

111TH

Annual Report
AND
Balance Sheet

2019/2020



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NOTICE OF
Annual General Meeting
2019/2020



NOTICE OF

Annual General Meeting

2019/2020

Notice is hereby given that the 111th Annual General Meeting of the Ballina Bowling & Recreation Club Limited will be held at the Clubhouse on Sunday 25th October 2020 at 9.30 am

ORDER OF BUSINESS:

1. Members to sign attendance register
2. Receive apologies
3. Confirm minutes of the 110th Annual General Meeting
4. Adoption of Annual Reports, Profit and Loss Statement and Balance Sheet as at 30th June 2020
5. Declaration of the Poll
6. To make all other appointments appropriate to the operation of Ballina Bowling & Recreation Club Ltd Eg. Returning Officer
7. To set Honoraria for the 2020-21 Financial Year
8. To consider and, if thought fit, to pass the following ordinary resolution: that until the next Annual General Meeting and in pursuance of the Registered Clubs Act, the members approve the provision of the following rights and benefits to the Directors and such persons as from time to time the Directors shall authorise to approve;
 - a) the provision and marking out of six car parking spaces for the exclusive use of persons or classes of persons so nominated
 - b) the provision for Directors attendance at conferences and training in relation to their role/responsibilities as Directors
 - c) the provision of meals during Board Meetings

The above resolutions ensure compliance with Section (1) (i) of the Registered Clubs Act
9. Appointment of Auditor
10. To deal with any business of which due notice is given:
11. General Business
12. Closure of meeting.



106,485
MEMBERS VISITED
THEIR CLUB



**54,475
VISITORS SIGNED
INTO THE CLUB**

Agenda & Election **OF OFFICE BEARERS 2019/2020**

Agenda & Election

OF OFFICE BEARERS

2020/2021

NOMINATIONS FOR THE ELECTION OF THE BOARD OF DIRECTORS

Members be aware that nominations for the Board of Directors close at 5 pm on Saturday 10th October 2020

VOTING TIMES (October 2020):

Friday 16th	12 noon to 1.00 pm
Saturday 17th	12 noon to 1.00 pm
Sunday 18th	11 am to 12.30 pm
Monday 19th	12.30 pm to 1.30 pm
Tuesday 20th	9.00 am to 9.30 am
Wednesday 21st	12 noon to 1.00pm; 4.30pm to 6.00pm
Thursday 22nd	12 noon to 1.00 pm (Croquet Clubhouse)
Friday 23rd	12 noon to 1.00 pm
Saturday 24th	12.30pm to 1.00pm



**2260 LITRES OF
KIDS ICE
CREAM SOLD**

LIST OF
Directors
2019/2020

LIST OF *Directors* 2020/2021



Dac Cameron
CHAIRMAN



Anne Steele
VICE-CHAIRMAN



Alf Boston
TREASURER



Bernadette De Re
DIRECTOR



Des Robertson
DIRECTOR



Colin Siviour
DIRECTOR



Erin Hutchinson
DIRECTOR



Tom Smalley
DIRECTOR



John Whitty
DIRECTOR

GENERAL MANAGERS

Report

2019/2020



**\$2,824,914 WAGES
PUT BACK INTO THE
COMMUNITY**

GENERAL MANAGERS

Report

2019/2020

OUR YEAR IN REVIEW

Welcome to the Annual Report for the 2019-20 year. It is my pleasure in reporting. Thank you all for your support throughout the year and welcome to all our new members.

This year just past would have to be one of the most challenging and rewarding years of my career. Our trading year was substantially up on previous years, our strategy was to invigorate our trading performance of the club through community engagement, member satisfaction and staff performance.

