

Edgeworth Bowling Club Co-op Ltd

ABN: 98 117 562 045

Financial Statements

For the year ended 31 March 2023

Edgeworth Bowling Club Co-op Ltd

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Edgeworth Bowling Club Co-op Ltd

Directors' report

31 March 2023

The directors present their report on Edgeworth Bowling Club Co-op Ltd for the financial year ended 31 March 2023.

Information on directors

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

Director	Position	
Debbie Chapman	President	(appointed to board in June 2022)
Greg Jamieson	Vice President	
Andy Trivers	Treasurer	(appointed to board in June 2022)
Linda Cooper	Secretary	(appointed to board in June 2022)
Michael Maddock	Director	(appointed to board in June 2022)
Scott Palmer	Director	(appointed to board in June 2022)
Pat O'Brien	Director	
Chris Varley	Director	(resigned from board in September 2022)
Gary Keogh	Immediate Past President	(resigned from board in June 2022)
Ken Beattie	Director	(resigned from board in June 2022)
Simone Pritchard	Immediate Past Secretary	(resigned from board in June 2022)
Allan Eacott	Director	(resigned from board in June 2022)
Kevin Atkinson	Director	(resigned from board in June 2022)
Gary Helmers	Director	(resigned from board in June 2022)

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

Principal activities

The principal activity of Edgeworth Bowling Club Co-op Ltd during the financial year continued to be the operation of a licensed Bowling Club and Sports and Recreation Club.

No significant changes in the nature of the Entity's activity occurred during the financial year.

Operating results

The profit/(loss) of the Entity after providing for income tax amounted to (\$87,346)

(2022: (\$123,741)).

Edgeworth Bowling Club Co-op Ltd

Directors' report

31 March 2023

Review of operations

A review of the operations of the Entity and the results of those operations is as follows:

	2023	2022	2021	2020	2019
	\$	\$	\$	\$	\$
Profit/(Loss)	(87,346)	(123,745)	154,651	(42,444)	139,738
Bar Income	1,116,250	975,019	794,392	1,231,773	1,219,977
Poker Machine Income	941,678	696,654	864,802	1,210,863	1,375,096
Keno Income	53,260	44,616	34,053	54,563	59,101
TAB Income	10,743	8,051	8,557	18,351	21,008
Bowls Income	17,064	25,646	19,208	68,480	65,493
Entertainment Income	238,460	148,280	80,466	128,825	139,408

	2023	2022
	%	%
Bar Gross Profit Percentage to Sales	53.20	54.71
Bar Wages Percentage to Sales	24.40	25.90
Gaming Wages Percentage to Net Takings	5.00	3.82

Review of Expenditure

Summary of movement in major expenditure items as follows:

	2023	2022
	\$	\$
Coffee shop purchases (area commenced trading in August 2022)	28,488	-
Accountancy fees (bookkeeping brought in house)	-	55,517
Bar trading expenses (prior year impacted by COVID restrictions with the club re-opening on 11 September 2021)	544,512	460,247
Artists and bands (prior year impacted by COVID restrictions, current year focus on entertainment)	134,981	92,922

Net Cash Position

The net cash position of the Entity has decreased by \$104,383 as at 31 March (Cash balances 2023: \$121,110, 2022: \$225,493) due to capital expenditure and debt reduction payments exceeding cash inflows from operations.

Edgeworth Bowling Club Co-op Ltd

Directors' report

31 March 2023

Capital Expenditure

During the year the Entity purchased \$239,530 in assets which was predominantly comprised of the bar and cool room renovation, continued investment in gaming machine upgrades, carpeting of the reception area, coffee shop remodel and new security cameras.

Debt Reduction

Compared to March 2022 the Entity has reduced its borrowings from (\$58,840) to (\$17,912), a decrease of (\$40,928).

Trade payables and accrued expenses increased by \$111,010 from (\$49,316) to (\$160,326) due to timing differences in the payment of supplier invoices.

Government Support and Grants

The Club received no government support and grants during 2022/23. In the prior year, the Club received \$62,405 in COVID-19 stimulus related support.

Significant changes in state of affairs

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

Events after the reporting date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Entity, the results of those operations or the state of affairs of the Entity in future financial years.

