

OFFICE BEARERS AND BOARD OF DIRECTORS

2022-2023

PRESIDENT:

Michael Brown

VICE PRESIDENT:

Warren Kennedy

CEO:

Terri McMurtrie

TREASURER:

Frank Mierczak

DIRECTORS:

Garry Sutherland

Gregory Machin

Jeff Madden

Michael Johnson

LITHGOW CITY BOWLING CLUB LIMITED (Trading as CLUB LITHGOW)
ACN 001 040 348
NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given of the Annual General Meeting of LITHGOW CITY BOWLING CLUB LIMITED (Trading as CLUB LITHGOW) to be held on Sunday 22nd October, 2023 commencing at 10.30am at the premises of the Club, 2C Lithgow Street, Lithgow, New South Wales.

BUSINESS

The following business will be dealt with at the Annual General Meeting:

1. Apologies
2. To confirm the minutes of the previous Annual General Meeting held 27th November, 2022.
3. To receive and consider the directors' report, financial statements and auditors' report for the last financial year ending 30 June 2023, and any other reports of the Board or of the individual officers of the Club. Copies of these reports are available on request at the Club and on the Club's website.

Note: Members who have queries in relation to the reports are requested to submit their questions in writing to the Chief Executive Officer by 5.00pm on Friday 13th October, 2023. This will allow sufficient time for information to be gathered or research undertaken. If questions are not submitted by this time, the Club may not be able to provide complete answers at the Annual General Meeting.

4. To consider and if thought fit pass the two (2) Ordinary Resolutions for directors' benefits set out in this Notice.
5. To consider and if thought fit pass one (1) Special Resolution set out in this notice.
6. To deal with any other business of which due notice has been given to members.

PROCEDURAL MATTERS FOR TWO ORDINARY RESOLUTIONS

1. To be passed, an Ordinary Resolution must receive votes from not less than a majority (50% + 1) of those members who, being eligible to do so, vote in person on the resolution at the meeting.
 2. Life members, financial Bowling members and financial non-bowling members are entitled to vote on the resolutions at the meeting.
 3. The resolutions are to be read in conjunction with the notes to members that follow the resolutions.
 4. Under the Registered Clubs Act:
 - a. Members who are employees of the Club are not entitled to vote;
 - b. Proxy voting is prohibited.
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FIRST ORDINARY RESOLUTION

[The First Ordinary Resolution is to be read in conjunction with the notes to members set out below]

That the members hereby:

- (a) Approve of the Club spending a sum not exceeding ten thousands dollars (\$10,000.00) until the next Annual General Meeting for the following expenses (but in any case subject to approval by the Board of Directors in accordance with section 10(6)(d) of the Registered Clubs Act):
 - I. The reasonable costs of Directors attending seminars, lectures, trade displays, organised study tours, fact finding tours and other similar events for the education of Directors as determined and approved by the Board from time to time.
 - II. The reasonable costs of Directors attending the Annual General Meeting of ClubsNSW and conferences conducted by ClubsNSW
 - III. The reasonable costs of Directors travelling to and from directors meetings and other duly constituted Board of subcommittee meetings on the production of relevant invoices, receipts or other documentary evidence of such costs
 - IV. The reasonable costs of providing the annual Directors Christmas party for Directors and their spouses/partners.
- (b) Acknowledge that the benefits in paragraph (a) of this resolution are not available to members generally but are only available to those members who are Directors of the Club (and their spouses/partners in respect of the Annual Directors Christmas party referred to in paragraph (a)(IV) above).

Notes to Members on First Ordinary Resolution

- 1. The First Ordinary Resolution is to have the members in general meeting approved expenditure by the Club on Directors (and their spouses/partner in certain circumstances) in respect of the matters set out in the First Ordinary Resolution.
- 2. Included in the First Ordinary Resolution is the cost of directors attending seminars, lecture, trade displays and other similar events to be kept abreast of current trends and developments which may have a significant bearing on the Club and also to satisfy the training requirements for Directors under the Registered Clubs Act.
- 3. The First ordinary Resolution is in the same terms and for the same amount as passed by the members at the Annual General Meeting in 2022.

SECOND ORDINARY RESOLUTION

[The Second Ordinary Resolution is to be read in conjunction with the notes set out below]

That the members hereby approve the payment of the following honorariums (inclusive of any superannuation guarantee levy if payable) to the President and Treasurer for their service as directors until the next Annual General Meeting;

- a) President - \$3,000.00; and
 - b) Treasurer - \$3,000.00
-

Notes to members on Second Ordinary Resolution

1. The Second Ordinary Resolution is to have the members approve honorariums for the President and Treasurer duties to be performed by them until the next Annual General Meeting.
2. The Second Ordinary Resolution is in the same terms and for the same amounts as passed by the members at the Annual General Meeting in 2022.

LITHGOW CITY BOWLING CLUB LTD
ACN 001 040 348

SPECIAL RESOLUTION

That the Constitution of Lithgow City Bowling Club Ltd be amended by **deleting** subparagraph (i) of Rule 28.1(h) and in its place **inserting** the following subparagraph (i):

“by the nominee at any time, but no later than five (5) days prior to the commencement of voting; and”

Notes to Members on Special Resolution

1. If passed, the Special Resolution will allow a candidate who has nominated for election to the Board to withdraw his or her nomination at any time up to five (5) days prior to the commencement of voting for the election of the Board.
 2. Currently, Rule 28.1(h)(i) allows a nomination to be withdrawn at any time prior to the commencement of voting.
 3. The proposed amendment, which is recommended by the Club's Returning Officer, will allow the Returning Officer a reasonable time to arrange the design and printing of the ballot papers prior to the commencement of voting.
 4. Under the current system, the late withdrawal of a nomination can mean that the ballot papers are printed with the name of a candidate who has actually withdrawn.
 5. While in these circumstances the name of the candidate could simply be crossed out by hand, this is unsatisfactory and runs the risk that the ballot paper is informal.
 6. The Board of the Club supports the proposed Special Resolution.
 7. To be passed, the Special Resolution requires votes from not less than seventy-five percent (75%) of those members who, being eligible to do so, vote in person on the Special Resolution at the meeting.
 8. Under the Registered Clubs Act:
 - (a) proxy voting is prohibited; and
 - (b) employees who are members of the Club are not eligible to vote.
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**PRESIDENT'S REPORT
FOR THE FINANCIAL YEAR ENDED
30TH JUNE, 2023**

I hereby submit my President's report for Club Lithgow for the year ended 30 June, 2023. Please also note that I was elected unopposed to the position at the AGM of our club held on 27th November, 2022. My report reflects the period from this date to the 30 June, 2023. Prior to taking on position of President, I served as Treasurer of our club for almost 13 years.

