

# **Newcastle District Bowling Association (Zone 2) Incorporated**

**ABN 76 054 305 595**

## **Financial Statements**

**For the 15 Months Ended 30 June 2023**

# Newcastle District Bowling Association (Zone 2) Incorporated

ABN 76 054 305 595

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For the 15 Months Ended 30 June 2023

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# Newcastle District Bowling Association (Zone 2) Incorporated

ABN 76 054 305 595

## Independent Audit Report to the members of Newcastle District Bowling Association (Zone 2) Inc.

### Report on the Audit of the Financial Report

#### *Opinion*

We have audited the financial report of Newcastle District Bowling Association (Zone 2) Incorporated (the Association), which comprises the assets and liabilities statement as at 30 June 2023, the income and expenditure statement, and the statement of changes in equity for the 15 months then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement by Members of the Committee.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Association as at 30 June 2023, and its financial performance for the 15 months then ended in accordance with the accounting policies described in Note 1 of the financial statements.

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

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

#### *Emphasis of Matter*

We draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Association meet the financial reporting requirements of the Associations Incorporation Act (NSW). As a result, the financial report may not be suitable for another purpose. Our report is intended solely for Newcastle District Bowling Association (Zone 2) Incorporated and its members and should not be used by parties other than the Association and its members. Our opinion is not modified in respect of this matter.

We draw attention to Note 1(c) in the financial statements, which discusses the impact of COVID-19 on the Association's operation and finances. Our opinion is not modified in respect of this matter.

#### *Responsibilities of Committee Members for the Financial Report*

The Committee Members of the Association are responsible for the preparation and fair presentation of the special purpose financial report in accordance with the accounting policies described in Note 1 of the financial statements and the *Associations Incorporation Act (NSW)* and for such internal control as the Committee Members determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

# Newcastle District Bowling Association (Zone 2) Incorporated

ABN 76 054 305 595

## Independent Audit Report to the members of Newcastle District Bowling Association (Zone 2) Inc.

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

The Committee Members are responsible for overseeing the Association'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 the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management'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 Association'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 Association 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.

# Newcastle District Bowling Association (Zone 2) Incorporated

ABN 76 054 305 595

## Independent Audit Report to the members of Newcastle District Bowling Association (Zone 2) Inc.

We communicate with the Committee Members 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.

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

N. Nancarrow  
Director

NEWCASTLE

26 September 2023

# Newcastle District Bowling Association (Zone 2) Incorporated

ABN 76 054 305 595

## Statement by Members of the Committee

The Committee has determined that the Association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Committee the financial statements as set out on page 6 to 12:

1. Presents fairly the financial position of Newcastle District Bowling Association (Zone 2) Incorporated as at 30 June 2023 and its performance for the 15 months ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Newcastle District Bowling Association (Zone 2) Incorporated will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:

President.....  
Mark Conway

Treasurer .....  
Don Wells

Dated 7 September 2023

# Newcastle District Bowling Association (Zone 2) Incorporated

ABN 76 054 305 595

## Certificate by Members of Committee

I, Mark Conway, certify that:

- (a) I am a committee member of the Company, and
- (b) I am duly authorised by the committee to make this statement, and
- (c) The attached financial statement was submitted to the members at the Annual General Meeting.

.....  
Mark Conway (Committee Member)

Dated 25 September 2023

# Newcastle District Bowling Association (Zone 2) Incorporated

ABN 76 054 305 595

## Income and Expenditure Statement For the 15 Months Ended 30 June 2023

	15 Months 2023	2022
	\$	\$
<b>Income</b>		
Capitation Fees	118,808	69,235
Competition Fees	63,640	17,051
Donations Received	-	4,500
Charity	368	-
Interest Earned	5,798	1,148
Junior Bowls	3,505	777
Mattara	12,982	27
Sales Books and Badges	1,507	229
Representative Teams	18,133	14,068
Sponsorship	755	8,227
Social	2,255	4,709
State Government Small Business Grants	-	10,500
State Government JobSaver	-	22,500
<b>Total Income</b>	<b>227,751</b>	<b>152,971</b>

The accompanying notes form part of these financial statements.



# Newcastle District Bowling Association (Zone 2) Incorporated

ABN 76 054 305 595

## Income and Expenditure Statement For the 15 Months Ended 30 June 2023

	15 Months 2023	2022
	\$	\$
<b>Expenditure</b>		
Accountancy and Audit Fees	(4,150)	(4,075)
Advertising	(1,220)	(260)
Bank Charges	(134)	(70)
Books and Badges	(7,678)	(2,413)
Competition Fees	(24,698)	(2,600)
Depreciation	(3,792)	(10,623)
Travel and Entertainment	(561)	(476)
Electricity	-	(1,611)
Insurance	(21)	(7,225)
Junior Bowls	(6,031)	(5,199)
Mattara	(13,737)	-
Papers and Periodicals	-	(37)
Postage	(31)	(609)
Printing and Stationary	(74)	(261)
Water	-	(1,391)
Rent	(32,500)	(6,083)
Repairs and Maintenance	(8,027)	(10,535)
Representative Teams	(14,054)	(19,189)
Wages and Salaries	(99,553)	(80,205)
Security	-	(607)
Social	(4,149)	(2,280)
Superannuation	(10,267)	(7,320)
Sundry Expenses	(6,016)	(3,370)
Telephone	(6,192)	(6,658)
Stock Movement	(4,681)	9,776
<b>Total Expenses</b>	<b>(247,566)</b>	<b>(163,321)</b>
<b>Net Operating Profit/(Loss)</b>	<b>(19,815)</b>	<b>(10,350)</b>

The accompanying notes form part of these financial statements.