Co-operative Secretary

Mr Mark White was appointed to the position of Secretary Manager/Chief Executive Officer in December 2021.

Indemnification and insurance of officers and auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of Edgeworth Bowling Club Co-op Ltd.

Proceedings on behalf of the Entity

No person has applied for leave of court under Section 237 of the *Corporations Act 2001* to bring proceedings on behalf of the Entity or intervene in any proceedings to which the Entity is a party for the purpose of taking responsibility on behalf of the Entity for all or any part of those proceedings.

Auditor's Independence Declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2011 as set forth in the Co-operatives (Adoption of National Law) Act 2012*, for the year ended 31 March 2023 has been received and can be found on page 6 of the financial report.

Edgeworth Bowling Club Co-op Ltd

Directors' report

31 March 2023

Signed in accordance with a resolution of the Board of directors.



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Debbie Chapman
President

Dated: 06 June 2023



119CE37A-92C0-48D5-A450-3ED40B9BB74B

Andy Trivers
Treasurer



prosperity
audit services

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W prosperity.com.au

Auditor's independence declaration to the directors of Edgeworth Bowling Club Co-op Ltd

I declare that, to the best of my knowledge and belief, during the year ended 31 March 2023, there have been:

- no contraventions of the auditor independence requirements as set out in section 307C of the *Corporations Act 2011 as set forth in the Co-operatives (Adoption of National Law) Act 2012 (NSW)* in relation to the audit;
- no contraventions of any applicable code of professional conduct in relation to the audit; and
- no non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

Alex Hardy

Prosperity Audit Services

ALEX HARDY

Director

Newcastle

06 June 2023

PROSPERITY AUDIT SERVICES

Edgeworth Bowling Club Co-op Ltd

Statement of profit or loss and other comprehensive income

For the year ended 31 March 2023

	Note	2023 \$	2022 Restated \$
Revenue	7	2,567,022	2,366,732
Other income	7	29,929	86,994
Bar trading expenses		(544,512)	(460,247)
Poker machine trading		(102,181)	(132,919)
Keno and TAB expenses		(8,405)	(7,938)
Bowls expenses		(28,399)	(33,569)
Coffee shop expenses		(32,175)	-
Misappropriation expense	5	-	(330,000)
Employee benefit expenses		(898,009)	(664,067)
Depreciation and amortisation		(193,528)	(191,414)
Finance expenses		(13,300)	(13,724)
Other expenses		(270,100)	(259,888)
Advertising, promotions and entertainment		(327,406)	(250,649)
Occupancy costs		(266,282)	(233,056)
Profit (loss) before income taxes		(87,346)	(123,745)
Income tax expense	3.a	-	-
Profit (loss) for the year		(87,346)	(123,745)
Other comprehensive income for the year		-	-
Total comprehensive income for the year		(87,346)	(123,745)

The accompanying notes form part of these financial statements.

Edgeworth Bowling Club Co-op Ltd

Statement of financial position

As at 31 March 2023

	Note	2023 \$	2022 \$
Assets			
Current assets			
Cash and cash equivalents		121,110	225,492
Trade and other receivables		51,608	26,575
Inventories		44,302	37,779
Total current assets		217,020	289,846
Non-current assets			
Property, plant and equipment	10	1,425,915	1,384,383
Total assets		1,642,935	1,674,229
Liabilities			
Current liabilities			
Trade and other payables	11	160,326	49,316
Borrowings	12	17,912	58,840
Provisions	13	139,852	147,024
Memberships in advance		12,058	11,965
Total current liabilities		330,148	267,145
Non-current liabilities			
Provisions	13	-	7,476
Total liabilities		330,148	274,621
Net assets		1,312,787	1,399,608
Equity			
Share capital	17	2,837	2,311
Retained earnings		1,309,950	1,397,297
Total equity		1,312,787	1,399,608

The accompanying notes form part of these financial statements.