For the year end 30 June, 2023 the Club has made a profit of \$698,123 which is very pleasing.

Below is a comparison with the last two financial years with depreciation added back to show the cash profit generated by the club over those periods.

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Profit	698,123	444,370	1,017,767
Depreciation	<u>281,831</u>	<u>225,804</u>	<u>277,109</u>
Cash Profit	979,954	670,174	1,294,876

Below is a snapshot of this year's main trading turnover in comparison to the last two years.

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Bar Sales	1,081,881	419,182	1,063,920
Poker Machine	2,533,899	992,325	2,316,188
Bistro/Cafe Sales	716,579	212,304	842,759

Note: When considering figures from 2022, please remember that our club was shut for approximately six months due to COVID lockdowns and flooding.

As can be seen in the above turnover figures, your club has bounced back very well since the low's of 2022 especially in the bar and gaming areas. The bistro had bounced back reasonably well but cost pressures, staffing issues and quality caused major problems.

Although revenue in total exceeded our record year of 2021, cost pressures have driven your club's profitability down. Major cost increases as a comparison to 2021 include.

Cost of Goods sold (bar & bistro)	\$ 67,000
Employee Costs	\$246,000
Accountancy	\$58,000
Green Maintenance	\$18,000
Entertainment	\$149,000
Insurance	\$65,000
Interest	\$79,000
Member Promotions	\$60,000
Payroll Tax	\$17,000
Repairs & Maintenance	\$48,000

The increase in wages has been very detrimental to profitability. So much so, that the board made the decision to close the bistro in early June as it was becoming unsustainable. Being unable to attract the right staff was also a major factor in the bistro closure. This is a temporary measure, and it is proposed to seek an external caterer for the bistro.

With the resignation of our former CEO, Terri McMurtrie stepped into the role of acting CEO while the board advertised for a replacement. After considering some applications received, the board appointed Terri to the position of CEO in February. I would like to sincerely thank Terri for her dedication to duty and hard work. Attracting quality staff to our club continues to be a problem and a problem across the entire hospitality industry in Australia. A lot of managements energy and time has been taken up trying to improve this area of our business. I cannot under emphasise what a problem this is to our club moving forward. To the staff that we do have that are dedicated to our club, I thank you on behalf of our members.

Our new synthetic green became operational in January after a few drainage problems from intense storms. These appear to be rectified now and has proven a worthy inclusion for our great game we call bowls. Most feedback has been very positive. I would like to thank all the volunteers who assisted us with the rolling back of the turf and work conducted to mitigate further drainage issues. This is the true meaning of a club. It was fantastic to witness and be a part of. I sincerely thank anyone who has given some of their time to further improve our club during the year. It also goes without saying that Perter Hardie is a huge asset to our club, and I would especially like to thank him for a job well done.

Having said the above, a serious conversation needs to be had regarding the future of bowls and bowls facilities at our club. Numbers continue to decline as our bowling members get older and the younger generations view bowls as an older person's sport. We also spend a lot of money every year maintaining three greens which is becoming harder to justify. I acknowledge and thank the bowling sub bodies for the work they do in promoting the game of bowls. I also challenge them to find ways to increase our bowling membership moving forward. Volunteering can be a thankless task but a measure of your involvement in these positions is leaving the organisation in a better place than when you took on the role. No one person is bigger than the organisation they choose to serve. Unfortunately, this concept can be lost on some individuals, which in turn, can put organisations further behind. When the chance presents itself to nominate or vote for committee members, do it for the right reasons not because someone else told you to vote that way.

Your club continues to support local sporting and community groups. This is a two-way relationship where we all benefit. Thankyou to all these organisations for calling Club Lithgow home.

To our loyal members who continue to support our great club. Thankyou for enjoying our club's facilities. We can reinvest into our club when members support us. When we made the decision to temporarily close our bistro, we knew our business would suffer to some extent. However, because our members kept supporting us, the month of June was one of our more profitable months. This makes me very hopeful that when the bistro does reopen, your club will be heaving with activity.

The future success of our club hinges on our ability to provide a venue that families love to attend. This means we need to have good quality, consistent, 'pub classic' meals that people enjoy. We also need space for our younger generations to enjoy as well. They are our future.

The other deal maker is dedicated, friendly, hardworking staff that want to make Club Lithgow their employer of choice. We also need to get smarter regarding income generation. We need to diversify our income streams. Currently we only have our bar and gaming machines as main income streams. Once we achieve all the above, I believe your clubs financial sustainability will be assured. These are the challenges your board and management are facing moving forward.

Thankyou to my fellow directors for volunteering to assist the future development of our club. It is a thankless position but if you are in it for the right reasons, it can be very rewarding. Next year is an election year. If you think you have something to offer your club for its future development, I challenge you to stand to be elected. A diversified board is a stronger board.

Michael Brown
President

CHIEF EXECUTIVE OFFICER
Report June 2023

I have the pleasure of writing this CEO report for the 2022/23 financial year. I was officially appointed as CEO at the end of February 2023 and it has been a rewarding time although not without challenges.

The year has been greatly influenced by significant changes from board elections, change of management, significant cost increases, staff shortages and residual impacts from COVID, renovations and water damage.

It has been instrumental that the Club community is well informed and considered during these periods including the addition of a monthly CEO note. Flexibility and the ability to re-direct our focus has been essential.

The year saw multiple costly projects being undertaken as a matter of urgency and necessity including upgrading IT both hardware and software, preventative water control measures, overdue general maintenance and repairs, remaining incomplete renovation projects, rejuvenation and renovation of areas through painting and furniture.

