
<b>Rendering of services revenue</b>		
Poker machine takings	4,538,431	2,356,667
Commissions	81,533	38,755
Membership subscriptions	23,944	27,216
York events	1,130,626	484,182
<b>Total rendering of services</b>	<b>5,774,534</b>	<b>2,906,820</b>
<b>Other revenue</b>		
Interest received	352,964	46,040
Car park rental	1,019,684	973,041
Other rental	210,202	169,948
<b>Total other revenue</b>	<b>1,582,850</b>	<b>1,189,029</b>
<b>Other income</b>		
Dividends received	127,570	127,920
Profit on disposal of non-current investments	47,754	18,040
Government stimulus	-	264,936
<b>Total other income</b>	<b>175,324</b>	<b>410,896</b>
<b>Total revenue and other income</b>	<b>10,394,592</b>	<b>5,827,878</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2023

### 1 REVENUE AND OTHER INCOME (CONTINUED)

#### RECOGNITION AND MEASUREMENT

Revenues are recognised at fair value of the consideration received or receivable net of the amount of goods and services tax (GST) payable to the taxation authority. Transfer of goods or services of the same nature and value without any cash consideration are not recognised as revenues.

#### SALES OF GOODS

Revenue from the sale of goods comprises of revenue earned from the provision of food, beverage and other goods and is recognised (net of rebates, returns, discounts and other allowances) at a point in time when the performance obligation is satisfied that is on delivery of goods to the customer.

#### RENDERING OF SERVICES

Revenue from rendering services comprises revenue from gaming facilities together with other services to Members and other patrons of the club and is recognised at a point in time when the services are provided.

#### INTEREST REVENUE

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument.

#### RENTAL REVENUE

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease.

#### DIVIDEND REVENUE

Dividend revenue is recognised when the dividend is actually received.

#### GOVERNMENT GRANT INCOME

Government grants are recognised as income when it is reasonably certain that the company complies with the conditions attached to them and when the right to receive payment is established.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2023

<b>2 EXPENSES</b>	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Profit before income tax includes the following specific expenses:		
<b>Employee benefits expense</b>		
Wages and salaries	1,817,040	1,363,109
Defined contribution superannuation expense	214,994	151,796
Payroll tax	44,528	31,042
Provision for leave	284,782	192,186
Other employee benefits expense	145,666	111,338
<b>Total employee benefits expense</b>	<b>2,507,010</b>	<b>1,849,471</b>
<b>Depreciation and amortisation</b>		
Land and buildings	465,999	478,465
Plant and equipment	318,317	329,449
Poker machines	351,927	428,497
<b>Total depreciation expense</b>	<b>1,136,243</b>	<b>1,236,411</b>

## RECOGNITION AND MEASUREMENT

### Finance costs

Finance costs include interest, premiums relating to borrowings, amortisation of ancillary costs incurred in connection with arrangement of borrowings and lease finance charges.

Finance costs are expensed as incurred unless they relate to qualifying assets. Qualifying assets are assets which take more than 12 months to get ready for their intended use or sale. In these circumstances, finance costs are capitalised to the cost of the assets. Where funds are borrowed specifically for the acquisition, construction or production of a qualifying asset, the amount of finance costs capitalised is those incurred in relation to that borrowing, net of any interest earned on those borrowings. Where funds are borrowed generally, finance costs are capitalised using a weighted average capitalisation rate.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2023

### 3 INCOME TAX

#### (a) INCOME TAX EXPENSE

The Income Tax Assessment Act provides that under the concept of mutuality clubs are only liable for income tax on income derived from non-members and other income made specifically assessable. The amount set aside for income tax in the statement of profit or loss and other comprehensive income has been calculated as follows:

	<b>2023</b>	<b>2022</b>
	\$	\$
Current income tax applicable at the rate of 25% (2022: 25%)	66,099	23,418
Income tax benefit	66,099	23,418

#### Recognition and measurement

The income tax expense as stated in the statement of profit or loss and other comprehensive income is the amount calculated to be payable based on a formula determined by the Australian Taxation Office. Clubs are only assessed for income tax on the proportion of income derived from non-members, investments and other income specifically assessable under the Income Tax Assessment Act.