Edgeworth Bowling Club Co-op Ltd

Statement of changes in equity

For the year ended 31 March 2023

2022	Share capital	Retained earnings	Total Equity
	\$	\$	\$
Balance at the beginning of year	2,757	1,521,042	1,523,799
Profit/(loss) for the year		(123,745)	(123,745)
Shares issued/(forfeited) during the year	(446)	-	(446)
Balance at the end of year	2,311	1,397,297	1,399,608

2023	Ordinary shares	Retained earnings	Total Equity
	\$	\$	\$
Balance at the beginning of year	2,311	1,397,297	1,399,608
Profit for the year	-	(87,347)	(87,347)
Shares issued/(forfeited) during the year	526	-	526
Balance at the end of year	2,837	1,309,950	1,312,787

The accompanying notes form part of these financial statements.

Edgeworth Bowling Club Co-op Ltd

Statement of cash flows

For the year ended 31 March 2023

	2023	2022
	\$	\$
Cash flows from operating activities:		
Receipts from customers	2,829,110	2,237,876
Payments to suppliers and employees	(2,644,730)	(2,152,405)
Interest received	-	2,530
Finance costs	(13,300)	(13,724)
Net cash flows from/(used in) operating activities	171,080	74,277
Cash flows from investing activities:		
Proceeds from sale of plant and equipment	-	10,273
Purchase of property, plant and equipment	(235,060)	(67,458)
Net cash provided by/(used in) investing activities	(235,060)	(57,185)
Cash flows from financing activities:		
Increase/(decrease) in share capital	526	(446)
Proceeds from borrowings	-	60,169
Repayment of borrowings	(40,928)	(97,203)
Net cash provided by/(used in) financing activities	(40,402)	(37,480)
Net increase/(decrease) in cash and cash equivalents	(104,382)	(20,388)
Cash and cash equivalents at beginning of year	225,492	245,880
Cash and cash equivalents at end of financial year	121,110	225,492

The accompanying notes form part of these financial statements.

Edgeworth Bowling Club Co-op Ltd

Notes to the financial statements

For the year ended 31 March 2023

1. Introduction

The financial report covers Edgeworth Bowling Club Co-op Ltd as an individual entity. Edgeworth Bowling Club Co-op Ltd is a not-for-profit Co-operative domiciled in Australia.

The functional and presentation currency of Edgeworth Bowling Club Co-op Ltd is Australian dollars.

The principal activities of the Entity for the year ended 31 March 2023 were continued to be the operation of a licensed Bowling, Sports and Recreation Club.

The financial report was authorised for issue by the Directors on 06 June 2023.

Comparatives are consistent with prior years, unless otherwise stated.

2. Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the *Corporations Act 2011 as set forth in the Co-operatives (Adoption of National Law) Act 2012*.

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

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

3. Summary of significant accounting policies

a. Income tax

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

b. Goods and services tax (GST)

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

Receivables and payable are stated inclusive of GST.

Cash flows in the Statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

c. Impairment of non-financial assets

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

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets

Edgeworth Bowling Club Co-op Ltd

Notes to the financial statements

For the year ended 31 March 2023

not yet available for use, the recoverable amount of the asset is estimated.

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

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

d. Financial Instruments

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

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

i. Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

On initial recognition, the Entity classifies its financial assets into amortised cost.

Amortised cost

The Entity's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

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

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the financial assets measured at amortised cost.

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Entity considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Entity's historical experience and informed credit assessment and including forward looking information.

Edgeworth Bowling Club Co-op Ltd

Notes to the financial statements

For the year ended 31 March 2023

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

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

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

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

ii. Financial liabilities

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

The financial liabilities of the Entity comprise trade payables and borrowings.

e. New and Amended Accounting Standards Adopted by the Entity

Initial adoption of AASB 1060: General Purpose Financial Statements - *Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*

The entity has adopted AASB 1060: General Purpose Financial Statements - *Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* for the first time this reporting period. The Standard, which sets out a new separate disclosure Standard to be applied by all entities that are reporting under Tier 2 of the Differential Reporting Framework in AASB 1053: Application of Tiers of Australian Accounting, replaces the previous Reduced Disclosure Requirements (RDR) framework. The application of this standard has resulted in reductions in disclosures compared to RDR in Revenue, Leases and Financial Instruments; however has resulted in new and/or increased disclosures in areas such as Audit Fees and Related Parties.

4. Critical accounting estimates and judgements

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

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

Further to the disclosures in Note 5, the Entity has used the most recent information from the Loss Manager as the best information available at the time of preparing the financial statements in estimating the misappropriation of cash in the prior year.

