

# HEXHAM BOWLING CLUB CO-OPERATIVE LIMITED

ABN 51 951 016 993

Summary Financial Report  
For the Year Ended  
31 March 2024

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The financial statements and other specific disclosures have been derived from Hexham Bowling Club Co-Operative Limited's (the Club's) full financial statements for the financial year. Other information included in the Summary Financial Statements is consistent with the Club's full financial statements.

The Summary Financial Statements do not, and cannot be expected to, provide as full an understanding of the financial performance, financial position and financing and investing activities of the Club as the full financial statements.

A copy of the Club's 2024 full financial statements, including the independent audit report, is available to all members and will be sent to members without charge upon request.

# Hexham Bowling Club Co-Operative Limited

ABN 51 951 016 993

## Directors' Report

31 March 2024

Your Directors present their report on Hexham Bowling Club Co-Operative Limited for the financial year ended 31 March 2024.

### Directors

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

Name	Position	Occupation	Years Service
Leslie Carter	Chairman	Retired Assistant Principal	12
Alfred Smith	Vice Chairman	Retired	16
John Appleby	Director	Retired	11
Alan Mitchell	Director	Retired	20
Harry Lee	Director	Retired Market Director	6
Glenn Hetherington	Director	Corrections Officer	3
Dorothy Povey (resigned 23/12/2023)			

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

### Club secretary

The following person held the position of Club secretary at the end of the financial year:

J. Crowe who is also the General Manager of the Club and has held the position of Club secretary for 6 years.

### Principal activities

The principal activity of Hexham Bowling Club Co-Operative Limited during the financial year was the conduct of a Licensed Club.

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

### Operating results

The Club reported an operating profit before depreciation of \$606,659 (2023: a profit of \$728,183).

The net result of operations after depreciation was a profit of \$ 46,882 (2023: a profit of \$63,327).

# Hexham Bowling Club Co-Operative Limited

ABN 51 951 016 993

## Directors' Report

31 March 2024

### Review of operations

Gross profit from bar trading amounted to \$694,571 and gross profit percentage of 58% was obtained from sales of \$1,192,481.

Net gaming revenue amounted to \$2,750,908 and compares with \$2,791,881 in 2023.

The following table outlines the Club's profit after the add back of depreciation and also shows the Club's EBITDA performance as a percentage of revenue.

	2024 \$	2023 \$
Reported operating profit / (loss) after tax	46,882	63,327
Add back: depreciation and amortisation	559,784	664,856
<b>Operating profit / (loss) before depreciation</b>	<b>606,666</b>	<b>728,183</b>
Add back: (profit) / loss on sale of non-current assets	16,490	-
Less: interest received	(24,622)	(14,343)
Add back: borrowing costs	9,453	7,386
Add back: revaluation of investment properties	(230,000)	(225,000)
<b>EBITDA</b>	<b>377,987</b>	<b>496,226</b>
<b>Total Revenue</b>	<b>5,089,476</b>	<b>4,998,685</b>
<b>EBITDA % of Revenue</b>	<b>7.43%</b>	<b>9.93%</b>

### Meetings of Directors

During the financial year, 13 meetings of Directors were held. Attendances by each Director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Leslie Carter	13	13
Alfred Smith	13	11
John Appleby	13	13
Alan Mitchell	13	10
Harry Lee	13	9
Glenn Hetherington	13	13
Dorothy Povey (resigned 23/12/2023)	11	8

### Significant changes in state of affairs

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

### After balance date events

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

# Hexham Bowling Club Co-Operative Limited

ABN 51 951 016 993

## Directors' Report

31 March 2024

### Environmental issues

The Club's operations are subject to environmental regulations under the laws of the Commonwealth and State of Australia. The Directors are not aware of any breaches of the legislation during the financial year which are material in nature.