#### (b) DEFERRED TAX ASSETS

Deferred tax assets relating to temporary timing differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available to absorb those timing differences.

The Club has unrecognised deferred tax assets relating to unused tax losses for the year ended 31 May 2023 financial year amounting to \$162,990 (2022: \$165,148).

#### Key Estimate and Judgement: Taxation

The Club's accounting policy for taxation requires management's judgement as to the types of arrangements considered to be a tax on income in contrast to an operating cost. Judgement is also required in assessing whether deferred tax assets and certain deferred tax liabilities are recognised on the statement of financial position. Deferred tax assets, including those arising from temporary differences and tax losses are recognised only where it is considered more likely than not that they will be recovered, which is dependent on the generation of sufficient future taxable profits.

Assumptions about the generation of future taxable profits depend on Management's estimates of future cash flows. These depend on estimates of future business expectations, operating costs capital expenditure and other capital management transactions. Judgements are also required about the application of income tax legislation. These judgements and assumptions are subject to risk and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets and deferred tax liabilities recognised on the statement of financial position and the amount of other tax losses and temporary differences not yet recognised. In such circumstances, some or all of the carrying amounts of recognised deferred tax assets and liabilities may require adjustment, resulting in a corresponding credit or charge to the statement of profit or loss and other comprehensive income.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2023

### 4 CASH AND CASH EQUIVALENTS

	2023	2022
	\$	\$
Cash on hand	300,000	260,000
Cash at bank	3,180,962	1,955,092
Cash on deposit	11,129,504	11,118,946
	14,610,466	13,334,038

#### Recognition and measurement

Cash and cash equivalents includes cash on hand and deposits held at call with financial institutions 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.

### 5 TRADE AND OTHER RECEIVABLES

	2023	2022
	\$	\$
<b>Current</b>		
Trade debtors and other receivables	270,472	192,182
Other debtors	5,000	5,000
Prepayments	87,911	85,242
Accrued revenue	239,027	23,861
	602,410	306,285

#### Recognition and measurement

Trade debtors and other receivables represent the principal amounts due at balance date plus accrued interest and less, where applicable, any unearned income and provisions for expected credit losses.

Current trade and other receivables are non-interest-bearing loans and generally on 30-day terms. Current and non-current trade and term receivables are assessed for recoverability based on the underlying terms of the contract. The company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

#### Key estimate and judgement: Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2023

### 6 PROPERTY, PLANT AND EQUIPMENT

	2023 \$	2022 \$
<b>Freehold land and buildings</b>		
At cost - Club Premises	5,223,654	5,223,654
At cost - Club Improvements	14,564,545	14,564,544
At cost - Car Park	3,196,412	3,196,412
Less: accumulated depreciation	(12,042,573)	(11,542,002)
	<b>10,942,038</b>	<b>11,442,608</b>
 <b>Plant and equipment</b>		
At cost	7,365,510	6,887,329
Less: accumulated depreciation	(5,947,738)	(5,665,360)
	<b>1,417,772</b>	<b>1,221,969</b>
 <b>Poker machines</b>		
At cost	5,924,403	5,713,605
Less: accumulated depreciation	(4,712,398)	(4,521,375)
	<b>1,212,005</b>	<b>1,192,230</b>
<b>Total property, plant and equipment</b>	<b>13,571,815</b>	<b>13,856,807</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2023

### 6 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

#### Movements in carrying amounts:

Movements in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the financial year are set out below:

	2023 \$	2022 \$
<b>Freehold land and buildings</b>		
Carrying amount at the beginning of the year	11,442,608	11,483,912
Additions during the year	-	454,717
Depreciation expense	(500,570)	(496,021)
<b>Carrying amount at the end of the year</b>	<b>10,942,038</b>	<b>11,442,608</b>

#### Plant and equipment

Carrying amount at the beginning of the year	1,221,969	1,416,470
Additions	478,181	117,392
Depreciation expense	(282,378)	(311,893)
<b>Carrying amount at the end of the year</b>	<b>1,417,772</b>	<b>1,221,969</b>