January and February showed growth in all revenue streams. Our continued support for drought effected areas and the horrific bushfire season saw our community rally around to help where needed. We thought the worst was behind us and then COVID-19! The COVID-19 pandemic effected the entire world and changed the way we live, possibly forever. Our Industry was forced to close indefinitely on Monday 23rd March 2020 (first closure since our club was formed 112 years ago). This day was one of those challenging days I spoke about earlier, but it was also the start of the most rewarding experience as well. Team Cherry (Staff and Directors) rallied around each other with support and love for each other like I have never witnessed before with work colleagues. I witnessed such professionalism from my Management team to decommission the club ready for hibernation. Not once did they falter although they had every reason to. During this time as a team we had the most distressing task of standing down our entire work force of 50 as we just did not have any date for coming out of hibernation. Little did we know at that time, our club would be closed for 10 long weeks. After meeting with the Management team once we had decommissioned the club, we realised not only was our team of Directors and Staff suffering, our entire community and members were too. We received unanimous support from the Board of Directors to support our community in any way we could. Our ready to heat meals, Online Raffles, Covid-19 Testing Clinic and Free Frontline workers meals was born. This was our way of showing our community we are all in this together and as responsible corporate citizens we were going to do our part to ensure the safety of our community.

The exceptional performance of the club in prior years had positioned our club well for the uncertain times ahead.

OUR FINANCES

Based on 42 week weeks of trade and 10 weeks of COVID- 19 closure.

Operating Revenue for the year of \$8,247,751 represented a 12.71 % decline on the financial year ended 30 June 2019.

EBITDA (cash Profit) of 12.81% which was down 1.12% on Last Year.

Profit, after income tax expenses, for the year is \$262,289.00 compared to the 2019 profit of \$593,149.00

Operating Cash Flow for the financial year is \$1,056,777.00 compared to the 2019 operating cash flow of \$1,409,912.00

Bar Sales declined by \$351,782.00 or 14.28%

Catering Sales declined by \$151,898.00 or 7.16%

Gaming Net declined by \$686,280.00 or 17.08%

Operating Costs decreased by \$255,406 or 9.92%

Investment into staff Training & Education for Team Cherry of \$50,506.00

Membership for the year was 13,323 compared to 12,409 last year or 6.86% growth.

The club has continued to support the wider community with over \$4.2 Million being put back into the community of Ballina Via:

Social capital such as free entertainment & members activities in excess \$788,000.00

Members Food and Beverage Discounts \$430,747.00

Club Grants of \$76,246.00

In-kind & Cash donations more than \$60,000.00

Local grass roots sporting sponsorship and in-kind support of over \$100,000.00

Wages for 56 staff of \$2,824,914.

Capital Management

2019-20 year provided us with the cash flow to continue the additions to the club as required. Our capital purchasing program was monitored throughout the year. Our purpose is to ensure your facilities continue to be improved in a responsible mindful way without placing financial risk on the club itself. I am pleased to say we have invested \$503,000.00 back into your clubs facilities throughout the year. We had budgeting for \$750,000.00 in capital purchases through the year but this was scaled back due to the 10 week COVID-19 Closure. Our debt reduction strategy was affected by our closure, but we worked hard in this area as well and managed to reduce our debt from renovations down

by \$468,329.00 to \$881,062.00. Our future masterplans will be revisited during the up and coming year, COVID-19 recovery plans will be first on that agenda.

Our Volunteers

Our volunteers are what make our industry so special. In fear of forgetting a group of people I will not mention you all but rest assured your club, your community and our members appreciate the time you give week in week out to make a difference. Without the dedication, commitment, passion and extraordinary nature of our volunteers, our industry would be so much poorer. So, from the entire Team, we say a huge THANK YOU.

Our Community

Our success over the past several years has been directed by the pivotal role we play in our community. We understand our role as a major Corporate Citizen and want to grow our community support program over the coming years to ensure we just do not supply our members with a member's card when they join our club. We will be looking at our members needs and wants and how we can deliver those in the future. Our Core Values with this program will be to improve the lives of our members by being involved in our community and to help improve the community we live in.

I would also like to thank our Corporate Community for their support throughout the year and a special mention to the local companies that donated cash and in-kind support to us to be able to provide the FREE FRONT FRONTLINE WORKERS MEALS. Without the support of our community businesses we couldn't have completed that mammoth task. Over 1700 meals were provided free of charge to the hospital staff, local doctors, school teachers etc.