### Disclosure of Core and Non-Core Property

Pursuant to Section 41J(2) of the Registered Clubs Act 1976 and for the financial year ended 31 March 2024, the Directors have determined that the property of the Club shall be classified as follows:

<b>Address</b>	<b>Current Usage</b>	<b>Classification</b>
53-61 Beach Street, HARRINGTON NSW 2427	Rental properties	Non Core
8 Latham Avenue, HARRINGTON NSW 2427	Rental properties	Non Core
55 Maitland Road, HEXHAM NSW 2322	Vacant lot	Non Core
Old Maitland Road, HEXHAM NSW 2322	Club Building and Car Park	Core

### Auditors Independence Declaration

The lead auditors independence declaration for the year ended 31 March 2024 has been received and can be found on page 5 of the financial report.

### Mandatory Director Training

Under the Registered Clubs Amendment (Disclosures) Regulation 2019, the Club is required to disclose to its members certain information relating to mandatory training requirements undertaken by Directors. As the Club has annual gaming machine profits of more than \$1 million, the Regulation prescribes that all Directors must complete their mandatory training within 12 months of appointment unless otherwise exempt.

All Directors on the Board have completed the mandatory training requirements.

### Indemnification and Insurance of Officers

The Club has paid premiums to insure each of the Directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director of the Club, other than conduct involving a wilful breach of duty in relation to the Club.

# Hexham Bowling Club Co-Operative Limited

ABN 51 951 016 993

**Directors' Report**  
**31 March 2024**

### **Proceedings on behalf of the Club**

No Director has applied for leave of court to bring proceedings on behalf of the Club or intervene in any proceedings to which the Club is a party for the purpose of taking responsibility on behalf of the Club for all or any part of those proceedings.

Signed in accordance with a resolution of the Board of Directors:

Director: .....

Director: .....

Dated 29 May 2024

# Hexham Bowling Club Co-Operative Limited

ABN 51 951 016 993

## Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Hexham Bowling Club Co-Operative Limited

I declare that, to the best of my knowledge and belief, during the year ended 31 March 2024, there have been:

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

Cutcher & Neale Assurance Pty Limited  
(An authorised audit company)



N. Nancarrow CA  
Director

NEWCASTLE

22 May 2024

# Hexham Bowling Club Co-Operative Limited

ABN 51 951 016 993

## Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Hexham Bowling Club Co-Operative Limited

### Report on the Audit of the Financial Report

#### *Opinion*

The summary financial statements, which comprise the summary statement of financial position as at 31 March 2024, the summary statement of profit or loss and other comprehensive income, the summary statement of changes in equity, the summary statement of cash flows, discussion and analysis of the financial statement and the Directors Declaration for the year then ended, and related notes, are derived from the audited financial report of Hexham Bowling Club Co-Operative Limited for the year ended 31 March 2024.

In our opinion, the accompanying summary financial statements are consistent, in all material respects with the audited financial statements, on the basis described in Note 1.

#### *Summary Financial Statements*

The summary financial statements do not contain all the disclosures required by *Australian Accounting Standards – Simplified Disclosures*. Reading of the summary financial statements and the auditor's report thereon, therefore, is not a substituted for reading the audited financial statements and auditor's report thereon.

#### *The Audited Financial Report and Our Report Thereon*

We expressed an unmodified audit opinion on the audited financial report in our report dated 29 May 2024.

#### *Directors' Responsibility for the Summary Financial Statements*

The Directors are responsible for the preparation of the summary financial statements on the basis described in Note 1.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial report based on our procedures, which are conducted in accordance with Auditing Standard ASA 810 *Engagements to Report on Summary Financial Statements*.