Edgeworth Bowling Club Co-op Ltd

Notes to the financial statements

For the year ended 31 March 2023

5. Prior Period Adjustment - Misappropriation of Cash

In a previous financial year, the Entity suffered a loss due to misappropriation of cash via the club's gaming machines by a former employee. Based on information supplied by Loss Manager (refer Note 4), the Entity has adjusted the prior year figures reported in the 2021/22 financial statements as follows

	Original figures \$	Adjustments \$	Restated figures \$
Gaming machine net clearances	696,254	330,000	1,026,254
Service revenue	1,061,713	330,000	1,391,713
Total revenue	2,036,732	330,000	2,366,732
Misappropriation expense	-	330,000	330,000
Total expenses	2,160,477	330,000	2,490,477
Net profit/(loss)	(123,745)	-	(123,745)

Further, as disclosed in Note 18, the Entity carries a range of insurance policies and the Entity has made a claim to its insurers in this regard.

6. Going Concern

As at 31 March 2023, the Entity recorded a net current liability of (\$113,128) (2022: net current asset \$22,701), net operating loss of (\$87,346) (2022 loss: (\$123,745)), and a net cash inflow from operations of \$171,080 (2022: \$74,277).

Notwithstanding this deficiency, the financial statements have been prepared on a going concern basis which contemplates the realisation of assets and extinguishment of liabilities in the ordinary course of business.

At this time, the directors are of the opinion that no asset is likely to be realised for an amount less than the amount at which it is recorded in the financial statements as at 31 March 2023.

The directors are confident that the Entity will be able to meet its debts as and when they fall due for the foreseeable future and accordingly, the directors have prepared the financial report on a going concern basis.

Edgeworth Bowling Club Co-op Ltd

Notes to the financial statements

For the year ended 31 March 2023

7. Revenue and other income

a. Accounting policy

i. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, duties and taxes paid. Revenue is recognised for the major business activities as follows:

Sale of goods

The Entity sells foods and beverage to members, their guests and the public. Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Poker Machines and Other Gaming Revenue

Revenue is recognised as the net clearances taken from all machines on a daily basis. Keno, TAB and other commissions are recognised when the Entity obtains control of the commission, generally upon receipt.

Grant revenue

The Entity has analysed the terms of each contract to determine whether the arrangement meets the enforceability and the 'sufficiently specific' criteria under AASB 15. For those grant contracts that are not enforceable or the performance obligations are not sufficiently specific, this will result in immediate income recognition under AASB 1058. Income will be deferred under AASB 15 otherwise and recognised when (or as) the performance obligations are satisfied.

Interest income

Interest income is recognised using the effective interest method.

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

Edgeworth Bowling Club Co-op Ltd

Notes to the financial statements

For the year ended 31 March 2023

b. Revenue

	2023	2022
	\$	\$
Bar sales (cash)	982,563	871,752
Bar sales (vouchers)	133,687	103,266
Net poker machine clearances	941,678	1,026,654
Entertainment	238,460	148,279
TAB commission	10,743	8,051
Bowls income	17,064	25,646
Commissions received	24,196	28,213
Keno commission	53,260	44,616
Rent received (bistro)	12,273	22,897
Other revenue	153,098	87,358
	<u>2,567,022</u>	<u>2,366,732</u>

c. Other Income

Poker Machine Duty Rebate	17,179	14,317
Service NSW Grant	-	10,500
Jobkeeper/Job Saver Subsidy	-	39,404
ATO Cash Flow Boost	-	12,500
Net gain on disposal of property, plant and equipment	-	10,273
Insurance Claims Received	12,750	-
	<u>29,929</u>	<u>86,994</u>

8. Auditor's remuneration

Remuneration of the auditor of the Entity for:

- auditing of financial statements (Prosperity)	12,950	-
- auditing of financial statements (Evolution)	-	13,500
- other services (bookkeeping services)	-	55,517
	<u>12,950</u>	<u>69,017</u>

Edgeworth Bowling Club Co-op Ltd

Notes to the financial statements

For the year ended 31 March 2023

9. Cash and cash equivalents

a. Accounting policy

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

10. Property, plant and equipment

a. Accounting policy

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

i. Property

Buildings are measured on the cost basis less depreciation for buildings and impairment losses.