Our Sporting Clubs

Cherry Street Sports has become the home of many community sporting bodies. These include Ballina All Saints Netball Club, Ballina Bears Cricket Club, Ballina Dragons Dragon Boat Club, Ballina Seahorses Rugby Union Club, Ballina Junior Rugby League, Tintenbar East Ballina Football Club, Ballina Malibu Club, Ballina Bombers Juniors AFL Club, Ballina Sharks Baseball and Softball Club, Ballina Tennis Club, Ballina Men's and Women's Bowling Clubs, Cherry Street Croquet Club, Ballina Rabbit Trappers Bowlers, Sandflies Social Bowlers, Cherry Street Fishing Club, Ballina Touch Football, Ballina Junior Soccer Club, Epic Cheer, 12 x 12 Gymnastics, Ballina Basketball and Cabbage Tree Island RLFC. These sponsorship arrangements will impact on

hundreds if not thousands of members of the Ballina Community.

I would like to congratulate all our sporting clubs for the amazing successes they have achieved in the past 12 months. To all the committees of our sporting groups, I salute you. As I have always said, our community club would not exist without these wonderful people giving up their valuable time to be on a committee of their chosen sport.

Our bowling and croquet groups have continued throughout the year in a professional manner. I would like to congratulate you all on another successful year and I appreciate all the hard work the committees have put in to ensure we could get back onto the greens in a safe manner. Our club was built on bowls and while we continue to see so many bowling clubs closing throughout the state with dwindling participation, our club is extremely fortunate to be growing numbers with just over 400 registered bowlers. Your support weekly is very much appreciated and was certainly missed not only during Covid-19 closure but the month after reopening without bowlers allowed on the green was a hard pill to swallow.

Our People

This year has been no different with our staff growing in confidence through training and support. To the Chairman of the Board and all Directors, thank you for your guidance and direction throughout the year. This year has certainly thrown curved balls your way. COVID-19 not only affected your lives as directors but personal lives were impacted as well. Not once did any director waiver from the job at hand and our members can be assured the success of our club comes from the unwavering dedication of this Board of Directors to make the hard decisions for the betterment of your club. Our Directors receive an honorarium each month which is approved by the members each year, unanimously each director approved to suspend their honorariums through the shutdown. I say it every year, to be a successful club we must have a collaborative approach to our business and that has been our success. Your professional approach to your voluntary jobs as directors of a community club is an absolute asset to all.

This past year has shown our club how fortunate we are to have the team we have. When I started with the company, I knew we had a great team. Over the years we have trained and recruited a team of absolute rock stars. To Kaye McLennan our clubs Finance Manager, I sincerely thank you for the professional, unbiased, and empathetic approach you show every day in completing your role as Assistant/ Finance Manager. The years

of knowledge within our club is an asset to us all. Team Cherry skillfully led by Brad Benson our Operations Manager whose work ethic, dedication and compassion rubs off on us all. Thank you for huge effort over the past 12 months. Fiona Siviour has also proven her expertise in Functions and Human Resources is a key to our success. Fiona ensures our staff have the best training and mentoring avenues available to them, to help our staff continue the journey of making our members experience an exceptional one. Our team go above and beyond every single day to ensure our members get the best possible hospitality and customer service. This amazing team stepped it up a notch during COVID-19 closure as well, with staff volunteering their time to help around the club with any job that needed doing. The entire management took large salary cuts to ensure the clubs survival and not once did a manager complete less than 45 hours a week work during the closure. A promise I gave to Team Cherry on the 23rd of March was that I would do everything in my power to ensure every single staff member had a job to come back too. For that I thank my management team, Directors and staff who all contributed to make that happen. Your continued support and commitment to the job at hand ensures we stay as the venue of choice in our community.