Staff structures, HR documentation, policies and procedures were reviewed and amended as required and through this process we were able to identify and rectify historical pay discrepancies.

An aggressive marketing and entertainment campaign was undertaken to ensure the community were aware that Club Lithgow was open and thriving post interruptions. An under 40's barefoot bowls promotional day was had to encourage the younger generations to explore the world of bowls, and this was a hugely successful event which will be repeated.

At the end of the financial year we saw memberships rise which is affirmation of the amount of effort, energy and attention asserted by the team.

It would be amiss not to specifically mention the bistro and concerns surrounding the decision to close it in early June. This decision was not taken lightly and has had an impact on the general atmosphere of the Club, however it was the right decision during that period. We continue to seek expressions of interests from interested parties and await the right fit for our Club, until a proposal is accepted we have temporarily rallied and will now open during the club's historical busiest nights.

Our focus as we move forward is to ensure the longevity of the Club and its members through diversification and growth, so the club will prosper and survive in this ever-changing market. The Club will look to provide for all situations by improving facilities for bowlers, families and social groups so they can utilise and enjoy the space.

Increasing operational costs has highlighted the importance of actively finding effective and efficient solutions to reduce costs and our carbon emissions. This financial year will see a strong focus and high investment into minimalizing our environmental impact and offsetting the increasing costs of utilities through solar panels, review of current heating and cooling systems and upgrade of lighting.

This year will see active commitment, strategic planning and investment in improving the facilities of Club Lithgow and ask that the members support decisions and rise united for the benefit of the community.

Bowling will be re-vamped and invigorated to ensure the sport continues and becomes an accessible and welcoming space for competition, socialisation and relaxation.

As a community club we recognise the importance of supporting the community through sponsorship and donations and this year has been no different, it is fortunate and endearing that we have been able to support many projects, schools, sporting teams, charities, and businesses.

I have quickly recognised during my employment that the club and its loyal and passionate members are the reason and the motivation behind ensuring we achieve greatness and I thank each and every one of you for the lesson. Members are the heart and soul of Club Lithgow.

To my staff, it has been a challenging road but without you the club is an empty shell, so I sincerely thank you for your commitment, reassurance, and support.

To my sub bodies, thank you for supporting the club and for the endless volunteering hours to allow the club to thrive and prosper. I look forward to continuing this relationship as a necessity for progression, *'if you build it, they will come'*.

Thank you to our caterer's, Kar Wah Inn, who have been very flexible amongst the ever-changing environment and are happy to support events and the club.

Finally, a special thank you goes to the board who have guided, supported, listened and walked with me throughout this year.

I look forward to the year ahead and ensuring that Club Lithgow remains an integral part of the community.

Terri McMurtrie
Chief Executive Officer

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Directors' Report

30 June 2023

The directors present their report on Lithgow City Bowling Club Ltd for the financial year ended 30 June 2023.

1. General information

Information on directors

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

Michael Brown

Qualifications and Experience	Retired Accountant
Period as Director	2010 to 11 August 2022
Special responsibilities	Director/Treasurer
Period as Director	27 November 2022 to current
Special responsibilities	President

Warren Kennedy

Qualifications and Experience	Retired Railway Manager
Period as Director	25 September 2016 to current
Special responsibilities	Vice President

Frank Mierczak

Qualifications and Experience	Snr. Manufacturing Technician Metrology
Period as Director	27 November 2022 to current
Special responsibilities	Treasurer

Garry Sutherland

Qualifications and Experience	Senior Production Manager
Period as Director	27 November 2022 to current
Special responsibilities	Director

Athol Roach

Qualifications and Experience	Retired Railway Manager
Period as Director	25 September 2016 to 11 August 2022
Special responsibilities	Director

Gregory Machin

Qualifications and Experience	Business owner
Period as Director	27 November 2022 to current
Special responsibilities	Director

Jeffrey Madden

Qualifications and Experience	Retired miner
Period as Director	1 November 2020 to current
Special responsibilities	Director

Michael Johnson

Qualifications and Experience	Retired Federal Police Officer
Period as Director	27 November 2022 to current
Special responsibilities	Director

Directors' Report

30 June 2023

1. General information

Information on directors

Wayne Allan

Qualifications and Experience	Retired Club Manager
Period as Director	18 December 2017 to 27 November 2022
Special responsibilities	Director/President

Raymond Achurch

Qualifications and Experience	Retired Payroll Officer
Period as Director	1 November 2020 to 27 November 2022
Special responsibilities	Director

Julie Hughan

Qualifications and Experience	Previous business owner
Period as Director	28 September 2008 to 4 August 2022
Special responsibilities	Director

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

Principal activities

The principal activity of Lithgow City Bowling Club Ltd during the financial year has continued to be that of a licensed Club, providing the provision of sporting facilities, food and beverage and entertainment.

There has been significant changes in the nature of the Company's activity during the financial year. However, when comparing to last year's figures please consider the impact from closure caused by COVID and storm damage.

The Company's short term objectives are:

- To provide a safe community friendly social Club for the wider Lithgow community in alignment with the Clubs constitutional charter.

The Company's long term objectives are to:

- Drive the financial performance of the Club to achieve long term financial viability.

To achieve these objectives, the Company has adopted the following strategies:

- Regular strategic reviews.
- Attract increased number of members.
- Continue to support the local community.
- Continue to develop quality facilities.

The principal activities assisted the Company in achieving its objectives by:

Directors' Report

30 June 2023

1. General information

Principal activities

- Any increases in revenue generated by the activities of the Club will be channelled into other Club services which are provided to members and guests of the Club.
- The assistance of the club's bowling sub-bodies, the Club will be able to provide good quality greens which the club hopes will attract more visitors and allow additional tournaments to be conducted in the future.
- The usage of the Club facilities by the Local sporting and recreational groups to support the community.

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

The Club uses the following key performance indicators to measure performance:

- EBITDA
- GP %
- Wages % to Income
- Cashflow

Non-financial performance measures include:

- Members' feedback
- Increase in membership

Members guarantee

Lithgow City Bowling Club Ltd is a company limited by guarantee. In the event of, and for the purpose of winding up of the Company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$10 for members.

