



NEWCASTLE DISTRICT BOWLING ASSOCIATION (ZONE 2) INC
ABN 76 054 305 595

Financial Report
For the Year Ended
31 March 2021

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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 31 March 2021, the income and expenditure statement, and the statement of changes in equity for the year 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 of the Association is in accordance with the *Associations Incorporation Act (NSW)*, including:

- (i) giving a true and fair view of the Association's financial position as at 31 March 2021 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards to the extent as described in Note 1 of the financial statements and the *Associations Incorporation Regulations 2016*.

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

Without modifying our opinion, 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 to meet its financial reporting responsibilities under the *Associations Incorporation Act (NSW)*. As a result, the financial statements may not be suitable for another purpose.

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.

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

Other Information

The Committee Members are responsible for the other information. The other information obtained at the date of this auditor's report was limited to the Statement by Members of the Committee.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Committee Members for the Financial Report

The Committee Members of the Association are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards 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 gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the 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.

Auditor's Responsibilities for the Audit of the Financial Report

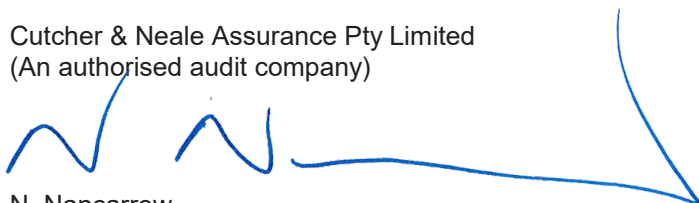
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that 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.

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.**

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: <http://www.auasb.gov.au/auditors/responsibilities/ar4.pdf> . This description forms part of our auditor's report.

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



N. Nancarrow
Director

NEWCASTLE

8 June 2021

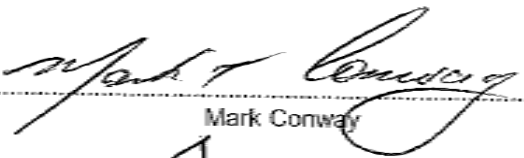
Statement by Members of the Committee

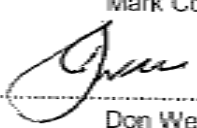
The Committee has determined that the Association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

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 31 March 2021 and its performance for the year 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

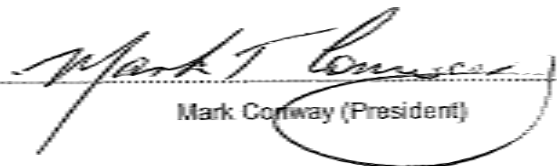
Treasurer 
Don Wells

Dated 7 June 2021

Certificate by Members of Committee

I, Mark Conway, certify that:

- (a) I am a Committee Member of the Association, 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 (President)

Dated 22 July 2021

Newcastle District Bowling Association (Zone 2) Incorporated
ABN 76 054 305 595

Income and Expenditure Statement
For the Year Ended 31 March 2021

	2021	2020
	\$	\$
Income		
Capitation Fees	91,468	113,432
Competition Fees	14,946	54,505
Donations Received	1,350	2,881
Charity	1,000	2,035
Coaching	20	123
Interest Earned	2,516	5,298
Junior Bowls	777	2,507
Mattara	27	13,666
Sales Books and Badges	439	2,437
Tour Party	-	109
Representative Teams	2,289	18,377
Sponsorship	463	6,215
Social	1,025	3,073
Federal Government JobKeeper income	58,500	-
Federal Government Cashflow Boost	20,410	-
State Government Small Business Grants	13,000	-
Total Income	208,230	224,658

The accompanying notes form part of these financial statements.