The carrying amount of buildings 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 that will be received from the assets employment and subsequent disposal.

ii. Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

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

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

iii. Depreciation

The depreciable amount of all fixed assets including building and capitalised leased assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the economic entity commencing from the time the asset is held ready for use.

Edgeworth Bowling Club Co-op Ltd

Notes to the financial statements

For the year ended 31 March 2023

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

Class of Fixed Asset	Depreciation Rate
Plant and equipment	4%-50%
Poker Machines	20%-30%
Leasehold buildings	2.5%
Poker Machines	20%-30%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

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

Edgeworth Bowling Club Co-op Ltd

Notes to the financial statements

For the year ended 31 March 2023

b. Property, plant and equipment details

	2023	2022
	\$	\$
Bowling Greens		
Bowling Greens at Cost	212,420	212,420
Less Accumulated Depreciation	(212,420)	(205,564)
	-	6,856
Bowling Greens Plant and Equipment		
Bowling Greens P & E at Cost	54,751	54,751
Less Accumulated Depreciation	(38,202)	(34,999)
	16,549	19,752
Coffee Shop Plant and Equipment		
Coffee Shop Plant & Equip	7,884	-
Provision for Deprec Coffee Shop	(1,341)	-
	6,543	-
Plant and Equipment		
Plant and Equipment at Cost	1,289,303	1,260,882
Less Accumulated Depreciation	(1,082,082)	(1,053,400)
	207,221	207,482
Leasehold Buildings		
Leasehold Buildings at Cost	3,204,021	3,103,224
Less Accumulated Depreciation	(2,135,952)	(2,049,245)
	1,068,069	1,053,979
Poker Machines		
Poker Machines at Cost	1,003,844	1,029,281
Less Accumulated Depreciation	(876,311)	(932,967)
	127,533	96,314
	1,425,915	1,384,383

Edgeworth Bowling Club Co-op Ltd

Notes to the financial statements

For the year ended 31 March 2023

2023	Bowling Greens	Bowling Plant and Equipment	Coffee Shop Plant and Equipment	Plant and Equipment	Leasehold Buildings	Poker Machines	Total
	\$	\$	\$	\$	\$	\$	\$
Balance at the beginning of year	6,856	19,752	-	207,482	1,053,979	96,314	1,384,383
Additions	-	-	7,884	37,683	100,797	88,696	235,060
Depreciation	(6,856)	(3,203)	(1,341)	(37,944)	(86,707)	(57,477)	(193,528)
Balance at the end of year	-	16,549	6,543	207,221	1,068,069	127,533	1,425,915

11. Trade and other payables

Current	2023	2022
	\$	\$
Trade payables	97,725	17,919
Other payables	62,601	31,397
	160,326	49,316

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

12. Borrowings

Covid bank loan	11,094	52,514
Insurance premium finance	6,818	6,326
	17,912	58,840

Edgeworth Bowling Club Co-op Ltd

Notes to the financial statements

For the year ended 31 March 2023

a. Assets pledged as security

Covid Loan

Covid Loans were established by NAB and other banks as part of the Federal Government's Coronavirus SME Guarantee Scheme to allow business to access quick working capital to get through adverse cash flow impacts as a result of the Covid-19 pandemic.

The initial loan taken was \$100,000 with interest at 4.5% and monthly repayments of \$3,613.55.

b. Financing arrangements

Unrestricted access was available at balance date to the following lines of credit:

Credit standby arrangements	2023	2022
	\$	\$
Total facilities		
Bank overdrafts	50,000	50,000
Used at balance date	-	-
Unused at balance date	50,000	50,000

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice.

13. Employee benefits

a. Accounting policy

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

Short-term employee benefits

Provision is made for the Entity's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages and salaries. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Entity's obligations for short-term employee benefits such as wages and salaries are recognised as a part of current trade and other payables in the statement of financial position.