At 30 June 2023 the collective liability of members was \$47,170 (2022: \$35,500).

	Number of Members	Individual Contribution on Winding up of the Company \$	Total Members Contribution on Winding up of the Company \$
Membership Details			
Bowling Members	144	10	1,440
Social Members	4,560	10	45,600
Life Member	13	10	130
Total	4,717	10	47,170

Directors' Report

30 June 2023

2. Operating results and review of operations for the year

Operating results

The Company has made a profit of \$698,123 (2022: \$444,369).

3. Other items

Significant changes in state of affairs

There has been no significant changes in the state of affairs of the Company during the year.

Matters or circumstances arising after the end of the year

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

Meetings of directors

During the financial year, 19 meetings of directors were held. Attendances by each director during the year were as follows:

Directors' Meetings	
Number eligible to attend	Number attended
Michael Brown	10
Warren Kennedy	19
Frank Mierczak	5
Garry Sutherland	6
Athol Roach	3
Gregory Machin	4
Jeffrey Madden	17
Michael Johnson	4
Wayne Allan	6
Raymond Achurch	6
Julie Hughan	2

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2023 has been received and can be found on page 5 of the financial report.

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

Director: 
.....
Michael Brown

Director: 
.....
Warren Kennedy

Dated this 11 day of OCTOBER 2023

Lithgow City Bowling Club Ltd

ABN: 50 001 040 348

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Auditors Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Lithgow City Bowling Club Ltd

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

- (i) no contraventions of the auditor 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.



Crowe Central West



Gabriel Faponle
Audit Partner
Registered Company Auditor: 513644

Dated at Dubbo on the 11th day of October 2023

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Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2023

		2023	2022
	Note	\$	\$
Revenue	4	4,503,870	1,718,550
Cost of sales		(833,830)	(283,066)
Gross Profit		3,670,040	1,435,484
Other income		704,212	1,074,248
Employee benefits expense	5	(1,531,754)	(973,041)
Depreciation and amortisation expense		(281,831)	(225,804)
Administration expenses		(301,641)	(178,930)
Finance costs		(101,977)	(14,426)
Advertising and promotion		(178,595)	(134,305)
Greens maintenance		(26,192)	(19,472)
Gaming expenses		(515,191)	(143,352)
Other expenses	6	(738,442)	(349,840)
Loss on sale of assets		(506)	(26,192)
Profit for the year		698,123	444,370
Other comprehensive income			
Revaluation gain on land and buildings		3,174,317	-
Other comprehensive income for the year		3,174,317	-
Total comprehensive income for the year		3,872,440	444,370

The accompanying notes form part of these financial statements.

Lithgow City Bowling Club Ltd

ABN: 50 001 040 348

Statement of Financial Position**As At 30 June 2023**

		2023	2022
	Note	\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	496,216	454,425
Trade and other receivables	8	51,384	102,248
Inventories	9	60,604	44,052
Other assets	10	148,273	336,411
TOTAL CURRENT ASSETS		<u>756,477</u>	<u>937,136</u>
NON-CURRENT ASSETS			
Property, plant and equipment	11	10,404,783	6,659,003
Intangible assets	12	847,533	847,533
TOTAL NON-CURRENT ASSETS		<u>11,252,316</u>	<u>7,506,536</u>
TOTAL ASSETS		<u>12,008,793</u>	<u>8,443,672</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	452,527	716,757
Employee benefits	14	73,351	91,081
Borrowings	15	294,039	294,039
Other liabilities	16	43,029	33,201
TOTAL CURRENT LIABILITIES		<u>862,946</u>	<u>1,135,078</u>
NON-CURRENT LIABILITIES			
Employee benefits	14	10,852	-
Borrowings	15	1,139,168	1,185,207
TOTAL NON-CURRENT LIABILITIES		<u>1,150,020</u>	<u>1,185,207</u>
TOTAL LIABILITIES		<u>2,012,966</u>	<u>2,320,285</u>
NET ASSETS		<u>9,995,827</u>	<u>6,123,387</u>
EQUITY			
Reserves		5,578,106	2,403,789
Retained earnings		4,417,721	3,719,598
TOTAL EQUITY		<u>9,995,827</u>	<u>6,123,387</u>

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 30 June 2023

2023

	Retained Earnings	Asset Realisation Reserve	Retained earnings Sub-bodies	Total
	\$	\$	\$	\$
Balance at 1 July 2022	3,598,076	2,403,789	121,522	6,123,387
Profit for the year	698,123	-	-	698,123
Revaluation increment	-	3,174,317	-	3,174,317
Balance at 30 June 2023	4,296,199	5,578,105	121,522	9,995,826

2022

	Retained Earnings	Asset Realisation Reserve	General Reserve	Total
	\$	\$	\$	\$
Balance at 1 July 2021	3,153,706	2,403,789	121,522	5,679,017
Profit for the year	444,370	-	-	444,370
Balance at 30 June 2022	3,598,076	2,403,789	121,522	6,123,387

The accompanying notes form part of these financial statements.

Statement of Cash Flows
For the Year Ended 30 June 2023

	2023	2022
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	4,192,004	2,789,133
Payments to suppliers and employees	(3,150,581)	(2,203,512)
Interest received	2,183	(5)
Interest paid	(101,977)	(14,426)
Net cash provided by operating activities	<u>941,629</u>	<u>571,190</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	<u>(853,799)</u>	<u>(2,022,992)</u>
Net cash used by investing activities	<u>(853,799)</u>	<u>(2,022,992)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from borrowings	99,595	1,286,908
Repayment of borrowings	(145,634)	-
Net cash used by financing activities	<u>(46,039)</u>	<u>1,286,908</u>
Net increase (decrease) in cash and cash equivalents held	41,791	(164,894)
Cash and cash equivalents at beginning of year	<u>454,425</u>	<u>619,319</u>
Cash and cash equivalents at end of financial year	7 <u><u>496,216</u></u>	<u><u>454,425</u></u>

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2023

The financial report covers Lithgow City Bowling Club Ltd as an individual entity. Lithgow City Bowling Club Ltd is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Lithgow City Bowling Club Ltd is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosure Requirement and the *Corporations Act 2001*.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

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.