Cutcher & Neale Assurance Pty Ltd  
(An authorised audit company)

N. Nancarrow CA  
Director

NEWCASTLE

29 May 2024

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Liability Limited by a scheme approved under Professional Standards Legislation. Cutcher & Neale Assurance Pty Ltd ABN 37 126556 330



# Hexham Bowling Club Co-Operative Limited

ABN 51 951 016 993

## Directors' Declaration

### *Auditor's Responsibility*

The Directors of the Club declare that:

1. The financial statements and notes, as set out on pages 9 to 16, are in accordance with the *Co-operatives National Law (NSW)* and the *Co-operatives National Regulations (NSW)* and:
  - a. comply with *Australian Accounting Standards - Simplified Disclosures*; and
  - b. give a true and fair view of the financial position as at 31 March 2024 and of the performance for the year ended on that date of the Club.
2. There are reasonable grounds to believe that the Club will be able to pay its debts as and when they become due and payable.

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

Director .....

Director .....

Dated 29 May 2024

# Hexham Bowling Club Co-Operative Limited

ABN 51 951 016 993

## Summary Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 March 2024

	2024	2023
Note	\$	\$
Bar sales	1,192,481	1,153,815
Less: Bar cost of goods sold	(497,910)	(460,088)
	<u>694,571</u>	<u>693,727</u>
Catering sales	214,129	177,310
Less: Catering cost of goods sold	(103,001)	(87,532)
	<u>111,128</u>	<u>89,778</u>
Gross profit	805,699	783,505
Gaming machine net clearances	2,750,908	2,791,881
Tab and keno commissions	128,641	111,007
Raffles income	221,824	216,520
Bowls income	2,643	2,285
Wedding income	15,347	34,661
Other revenue from contracts with customers	2 38,054	32,441
Other revenue from ordinary activities	2 295,449	253,765
Revaluation of investment properties	2 230,000	225,000
Bar trading expenses	(412,072)	(376,436)
Catering trading expenses	(125,258)	(116,449)
Raffle expenses	(204,732)	(197,432)
Gaming machines expenses	(827,466)	(859,057)
Tab and keno expenses	(52,238)	(56,061)
Occupancy expenses	(656,294)	(678,344)
Bowls expenses	(116,136)	(82,326)
Club promotion and entertainment expenses	(289,690)	(297,801)
Depreciation and amortisation expenses	(559,784)	(664,856)
Administrative expenses	(1,080,438)	(944,587)
Rental property expenses	(79,758)	(82,258)
Loss on disposal of assets	(16,490)	-
Interest paid	(9,453)	(7,386)
Wedding expenses	(11,874)	(24,745)
<b>Profit / (loss) before income tax</b>	<b>46,882</b>	<b>63,327</b>
Income tax expense	-	-
<b>Profit / (loss) after income tax</b>	<b>46,882</b>	<b>63,327</b>
<b>Other comprehensive income</b>	<b>-</b>	<b>-</b>
<b>Total other comprehensive income</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income / (loss)</b>	<b>46,882</b>	<b>63,327</b>

The accompanying notes form part of these financial statements.

# Hexham Bowling Club Co-Operative Limited

ABN 51 951 016 993

## Summary Statement of Financial Position

As at 31 March 2023

	2024	2023
	\$	\$
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	1,620,034	1,496,895
Trade and other receivables	19,798	28,826
Inventories	41,218	37,734
Other current assets	87,634	90,178
<b>TOTAL CURRENT ASSETS</b>	<b>1,768,684</b>	<b>1,653,633</b>
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	2,129,340	2,516,206
Investment property	2,640,000	2,410,000
Intangible assets	71,495	71,495
Right-of-use asset	36,190	15,398
<b>TOTAL NON-CURRENT ASSETS</b>	<b>4,877,025</b>	<b>5,013,099</b>
<b>TOTAL ASSETS</b>	<b>6,645,709</b>	<b>6,666,732</b>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Trade and other payables	473,797	552,798
Short-term borrowings	48,234	44,940
Short-term provisions	113,701	136,549
Lease liabilities	8,454	10,240
<b>TOTAL CURRENT LIABILITIES</b>	<b>644,186</b>	<b>744,527</b>
<b>NON-CURRENT LIABILITIES</b>		
Trade and other payables	17,348	18,569
Long-term provisions	43,647	32,690
Lease liabilities	28,853	6,153
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>89,848</b>	<b>57,412</b>
<b>TOTAL LIABILITIES</b>	<b>734,034</b>	<b>801,939</b>
<b>NET ASSETS</b>	<b>5,911,675</b>	<b>5,864,793</b>
<b>EQUITY</b>		
Retained earnings	5,911,675	5,864,793
<b>TOTAL EQUITY</b>	<b>5,911,675</b>	<b>5,864,793</b>

The accompanying notes form part of these financial statements.