Edgeworth Bowling Club Co-op Ltd

Notes to the financial statements

For the year ended 31 March 2023

Long-term employee benefits

The Entity classifies employees' long service leave and annual leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the Entity's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the re-measurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

The Entity's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the entity does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current liabilities.

b. Employee benefit details

Current	2023	2022
	\$	\$
Long service leave	72,146	68,086
Annual leave	67,706	78,938
	139,852	147,024
Non-current		
Long service leave	-	7,476

14. Commitments

Payable

Not later than 1 year	6,887	6,391
Later than 1 year but not later than 5 years	-	-
Minimum payments	6,887	6,391
Less: future finance charges	(69)	(65)
Total liability	6,818	6,326

The commitment above relates to the annual finance of the Entity's insurance premiums.

Edgeworth Bowling Club Co-op Ltd

Notes to the financial statements

For the year ended 31 March 2023

15. Financial risk management

The Entity's financial instruments consist mainly of deposits with banks, loans with banks, finance leases, and accounts receivable and payable.

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

Financial assets	2023	2022
	\$	\$
Cash and cash equivalents	121,110	225,492
Trade and other receivables	51,608	26,575
	172,718	252,067
Trade and other payables	160,326	49,316
Borrowings	17,912	58,840
	178,238	108,156

16. Key management personnel remuneration

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

Key Management Personnel Compensation (including Director Honorariums)	100,272	67,342
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17. Share capital

a. Accounting policy

i. Ordinary shares

Ordinary shares are classified as equity.

b. Share capital movements

(a) Ordinary Shares

Fully paid ordinary shares	2,311	2,757
Shares issued/(forfeited) during the year	526	(446)
	2,837	2,311

Edgeworth Bowling Club Co-op Ltd

Notes to the financial statements

For the year ended 31 March 2023

18. Contingencies

Further to the disclosures at Notes 4 and 5, in a previous financial year, the Entity suffered a loss due to misappropriation of cash via the club's gaming machines by a former employee. The Entity carries a range of insurance policies and the Entity has made a claim to its insurers in this regard. The insurer has not yet advised indemnity and accordingly, no amount relating to the claim has been recorded in these financial statements.

In the opinion of the Directors, there were no other contingencies at 31 March 2023 (2022: None).

19. Related parties

Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel individually or collectively with their close family members. Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated. There were no related party transactions in 2023 (2022: None).

20. Events occurring after the reporting date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Entity, the results of those operations, or the state of affairs of the Entity in future financial years.

21. Statutory Information

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

Edgeworth Bowling Club Co-op Ltd
1a Park St
Edgeworth NSW Australia
2285

Edgeworth Bowling Club Co-op Ltd

Directors' declaration

The directors of the Entity declare that:

The financial statements and notes for the year ended 31 March 2023, as set out on pages 7 to 24 are in accordance with the *Corporations Act 2011 as set forth in the Co-operatives (Adoption of National Law) Act 2012* and:

- comply with Australian Accounting Standards - Simplified Disclosures; and
- give a true and fair view of the financial position as at 31 March 2023 and of the performance for the year ended on that date of the Entity.

In the directors' opinion, there are reasonable grounds to believe that the Entity will be able to pay its debts as and when they become due and payable with the continuing support of creditors.


This declaration is made in accordance with a resolution of the Board of Directors.



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Debbie Chapman
President

06 June 2023



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Andy Trivers
Treasurer



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Independent audit report to the members of Edgeworth Bowling Club Co-op Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report, being a simplified disclosure financial report of Edgeworth Bowling Club Co-op Ltd (the Entity), which comprises the statement of financial position as at 31 March 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes to the financial statements and the Directors' declaration.

In our opinion, the accompanying financial report of the Entity is in accordance with the *Corporations Act 2011 as set forth in the Co-operatives (Adoption of National Law) Act 2012*, including:

1. giving a true and fair view of the Entity's financial position as at 31 March 2023 and of its financial performance for the year ended; and
2. complying with Australian Accounting Standards - Simplified Disclosures.

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.

Independent audit report to the members of Edgeworth Bowling Club Co-op Ltd

We are independent of the Entity in accordance with the auditor independence requirements of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (the Code)* that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of the Directors

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

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

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

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



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Independent audit report to the members of Edgeworth Bowling Club Co-op Ltd

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

Alex Hardy

Prosperity Audit Services

ALEX HARDY

Director

Newcastle

06 June 2023

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