2 Summary of Significant Accounting Policies

(a) New or amended Accounting Standards and Interpretations adopted

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

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Company.

(b) Revenue and other income

Revenue recognition

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the entity and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Revenue from contracts with customers

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

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies continued

(b) Revenue and other income continued

Revenue from contracts with customers continued

events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Sales revenue

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

Interest revenue

Interest revenue is recognised on a proportionate basis taking into account the interest rate applicable to the financial asset.

Subscriptions

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year.

Donations

Donations are recognised at the time the pledge is made.

Volunteer Services

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

Other revenue

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

Grants

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

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

(c) Income Tax

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

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies continued

(d) Current and non-current classification

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

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

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

(e) Cash and cash equivalents

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.

Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the statement of financial position.

(f) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the individual item basis and are net of any rebates and discounts received.

Net realisable value is the estimated selling price in the ordinary course of business. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

(g) Property, plant and equipment

Classes of property, plant and equipment are measured using the cost or revaluation model as specified below.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of costs of dismantling and restoring the asset, where applicable.

Assets measured using the revaluation model are carried at fair value at the revaluation date less any subsequent accumulated depreciation and impairment losses. Revaluations are performed whenever there is a material movement in the value of an asset under the revaluation model.

Land and buildings

Land and buildings are measured using the revaluation model less impairment losses. The current year shows an increase in valuation of the Land and Buildings as per the Directors Valuation.

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies continued

(g) Property, plant and equipment continued

Plant and equipment

Plant and equipment are measured using the cost model less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the asset.

Depreciation

The depreciable amount of all property, plant and equipment, except for freehold land and buildings is depreciated on a straight-line method from the date that management determine that the asset is available for use.

Assets held under a finance lease and leasehold improvements are depreciated over the shorter of the term of the lease and the assets useful life.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Plant and Equipment	6 - 33.3 %
Furniture, Fixtures and Fittings	6.67 - 20 %
Office Equipment	20 - 37.5 %
Computer Software	15 - 25 %
Bowling Greens	5 - 20 %

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

(h) Financial instruments

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

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

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

Classification

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies continued

(h) Financial instruments continued

Financial assets continued

- amortised cost

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

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- 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 Company 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 Company's historical experience and informed credit assessment and including forward looking information.

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

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

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

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

Financial liabilities

The Company 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 Company comprise trade payables, bank and other loans liabilities.

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies continued

(i) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than twelve months after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

Employee benefits are presented as current liabilities in the statement of financial position if the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

(j) Trade and other payables

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

(k) 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.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

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.

3 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.

The significant estimates and judgements made have been described below.

Notes to the Financial Statements

For the Year Ended 30 June 2023

3 Critical Accounting Estimates and Judgements continued

Key estimates - fair value of financial instruments

The Company has certain financial assets and liabilities which are measured at fair value. Where fair value has not able to be determined based on quoted price, a valuation model has been used. The inputs to these models are observable, where possible, however these techniques involve significant estimates and therefore fair value of the instruments could be affected by changes in these assumptions and inputs.

Key estimates - provisions

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

Key estimates - property held at fair value

An independent valuation of property (land and buildings) carried at fair value by Opteon Property Group Pty Ltd was obtained on 05 August 2022. The directors have reviewed this valuation and updated it based on valuation indexes for the area in which the property is located. The valuation is an estimation which would only be realised if the property is sold.

Key estimates - receivables

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

4 Revenue and Other Income

	2023	2022
	\$	\$
Sales revenue		
- Bar sales	1,081,881	419,182
- Bistro sales	716,579	212,304
- Keno commission	34,779	13,128
- TAB commission	7,029	2,146
- Poker machine clearance	2,533,899	992,325
- GST rebate	17,180	17,180
- Income – sub-bodies	110,340	62,280
	<u>4,501,687</u>	<u>1,718,545</u>
Finance income		
- Revenue	2,183	5
	<u>4,503,870</u>	<u>1,718,550</u>
Other revenue		
- Government grants	202,193	120,799
- Insurance claim	374,539	909,928
- Member subscriptions	33,177	32,418
- Other income	94,303	11,103
	<u>704,212</u>	<u>1,074,248</u>
Total Revenue	<u>5,208,082</u>	<u>2,792,798</u>

Notes to the Financial Statements

For the Year Ended 30 June 2023

5 Employee Benefits Expense

	2023	2022
	\$	\$
Employee Benefits Expense		
Wages and Salaries	1,383,675	879,771
Superannuation contributions	137,570	87,581
Other employee benefits	(6,878)	5,689
Payroll tax	17,387	-
Total employee benefits	1,531,754	973,041

6 Other Expenses

	2023	2022
	\$	\$
General expenses	253,025	200,381
Bar & Bistro expenses	35,863	20,319
Entertainment expenses	253,329	27,811
Repairs & maintenance	76,167	45,674
Expenses - sub bodies	120,058	55,655
Total other expenses	738,442	349,840

7 Cash and cash equivalents

	2023	2022
	\$	\$
Cash on hand	195,199	129,965
Cash at Bank - Club Lithgow	224,523	222,354
Cash at Bank - Sub Bodies	76,494	102,106
Total cash and cash equivalents	496,216	454,425

8 Trade and other receivables

	2023	2022
	\$	\$
CURRENT		
Trade debtors	46,384	3,450
TAB Corp Deposit	5,000	5,000
GST receivable	-	93,798
Total current trade and other receivables	51,384	102,248

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

Notes to the Financial Statements

For the Year Ended 30 June 2023

9 Inventories

	2023	2022
	\$	\$
At cost:		
Stock on hand - Bar	42,078	27,857
Stock on hand - Bistro	14,326	-
Bowlers shop	-	13,110
Gift cards	4,200	3,085
Total Inventories	60,604	44,052