#### Poker machines

Carrying amount at the beginning of the year	1,192,230	1,479,147
Additions	395,760	155,090
Disposals	(22,746)	(13,510)
Depreciation expense	(353,239)	(428,497)
<b>Carrying amount at the end of the year</b>	<b>1,212,005</b>	<b>1,192,230</b>

#### Valuation basis

The freehold land and buildings were independently valued at 15 June 2021 by Diamond Property Consultancy Pty Ltd. The valuation was based on the fair value less cost to sell. The critical assumptions adopted in determining the valuation included the location of the land and buildings, the current demand for land and buildings in the area and recent sales data for similar properties. The valuation resulted in the following values being attributed to the Club's land and buildings:

Club premises and improvements	32,300,000
Car park	<u>11,000,000</u>
<b>Total</b>	<b><u>43,300,000</u></b>

As land and buildings are recognised at historical cost, the valuation was performed for the purposes of assessing impairment and therefore valuation adjustments are not brought to account.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2023

### 6 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

#### Recognition and Measurement

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

Property, plant and equipment are measured on the cost basis. The carrying amount of property, plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected cash flows have not been discounted to their present values in determining recoverable amounts.

Capital works in progress is transferred to property, plant and equipment and depreciated when completed and ready for use.

The asset's residual values and useful life are reviewed, and adjusted if appropriate, at each Statement of Financial Position date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit or Loss and Other Comprehensive Income.

#### Key Estimate and Judgement: Estimation of Useful Lives of Assets

The depreciable amount of plant and equipment is depreciated on a straight-line basis or using reducing balance method over their useful life to the Club commencing from the time the asset is held ready for use. The selection of depreciation method is discretionary upon recognition of an asset.

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

Class	Straight line	Rate
Plant and equipment	Straight line or Reducing balance	2.5 – 40%
Poker machines	Straight line or Reducing balance	10 – 40%
Building improvements & other assets	Straight line or Reducing balance	2.5 – 33%

#### Key Estimate and Judgement: Impairment of assets

At each reporting date, the Club reviews its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less cost to sell and value in use is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2023

### 6 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

#### Core and Non-Core Property

Section 41E of the Registered Clubs Act 1976 requires the Club to disclose its core and non-core property, as defined, in the Annual Report.

The Club's core property comprises the defined trading premises situated at 95-99 York Street Sydney.

The Club has no non-core property.

### 7 TRADE AND OTHER PAYABLES

	2023	2022
	\$	\$
<b>Current</b>		
Trade creditors	322,824	233,114
Other payables and accruals	324,347	392,912
	647,171	626,026

#### Recognition and Measurement

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

### 8 EMPLOYEE BENEFITS

	2023	2022
	\$	\$
Aggregate liability for employee benefits including on-costs:		
Current	283,010	244,062
Non-current	14,870	15,448
	297,880	259,510

#### Superannuation Plans

##### Contributions

The Company is under a legal obligation to contribute 10.5% (11% from 1 July 2023) of each employee's base salary to a superannuation fund.

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



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2023

### 8 EMPLOYEE BENEFITS (CONTINUED)

#### Recognition and Measurement

##### 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.

##### 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 corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

#### Key Estimate and Judgement: Long Service Leave Provision

The provision is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates based on turnover history and is discounted using the market yields on national government bonds at reporting date which most closely match the terms of maturity with the expected timing of cash flows. The unwinding of the discount is treated as long service leave expense.

The present values of employee benefits not expected to settle within the next 12 months of reporting date has been calculated using the following rates:

Assumed rate of increase in wages and salary rates	3.87%	0.70%
Discount rate	3.38%	0.98%



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2023

### 9 INVESTMENTS – EQUITY INSTRUMENTS

	2023 \$	2022 \$
Investments held at fair value	1,542,972	1,586,334
<i>Reconciliation:</i>		
Opening fair value	1,586,334	1,694,561
Additions	30,060	-
Revaluation (decrements)/increments	(73,422)	(108,227)
	1,542,972	1,586,334

#### Recognition and Measurement

Financial assets are recognised at fair value through other comprehensive income, which includes equity investments which the company intends to hold for the foreseeable future, are not held for trading, and has irrevocably elected to classify them as such upon initial recognition.