Income and Expenditure Statement
For the Year Ended 31 March 2021

	2021	2020
	\$	\$
Expenditure		
Accountancy and Audit Fees	(4,200)	(4,050)
Advertising	(130)	(583)
Bad and doubtful debts expense	2,740	(2,740)
Bank Charges	(118)	(25)
Books and Badges	(3,375)	(2,409)
Charitable Funds	-	(1,650)
Cleaning Headquarters and Grounds	(114)	(2,498)
Coaching	-	(100)
Competition Fees	(11,414)	(17,668)
Depreciation	(10,058)	(2,002)
Travel and Entertainment	(390)	(3,137)
Electricity	(2,380)	(2,679)
Insurance	(8,460)	(7,704)
Junior Bowls	(480)	(4,144)
Mattara	(2,094)	(15,034)
Papers and Periodicals	(75)	(131)
Postage	(331)	(463)
Printing and Stationary	(167)	(1,450)
Water	(814)	(1,337)
Rent	(250)	(250)
Repairs and Maintenance	(7,210)	(13,624)
Representative Teams	(1,866)	(33,777)
Wages and Salaries	(117,984)	(110,219)
Security	(780)	(989)
Social	(2,347)	(8,096)
Superannuation	(8,816)	(9,611)
Sundry Expenses	(775)	(2,872)
Telephone	(8,146)	(7,787)
Total Expenses	(190,034)	(257,029)
Net Operating Profit/(Loss)	18,196	(32,371)

Assets and Liabilities Statement
As At 31 March 2021

	2021	2020
	\$	\$
ASSETS		
Current assets		
Cash and cash equivalents		
Cash on hand	500	500
Cash at bank	53,435	14,664
Term deposits	232,767	228,643
	<u>286,702</u>	<u>243,807</u>
Trade and other receivables		
Trade and other receivables	29,814	26,363
Provision for impairment	-	(2,740)
	<u>29,814</u>	<u>23,623</u>
Other current assets		
Prepayments & deposits	9,267	1,248
	<u>325,783</u>	<u>268,678</u>
Total current assets	<u>325,783</u>	<u>268,678</u>
Non-current assets		
Property, plant and equipment		
Headquarters building	53,922	53,922
Less accumulated depreciation	(46,489)	(39,055)
	<u>7,433</u>	<u>14,867</u>
Plant and equipment	107,494	107,494
Less accumulated depreciation	(101,943)	(99,319)
	<u>5,551</u>	<u>8,175</u>
Total non-current assets	<u>12,984</u>	<u>23,042</u>
TOTAL ASSETS	<u>338,767</u>	<u>291,720</u>

Assets and Liabilities Statement
As At 31 March 2021

	2021	2020
	\$	\$
LIABILITIES		
Current liabilities		
Trade and other payables		
Trade and other payables	50,746	24,131
Short-term provisions		
Provision for annual leave	15,479	13,614
Provision for long service leave	6,425	6,054
	<u>21,904</u>	19,668
Total current liabilities	<u>72,650</u>	43,799
TOTAL LIABILITIES	<u>72,650</u>	43,799
NET ASSETS	<u>266,117</u>	247,921
EQUITY		
Retained earnings	266,117	247,921
TOTAL EQUITY	<u>266,117</u>	247,921

Newcastle District Bowling Association (Zone 2) Incorporated
ABN 76 054 305 595

Statement of Changes in Equity
For the Year Ended 31 March 2021

2021

	\$
Balance as at 1 April 2020	247,921
Profit / (loss) attributable to members	<u>18,196</u>
Balance as at 31 March 2021	<u><u>266,117</u></u>

2020

	\$
Balance as at 1 April 2019	280,292
Profit / (loss) attributable to members	<u>(32,371)</u>
Balance as at 31 March 2020	<u><u>247,921</u></u>

Notes to the Financial Statements
For the Year Ended 31 March 2021

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.

(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 straight-line 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:

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

Notes to the Financial Statements
For the Year Ended 31 March 2021

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.

During the week beginning 16 March 2020, the Australian Government together with State and Territory Premiers announced a series of measures aimed at preventing the spread of COVID-19, which had the effect of impacting the state of the Australian economy (i.e. impact on supply chain, customers, availability of finance, consumer confidence, etc.).

Subsequent to these measures on 22 March 2020 it was announced that all registered clubs were to cease operating from midday the following day. These measures 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 JobKeeper 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.