10 Other assets

	2023	2022
	\$	\$
Prepayments	148,273	336,411
Total other assets	148,273	336,411

11 Property, plant and equipment

	2023	2022
	\$	\$
LAND AND BUILDINGS		
Freehold land		
At fair value	1,060,000	600,000
Total freehold land	1,060,000	600,000
Total Land	1,060,000	600,000
Buildings		
At fair value	8,188,274	3,622,266
Accumulated depreciation	(46,549)	-
Total buildings	8,141,725	3,622,266
Total land and buildings	9,201,725	4,222,266

Notes to the Financial Statements

For the Year Ended 30 June 2023

11 Property, plant and equipment continued

	2023	2022
	\$	\$
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	2,330,776	1,703,101
Accumulated depreciation	(1,450,367)	(1,239,482)
Total plant and equipment	<u>880,409</u>	<u>463,619</u>
Furniture, fixtures and fittings		
At cost	113,579	111,048
Accumulated depreciation	(72,959)	(61,561)
Total furniture, fixtures and fittings	<u>40,620</u>	<u>49,487</u>
Office equipment		
At cost	8,716	8,716
Accumulated depreciation	(6,594)	(5,365)
Total office equipment	<u>2,122</u>	<u>3,351</u>
Computer equipment		
At cost	339,510	118,859
Accumulated depreciation	(59,815)	(51,767)
Total computer equipment	<u>279,695</u>	<u>67,092</u>
Computer software		
At cost	5,735	5,735
Accumulated depreciation	(5,523)	(4,637)
Total computer software	<u>212</u>	<u>1,098</u>
WIP - Bistro extension		
At cost	-	1,852,090
Total WIP - Bistro extension	<u>-</u>	<u>1,852,090</u>
Total plant and equipment	<u>1,203,058</u>	<u>2,436,737</u>
Total property, plant and equipment	<u>10,404,783</u>	<u>6,659,003</u>

Notes to the Financial Statements

For the Year Ended 30 June 2023

11 Property, plant and equipment continued**(a) Movements in Carrying Amounts**

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

	Land	Buildings	Plant and Equipment	Furniture and Fittings	Office Equipment	Bowling Greens	Computer Software	Work in Progress	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Year ended 30 June 2023									
Balance at the beginning of the year	600,000	3,622,266	463,620	49,487	3,351	67,092	1,098	1,852,090	6,659,004
Additions	-	9,865	627,675	2,531	-	210,387	-	-	850,458
Transfers	-	1,852,090	-	-	-	-	-	(1,852,090)	-
Depreciation expense	-	(46,549)	(210,885)	(11,399)	(1,229)	(8,048)	(886)	-	(278,996)
Revaluation increase recognised in equity	460,000	2,704,053	-	-	-	10,264	-	-	3,174,317
Balance at the end of the year	1,060,000	8,141,725	880,410	40,619	2,122	279,695	212	-	10,404,783

Notes to the Financial Statements

For the Year Ended 30 June 2023

12 Intangible Assets

	2023	2022
	\$	\$
Poker machine licences At cost	847,533	847,533
Total intangibles	847,533	847,533

13 Trade and other payables

	2023	2022
	\$	\$
Trade payables	84,417	530,524
GST payables	75,640	-
Accrued expenses	111,576	104,239
Payroll liabilities	25,665	15,951
Other payables	155,230	38,486
Members loyalty rewards	-	27,557
Total trade and other payables	452,527	716,757

All amounts are short term and the carrying values are considered to be a reasonable approximation of fair value.

14 Employee Benefits

	2023	2022
	\$	\$
CURRENT		
Short term employee benefits	73,351	91,081
	73,351	91,081
NON-CURRENT		
Long term employee benefits	10,852	-
	10,852	-

15 Financial liabilities

	2023	2022
	\$	\$
Business loan	294,039	294,039
Total current liability	294,039	294,039
NON-CURRENT		
Business loan	1,139,168	1,185,207
Total non-current liability	1,139,168	1,185,207

Notes to the Financial Statements

For the Year Ended 30 June 2023

16 Other Liabilities

	2023	2022
	\$	\$
Membership subscription in advance	43,029	33,201
Total other liabilities	43,029	33,201

17 Members' Guarantee

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding's and obligations of the Company. At 30 June 2023 the number of members was 4,717 (2022: 3,550).

18 Key Management Personnel Disclosures

Total remuneration paid

The total remuneration paid to key management personnel of the Company is \$182,396 (2022: \$142,616).

19 Contingencies

Lithgow City Bowling Club Ltd had no contingent liabilities at the end of the reporting period.

20 Related Parties

Other related parties

Other related parties include immediate family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel, individually or collectively with their immediate family members.

21 Events Occurring After the Reporting Date

The financial report was authorised for issue on 06 October 2023 by the Board of Directors.

No matters or circumstances have arisen since the end of the financial year which 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.

22 Company Details

The registered office of the Company is:

Lithgow City Bowling Club Ltd
2C Lithgow Street
LITHGOW NSW 2790

Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 6 - 22, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Accounting Standards - Simplified Disclosure Requirements; and
 - b. give a true and fair view of the financial position as at 30 June 2023 and of the performance for the year ended on that date of the Company.
2. In the directors' opinion, there are reasonable grounds to believe that the Company 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
Michael Brown

Director
Warren Kennedy

Dated this11..... day of ...OCTOBER... 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LITHGOW CITY BOWLING CLUB LTD

Opinion

We have audited the financial report of Lithgow City Bowling Club Ltd (the Company), which comprises the balance sheet as at 30 June 2023, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration by those charged with governance.

In our opinion, the accompanying financial report of the Company is prepared, in all material respects, in accordance with *Corporations Act 2001*.

- (a) giving a true and fair view of the registered Company's financial position as at 30 June 2023 and of its financial performance for the year ended that date; and
- (b) complying with Australian Accounting Standards – Simplified Disclosure Requirements and Corporation *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 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 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.

Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon.

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

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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, 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 directors for the Financial Report

Management is responsible for the preparation of the financial report in accordance with Australian Accounting Standards – (Reduced Disclosure Requirement) and *Corporations Act 2001* and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company'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 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 the financial report.

As part of an audit in accordance with 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, misrepresentation, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the registered Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by responsible entities.
- Conclude on the appropriateness of the responsible Company's 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 registered Company'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 registered Company 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 those charged with governance 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.