Financial assets are initially recognised at cost. These assets are subsequently measured at fair value with any incremental gains or losses being recognised through other comprehensive income. This classification is determined based on the business model within which such assets are held.

#### Nature and Purpose of Reserves

The revaluation reserve above is used to record changes in fair value of financial assets classified as investments at fair value through other comprehensive income.

#### Key Estimate and Judgement: Fair value measurement

The company is required to classify all assets and liabilities, measured 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: Quoted prices (unadjusted) in active markets for identical assets that the company can access at the measurement date;
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of the financial assets disclosed above use a level 1 fair value measurement as the assets are quoted priced prices in an active market that the company can access at its financial year end date.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2023

### 10 KEY MANAGEMENT PERSONNEL DETAILS

#### (a) Directors

The following were key management personnel of the Company at any time during the reporting period and unless otherwise indicated were Directors for the entire period.

#### Non-Executive Directors

CONROY, David  
SMITH, Jonathan  
CLARK, Raymond  
PEARSON, Robert  
SIDAWAY, Kerry  
WHITEMAN, Peter  
MASSARIA, Rocky (appointed 26 July 2022)

Unless otherwise stated, transactions with related parties are on normal commercial terms and conditions no more favourable than those available to other parties.

There were no transactions with any of the directors during the year.

#### (b) Key Management Personnel Compensation

	<b>2023</b>	<b>2022</b>
	\$	\$
Benefits and payments made to Key Management Personnel	261,621	372,111
Director honorariums	61,250	49,816
	<b>322,871</b>	<b>421,927</b>

#### Key Management Personnel

Apart from the details disclosed in this note, no Director has entered into a material contract with the Company since the end of the previous financial year and there were no material contracts involving Directors' interests existing at year end.

From time to time, Directors of the Company, or their director-related entities, may purchase goods from the Company. These purchases are on the same terms and conditions as those entered into by other company employees or customers and are trivial or domestic in nature.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2023

### 11 RELATED PARTIES

#### Key Management Personnel

Disclosures relating to key management personnel are set out in Note 10.

#### Directors' Transactions with the Company

During the financial year, benefits were received by Directors from transactions including meals and refreshments following Directors' and sub-committee meetings and other Club functions.

Apart from the details disclosed in this note, no Director has entered into a material contract with the Company since the end of the previous financial year and there were no material contracts involving Directors' interests existing at year end.

### 12 AUDITORS' REMUNERATION

During the financial year the following fees were paid or payable for services provided by BDO, the auditor of the company:

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>Audit services provided to BDO</b>		
Audit of the financial statements	33,000	28,000
<b>Other services to BDO</b>		
Other services	9,500	9,000

### 13 COMMITMENTS

At 31 May 2023, the Company does not have any commitments, contingent liabilities or not entered into any contractual commitments for the acquisition of property, plant and equipment or any other commitments (2022: Nil).



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2023

### 14 MEMBERS' GUARANTEES

The company is a Company limited by guarantee and is without share capital. The number of members as at 31 May 2023 and the comparison with last year is as follows:

	<b>2023</b>	<b>2022</b>
Honorary	16	16
Life	5	4
Ordinary	4,216	2,090
Social	4,440	4,075
	<b>8,677</b>	<b>6,185</b>

### 15 EVENTS SUBSEQUENT TO REPORTING DATE

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

### 16 COMPANY DETAILS

The Company is incorporated and domiciled in Australia as a Company. In accordance with the Constitution of the Club, every Member undertakes to contribute an amount limited to \$1 per member. At 31 May 2023, there were 8,677 members (2022: 6,185).

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

Bowlers' Club of New South Wales Limited  
95-99 York Street  
SYDNEY NSW 2000.

### 17 SUMMARY OF OTHER SIGNIFICANT ACCOUNTING POLICIES

#### (a) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

#### (a) Inventory

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





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