# Newcastle District Bowling Association (Zone 2) Incorporated

ABN 76 054 305 595

## Assets and Liabilities Statement

As At 30 June 2023

	15 Months 2023	2022
	\$	\$
<b>ASSETS</b>		
<b>Current assets</b>		
<b>Cash and cash equivalents</b>		
Cash on hand	500	500
Cash at bank	23,016	38,057
Term deposits	236,462	233,301
	<u>259,978</u>	<u>271,858</u>
<b>Trade and other receivables</b>		
Trade and other receivables	102,092	12,818
<b>Inventories</b>		
Stock on hand	10,685	9,776
<b>Other current assets</b>		
Prepayments & deposits	700	980
<b>Total current assets</b>	<u>373,455</u>	<u>295,432</u>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Plant and equipment	112,537	111,863
Less accumulated depreciation	(108,924)	(105,132)
	<u>3,613</u>	<u>6,731</u>
<b>Total non-current assets</b>	<u>3,613</u>	<u>6,731</u>
<b>TOTAL ASSETS</b>	<u><u>377,068</u></u>	<u><u>302,163</u></u>

The accompanying notes form part of these financial statements.

# Newcastle District Bowling Association (Zone 2) Incorporated

ABN 76 054 305 595

## Assets and Liabilities Statement

As At 30 June 2023

	15 Months 2023 \$	2022 \$
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
<b>Trade and other payables</b>		
Trade and other payables	121,739	29,169
<b>Short-term provisions</b>		
Provision for annual leave	19,377	17,227
<b>Total current liabilities</b>	<u>141,116</u>	<u>46,396</u>
<b>TOTAL LIABILITIES</b>	<u>141,116</u>	<u>46,396</u>
<b>NET ASSETS</b>	<u>235,952</u>	<u>255,767</u>
<b>EQUITY</b>		
Retained earnings	<u>235,952</u>	<u>255,767</u>
<b>TOTAL EQUITY</b>	<u>235,952</u>	<u>255,767</u>

The accompanying notes form part of these financial statements.

# Newcastle District Bowling Association (Zone 2) Incorporated

ABN 76 054 305 595

## Statement of Changes in Equity For the 15 Months Ended 30 June 2023

2023

	\$
<b>Balance as at 1 April 2022</b>	<b>255,767</b>
Profit / (loss) attributable to members	<u>(19,815)</u>
<b>Balance as at 30 June 2023</b>	<b><u><u>235,952</u></u></b>

2022

	\$
<b>Balance as at 1 April 2021</b>	<b>266,117</b>
Profit / (loss) attributable to members	<u>(10,350)</u>
<b>Balance as at 31 March 2022</b>	<b><u><u>255,767</u></u></b>

The accompanying notes form part of these financial statements.

# Newcastle District Bowling Association (Zone 2) Incorporated

ABN 76 054 305 595

## Notes to the Financial Statements

For the 15 Months Ended 30 June 2023

### 1 Accounting Policies

The financial statements are special purpose financial statements prepared in order to satisfy the financial requirements of the Associations Incorporation Act (NSW). The Committee has determined that the Association is not a reporting entity.

The financial statements have been prepared in accordance with the requirements of the Associations Incorporation Act (NSW) and the following Australian Accounting Standards:

AASB 108	Accounting Policies, Changes in Accounting Estimates and Errors
AASB 110	Events after the Reporting Period

The financial statements have been prepared on an accrual basis and are based on historic costs and do not take into account changing money values, or except where specifically stated, current valuations of non-current assets.

The following is a summary of the material accounting policies adopted by the Association in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

#### Changes to Reporting Period

To align its reporting date with NSW Royal Bowls, the Association changed the end of its annual reporting period from 31 March to 30 June. Consequently, the Association's reporting period for the period ending 30 June 2023 is 15 months.

#### (a) Income tax

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

#### (b) Property, plant and equipment

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

##### Property

Buildings are measured on the cost basis and are not depreciated.

##### Plant and Equipment

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

##### Depreciation

The depreciable amount of plant and equipment are depreciated on a diminishing-value basis over their estimated useful lives to the Association commencing from the time the asset is held ready for use.

The depreciation rates used for each class of assets are:

<b>Class of fixed asset</b>	<b>Depreciation Rate</b>
Headquarters Building	50%
Plant and equipment	10 - 40% PC.

# Newcastle District Bowling Association (Zone 2) Incorporated

ABN 76 054 305 595

## Notes to the Financial Statements

For the 15 Months Ended 30 June 2023

### 1 Accounting Policies

#### (c) Impact of COVID-19 on Operations

On 11 March 2020, the World Health Organisation (“WHO”) declared the Coronavirus disease 2019 (“COVID-19”) a pandemic. The pandemic has adversely affected the global economy, including an increase in unemployment, decrease in consumer demand, interruptions in supply chains, and tight liquidity and credit conditions. Consequently, governments around the world have announced monetary and fiscal stimulus packages to minimise the adverse economic impact. However, the COVID-19 situation is still evolving, and its full economic impact remains uncertain.

In the prior year (2022), from 5pm on 5 August, member Clubs of the Association were forced to close by the NSW Government due to the escalating transmission of COVID-19 within NSW regional areas. These closures have significantly impacted the member Clubs of this Association.

The Committee and Management have implemented a range of operational and financial strategies in response to the COVID-19 pandemic including, but not limited to:

- Review of the future capitation fees to be charged to member Clubs.
- Employing government initiatives, in particular with respect to ensuring that our employees can remain employed at the Association via JobSaver payments.
- Cashflow tightening measures to ensure ongoing adequate cash reserves to trade through the impact, including reduction of operational expenditure. Management have suspended and / or reduced contracts and supplier payments where possible.