Crowe Central West

CROWE CENTRAL WEST



Gabriel Faponle
Audit Partner
Registered Company Auditor: 513644

Dated at Dubbo on the 11th day of October 2023

CLUBLITHGOW

...on Lithgow Street!

MINUTES OF THE 50TH ANNUAL GENERAL MEETING OF LITHGOW CITY BOWLING CLUB LIMITED

HELD IN THE AUDITORIUM ON SUNDAY 27TH NOVEMBER 2022

The Chair Mr Wayne Allan declared the meeting open at 10.36am. He welcomed those in attendance.

ATTENDANCE

Directors W Allan, J Madden, B Achurch & W Kennedy
Club auditors A Alias

APOLOGIES

M Brown # 188
P Kearney #1463
B Gibbons #922
Fay King #335
Pamela Rivett #3518
Sheila Jordan #1352
Kathleen Haley #4798
Barry Perry #538
Les Barnes #527

MINUTES OF THE PREVIOUS AGM

Moved: B Newcombe Seconded: K Potter that the minutes of the 49th Annual General Meeting held on Sunday 5th December 2021 be accepted as a true record and adopted.

CARRIED

PRESIDENTS REPORT

The president spoke about the financial position, events affecting trading of Club Lithgow and the future plans.

FINANCIAL REPORT, DIRECTORS REPORT AND AUDITORS REPORT 2022

The Clubs auditor Abin Alias gave the meeting a review of the trading year and the Clubs financial position.

Moved: R Forbes Seconded: M Johnson that the Financial, Directors and Auditors report be received.

CARRIED

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FIRST ORDINARY RESOLUTION

That the members hereby approve spending a sum not exceeding Ten Thousand dollars (\$10,000.00) until the next Annual General Meeting for the following expenses but in each case subject to approval by the Board of Directors in accordance with section 10(6)(d) of the Registered Clubs Act:

(a) The reasonable costs of Directors attending seminars, lectures, trade displays organised study tours, fact finding tours and other similar events for the education of the Directors as determined and approved by the Board from time to time.

(b) The reasonable costs of Directors attending the Annual General Meeting of Clubs NSW and conferences conducted by Clubs NSW.

(c) The reasonable costs of directors travelling to and from directors' meetings and other constituted Board or subcommittee meetings on the production of relevant invoices, receipts or other proper documentary evidence of such costs.

(d) The reasonable costs of providing the annual Directors Christmas party for the Board Members and their Spouses.

The members acknowledge that benefits and expenditure pursuant to this resolution are not available to the members generally but only those members who are Directors of the Club.

Moved: A Roach Seconded: D Kipp that the first ordinary resolution be moved.

CARRIED

SECOND ORDINARY RESOLUTION

That the members hereby approve the payment of the following honorariums (inclusive of any superannuation guarantee levy if payable) to the President and Treasurer for their services as directors until the next Annual General Meeting (a) President \$3,000 and (b) Treasurer \$3,000.

Moved: D Kipp Seconded: A Roach that the second ordinary resolution be moved.

CARRIED

FIRST SPECIAL RESOLUTION

That the Constitution of Lithgow City Bowling Club Ltd be amended by deleting from Rule 15.8 the words, "and address".

Notes to Members on First Special Resolution 1. Late last year the Registered Clubs Act was amended in a number of respects. One of the amendments was to delete the requirement for the addresses of applicants for membership to be displayed on the Club notice board. Now only the names of applicants for membership must be displayed. The First Special Resolution makes the corresponding amendment to the Club's Constitution.

Moved: K Clarke Seconded: M Johnson that the first special resolution be moved.

CARRIED

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SECOND SPECIAL RESOLUTION

That the Constitution of Lithgow City Bowling Club Ltd be amended by deleting from Rule 16.1 the words: “or such other minimum subscription provided from time to time by the Registered Clubs Act.”

Notes to Members on Second Special Resolution 1. Another amendment to the Registered Clubs Act made last year was to delete the requirement for clubs to charge members at least a minimum subscription of \$2.00. The Board of the Club considers that there should be at least a minimum subscription of \$2.00 as already provided in the Constitution but the Second Special Resolution deletes the now incorrect reference to the former minimum subscription requirements of the Registered Clubs Act.

Moved: A Piggott Seconded: J Banasiak that the second special resolution be moved.

CARRIED

THIRD SPECIAL RESOLUTION

That the Constitution of Lithgow City Bowling Club Limited be amended by: (a) deleting from Rule 30.1 the words, “provided that the Board shall meet at least once in each calendar month for the transaction of business” and in their place inserting the words, “provided that the Board shall meet at least once in each Quarter for the transaction of business” and (b) inserting in Rule 3.1 after the definition of “Officer” the following new definition: ““Quarter” means a period of three (3) months ending on 31 March, 30 June, 30 September and 31 December each year.”

Notes to Members on Third Special Resolution. Another amendment to the Registered Clubs Act made last year was to replace the requirement that the governing body (board of directors) of a registered club must meet at least once every month and replaced it with the requirement that it should meet at least every quarter. The Third Special Resolution reflects this change to the requirements of the Registered Clubs Act. However, the Board of the Club will as a matter of course, meet much more frequently than once in each quarter but has more discretion as to the timing of those board meetings.

Moved: A Roach Seconded: A Gallaher that the third special resolution be moved.

CARRIED

FOURTH SPECIAL RESOLUTION

That the Constitution of Lithgow City Bowling Club Ltd be amended by inserting after Rule 35.52 the following new Rule 35A and heading: “USE OF TECHNOLOGY IN RESPECT OF GENERAL MEETINGS 35A. (a) The Club may: (i) distribute a notice of, or information about, a general meeting or an election by electronic means; (ii) hold a general meeting at which all or some persons attend by electronic means, but only if a person who speaks at the meeting can be heard by the other persons attending the meeting; and (iii) allow a person entitled to vote at a general meeting to vote in person or by electronic means. (b) The Board may make By-laws not inconsistent with paragraphs (a), (b) and (c) of this Rule 35A as may be necessary from

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time to time to give full practical effect to those paragraphs or any of them. (c) Nothing in this Rule 35A is a limit on the effect of section 30C of the Registered Clubs Act.”