# Hexham Bowling Club Co-Operative Limited

ABN 51 951 016 993

## Summary Statement of Changes in Equity For the Year Ended 31 March 2024

### 2024

	Retained Earnings	Total
	\$	\$
<b>Balance at 1 April 2023</b>	<b>5,864,793</b>	<b>5,864,793</b>
Profit / (loss) attributable to members	<b>46,882</b>	<b>46,882</b>
<b>Balance at 31 March 2024</b>	<b>5,911,675</b>	<b>5,911,675</b>

### 2023

	Retained Earnings	Total
	\$	\$
<b>Balance at 1 April 2022</b>	<b>5,801,466</b>	<b>5,801,466</b>
Profit / (loss) attributable to members	<b>63,327</b>	<b>63,327</b>
<b>Balance at 31 March 2023</b>	<b>5,864,793</b>	<b>5,864,793</b>

The accompanying notes form part of these financial statements.

# Hexham Bowling Club Co-Operative Limited

ABN 51 951 016 993

## Summary Statement of Cash Flows For the Year Ended 31 March 2024

	2024	2023
	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers	5,534,323	5,414,597
Payments to suppliers and employees	(5,240,361)	(4,910,580)
Interest received	24,622	14,343
Borrowing costs	(9,453)	(7,386)
Net cash provided by / (used in) operating activities	<u>309,131</u>	<u>510,974</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipment	(180,361)	(443,611)
Net cash provided by / (used in) investing activities	<u>(180,361)</u>	<u>(443,611)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from borrowings	120,585	112,350
Repayment of borrowings	(117,291)	(107,530)
Repayment of lease liabilities	(8,925)	(9,864)
Net cash provided by / (used in) financing activities	<u>(5,631)</u>	<u>(5,044)</u>
Net increase (decrease) in cash and cash equivalents held	123,139	62,319
Cash and cash equivalents at beginning of year	1,496,895	1,434,576
Cash and cash equivalents at end of financial year	<u>1,620,034</u>	<u>1,496,895</u>

The accompanying notes form part of these financial statements.

# Hexham Bowling Club Co-Operative Limited

ABN 51 951 016 993

## Notes to the Summary Financial Statements

For the Year Ended 31 March 2024

### 1 Material accounting policy information

#### (a) Basis of preparation

The summary financial statements have been prepared from the audited financial statements of Hexham Bowling Club Co-Operative Limited for the year ended 31 March 2024. The audited report for the year ended 31 March 2024 is available at request from Hexham Bowling Club Co-Operative Limited.

The financial statements, specific disclosures and the other information included in the summary financial statements are derived from and are consistent with the full financial statements of Hexham Bowling Club Co-Operative. The summary financial statements cannot be expected to provide as detailed an understanding of the financial performance, financial position and financing and investing activities of Hexham Bowling Club Co-Operative as the full financial statements.

The accounting policies have been consistently applied to Hexham Bowling Club Co-Operative and are consistent with those of the financial year in the entirety.

The presentation currency used in the financial statements is Australian dollars.

There have been no changes to the accounting policies of the Club from last year.

#### (b) Subsidiary Clubs

In accordance with the Hexham Bowling Club Co-Operative Limited by-law the Board may form, terminate, control and regulate the Club's subsidiary Clubs. The Subsidiary Clubs bank account balances have been recognised in the financial statements.