Notes to Members on Fourth Special Resolution 1. A further amendment made to the Registered Clubs Act last year was to insert what is in effect deemed to be a rule of all registered clubs as set out in section 30C. 2. The Fourth Special Resolution reflects the operative parts of section 30C in relation to general meetings of members and elections. In particular, section 30C and proposed new Rule 35A gives the Club the option to use electronic technology such as emails and text messages to provide information to members and notices of general meetings and elections. 3. Section 30C and proposed new Rule 35A also allows the Club to permit members to participate in general meetings and to vote at general meetings using electronic technology.

Moved: G Marshall Seconded: F Mierczak that the fourth special resolution be moved.

CARRIED

ELECTION RESULTS

Declaration of Ballot by A Gallaher, The Returning Officer Club Lithgow's Elected Board of Directors as follows:-

President

- Michael Brown (Bowling Member) unopposed

Vice President

- Warren Kennedy (Bowling Member)

Treasurer

- Frank Mierczak (Bowling Member)

Board Members

- Garry Sutherland (Bowling Member)
- Michael Johnson (Bowling Member)
- Greg Machin (Non-Bowling Member)
- Jeffery Madden (Bowling Member)

Vacating Board Members

Mr Wayne Allan thanked Raymond (Barry) Achurch for his efforts whilst on The Board.

GENERAL BUSINESS

NIL

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The Chairman thanked members for their attendance and closed the meeting at 11.59am.

SIGNED AS A TRUE AND ACCURATE RECORD OF PROCEEDINGS

Wayne Allan

Chairman

LITHGOW MEN'S SUB-BODY REPORT

2023 SECRETARY'S REPORT

Lithgow City men's Sub-Body's report is a little better to last year's, with the clubs new synthetic green out of commission during March due to the storm damage and subsequent repair.

There were pennant bowls played this year by the men's pennant teams. It was held in February and March in which we had 2 teams. This year was a little different though because it was an open pennants which meant that you could have women in the teams. We were able to field a division 4 and division 6 team, we did not place but alas there is always next year. A winter pennant competition was arranged by Zone 4, being for men only and played in the winter months. We were able to field a team in which we won and are now waiting for the playoffs in late November.

2022/2023 Club Championships

Men's major singles: The winner was M.Hughes with the runner up J. McAndrew. Well done to both bowlers in the premiere club event.

Men's minor singles: The winner was J.McAndrew with the runner up G.Hilliard. Again it was the experience of McAndrew that produced the winner. Congratulations to both bowlers.

Men's Pairs: The winners were F.Mierczak and J.Kelly defeated A.Kenniff and G.Bender in a final which could have gone either way in the beginning.

Men's Triples: F. Mierczak, M. Hughes and W. Gillespie were too good for I. Townsend, A. Brown and M. Brown.

Men's Fours: The winners were J.McAndrew, D.Lovett, M.Wren, and O.Bulkley defeating J.Perry, J.Banasiak, M.Nugent and G.Hunter in the final.

The Winter Pairs: The winners being the very strong pairing of G.Pitt and D.Hunter, runners up being D. Robson and W. Nightingale. The winning team had too much experience for Dave and Warren and well played by both teams.

There has been no bowling events for **2023/2024** finalised so far this season. The men's handicap pairs is however at the Finals stage with F.Mierczak and I.Northey up against I.Townsend and M.Bennett. Also the finals of the Quick sets is to be played Friday the 13th October 2023 with M.Hughes up against W.Gillespie. This should be an exciting game.

Nomination forms will be on the notice board for the 2023-24 singles, triples and fours with play to commence shortly.

The Men's 2023 November "**In House**" pairs will be played on Saturday November 4, and consist of four games of 10 ends 3 bowls, with single entries and teams drawn before the start of play. There was very good prize money on offer in this competition, ensuring the prize money is shared by club members. Sheet is on the board now, so get your names in early.

Thursday afternoon twilight social bowls is again the success story of the club. Many of the club's top bowlers started in these social bowls events. There is even twilight bowls in the winter months for the die hard bowlers. Congratulations to the organisers.

Finally, it is hopeful that in the coming years bowling activities will still be flourishing and a bigger part of this wonderful club.

Men's Bowls Sub-Body

F.Mierczak

Bowls Secretary

WOMEN'S SUB-BODY REPORT

A year had passed since I was elected President, and what a busy one it has been. We were able to celebrate our three special days, Allans Day, our 69th Birthday and Higgins Day, which were all attended by local clubs and enjoyed by everyone.

We also invited Greystane's Day Care Programme from Leura in May, to enjoy sometime on the green and provide lunch. Unfortunately, the weather was inclement, so indoor lawn bowls was set up and was a huge hit for the clients involved.

In September, we organised our first 2-day Women's Triples Tournament. It saw 20 teams compete over the 2 days and was a huge success. This event will become a yearly tournament, and we are hoping to increase the teams next year.

Special thanks to all the men and women involved who made this event run smoothly.

On Friday 13th October, an invitation was extended to local providers of special needs persons, to come and enjoy a day on the green. Members provided BBQ lunch to 30 clients and carers. Thanks to all who volunteered their time to make it a special day for them.

Congratulations go to the winners of our club championships.

Minor Singles Robyn Patterson

Major Singles Danni Mavuschko

Pairs Ann Anderson, Bev Wiggins

Triples Fay King, Carol Posker, Irene Watkins

Fours Kerri Bernard, Bev Stait, Beryl Baker, Jean Guerney.

Congratulations to Kathy Hayley and Danni Maruschko for making it into Western District Final. Danni was successful to play for our region against Nepean, but came runner up, a huge effort from her.

Special thanks go to Terri and staff for their continued support throughout the year. To the Men's Sub-body, who also supports us in any way they can.

My gratitude and thanks go out to my ladies, who continue to work tirelessly for any event, without them, our events would not function successfully.

To Doris and Whyte who provide the catering.

Here's to another great year ahead.

Kerri Bernard

PRESIDENT