# Hexham Bowling Club Co-Operative Limited

ABN 51 951 016 993

## Notes to the Summary Financial Statements For the Year Ended 31 March 2024

### 2 Revenue

	2024	2023
	\$	\$
Operating activities		
- Revenue - trading	<u>4,525,973</u>	4,487,479
Other Revenue from contracts with customers		
- Membership Subscriptions	<u>38,054</u>	32,441
<b>Total revenue from contract with customers</b>	<u><b>4,564,027</b></u>	<u>4,519,920</u>
Other Revenue from Ordinary Activities		
- Interest Received	24,622	14,343
- Rebate for GST on gaming machine duty	17,180	17,180
- Room and equipment hire	20,514	22,391
- Other income	82,012	41,366
- Rent Received	<u>151,121</u>	158,485
<b>Total other revenue from ordinary activities</b>	<u><b>295,449</b></u>	<u>253,765</u>
Other revenue from non-ordinary activities		
- Revaluation of investment properties	<u>230,000</u>	225,000
<b>Total Revenue</b>	<u><b>5,089,476</b></u>	<u>4,998,685</u>

# Hexham Bowling Club Co-Operative Limited

ABN 51 951 016 993

## Discussion and Analysis of the Summary Financial Statements For the Year Ended 31 March 2024

### Information on Hexham Bowling Club Co-Operative Limited Summary Financial Statements

The financial statements, disclosures and discussion and analysis in the summary financial statements have been derived from the 31 March 2024 financial statements of Hexham Bowling Club Co-Operative Limited.

A copy of the full financial statements and auditors report will be sent to any member, free of charge, upon request. The summary financial statements cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Club as the full financial statements.

The discussion and analysis is provided to assist members in understanding the summary financial statements.

### Summary Statement of Profit or Loss and Other Comprehensive Income

The profit from ordinary activities attributable to members for the year was \$46,882. The result has declined by \$16,445 compared to a profit of \$63,327 in 2023. The investment properties have been revalued at 31 March 2024 with a revaluation increment recognised in the profit and loss for \$230,000, excluding this the Club would have reported a loss of \$183,118.

#### Revenue

Total revenue has increased by \$90,791 or 1.82% compared to 2023. Bar sales are up \$38,666 and gaming machine clearances are down \$40,973.

#### Expenditure

Total expenditure has increased \$107,236 or 2.17% compared to 2023.

An important key performance indicator for Clubs is EBITDA as a percentage of revenue. This year the Club has reported a percentage of 7.43% compared to 9.93% in 2023.



# Hexham Bowling Club Co-Operative Limited

ABN 51 951 016 993

## Discussion and Analysis of the Summary Financial Statements For the Year Ended 31 March 2024

The main changes in assets and liabilities include:

### Assets

Total assets decreased by \$21,023 to \$6,645,709 representing a decrease of 0.32%. This decrease is attributable to property, plant and equipment decrease of \$386,866 with depreciation of \$550,737, disposals of \$16,490 and additions of \$180,361. Offset by the increase in the cash position by \$123,139 and increase in fair value of investment properties of \$230,000.

All other assets have remained relatively comparable to the previous year balances.

### Liabilities

Total liabilities decreased by \$67,905 to \$734,034 representing an increase of 8.47%.

Trade and other payables have decreased \$80,222, prior year included invoice payable for gaming machines for \$66k.

All other liabilities have remained relatively comparable to the previous year balances.

### Summary Statement of Changes in Equity

The equity of the Club has increased by the reported profit result for the year.

### Summary Statement of Cash flows

The Club's cash position has increased during the year by \$123,139. The main changes in cash flows include:

- Operating cash inflows have decreased compared to the prior year due to a decline in the operating result.
- Investing cashflows in 2024 are represented by capital purchases with the main purchases being the gaming machine changeovers and plant.
- Financing cash outflows in 2024 consist of finance and repayment of insurance liabilities and lease liabilities