Elfco Greenkeeping have been with the Cherry Street Family for just over 12 months. Duncan and Vanessa unfortunately did not come out of Covid-19 unscathed either with a huge reduction in their contract value. For that I sincerely thank you both for the help and support you gave to Cherry Street to survive this pandemic. Duncan your business card is the Greens and surrounds as you say, and what an impressive business card that is. Our grounds and bowling green surfaces have never looked better. You certainly inherited major turf diseases and scaring but true to your word, they are starting to look fabulous. Thank you Team Cherry ELFCO.

Our Major Sponsor

We welcome the team at McGrath Real Estate to our club as the club's major sponsor. We are excited for the future ahead with your great company. The benefits you have offered our club and members through this sponsorship program will benefit us all. We understand COVID-19 has put the brakes on things but we cannot wait to continue to build the impeccable relationship we have started to build. Please members if you are considering selling, buying, investing or renting in the real estate market be sure to talk with the team at McGrath and don't forget to tell them you are a member of the venue of choice in Ballina.

In Closing

Again, our key benchmark is our patronage from our members and the community. Thank you all for your support and encouragement throughout the year. A phrase you will hear me talk about in the coming years is: 'Our business is a profit for purpose business and our purpose is to improve the lives of our members'. Our club is built on social inclusion, built for our members to provide the best opportunities to enjoy life. Over the coming years we intend to improve on this. We do recognize this is not an overnight fix, but our long-term sustainable business strategy is to "Continue to improve our member's lives".

Thank you for your support and I look forward to seeing you around enjoying your club.



Tere Sheehan

A stylized handwritten signature in black ink.

General Manager



CLUBGRANTS

Donations and Sponsorship

THE FOLLOWING COMMUNITY ORGANISATIONS HAVE BEEN RECIPIENTS OF CLUBGRANTS TOTALING \$76246.00 from 1st July 2019 to 30th June 2020:

Our Kids
Ballina Malibu club
Ballina Hospital Auxiliary
Cherry Street Fishing Club
Lions Club
Ballina Tennis Club
Careflight
Hear & Say
DAISI
Salvation Army
Koori kids
Ballina Ex Service Womens Association

DONATIONS WERE MADE TO VARIOUS RECIPIENTS TALLING \$3998.87 FROM 1/7/2019 TO 30/6/2020

THE FOLLOWING COMMUNITY GROUPS BENEFITED FROM FREE ROOM HIRE FROM 1/7/2019 TO 30/6/2020:

Ballina Arts & Crafts
U3A Groups
Diabetic Support Group
NRRRLRA
Ballina Hang Gliders
Cabbage Tree Island Football Club
Probus Club of Ballina Waters
In Focus Toastmasters
Ballina & District Citizens & Rate Payers Association
Fellowship of the First Fleeters
Northern Rivers Animal Service
Ballina Triathlon Club
Region for Refugees

Tintenbar Red Cross
Ballina Ambulance Services
War Widows Guild
Cherry Street Fishing Club
Ballina Greens
Ballina Daylight Preceptory
Rotary Club of Ballina on Richmond
Ballina Basketball Association
Ballina Junior Rugby Club
Retired Ambulance Association
Ballina Dragon Boaters
Ballina Labour Party
St Vincent De Paul Society
Ballina District Orchid Society
Summerland Dressage Club
Ballina Paragliding Club
Ballina Outrigging Club
Home Instead Senior Care
Salvation Army Fellowship
ACE Adult Education
Ballina Malibu Club
Ballina Mental Health Carers Support Group
Ballina Local History Association
12 x 12 Gymnastics
Ballina Men's Bowling Club
Ballina Women's Bowling Club
Australian Labour party
Air Force Association Ballina
Exit Stage Left
Ballina Police
Ballina Bear Cricket Club
Zone 1 Bowls
North Coast Vets
Northern Zone Hunting Club
Country Managers Association
Ballina Bicycle Club
Northern Rivers Healing Touch

Family Planning NSW
Byron Bay Services Club
Northern NSW Local Health
Healing Autoimmune Naturally
Friends of Ballina Shire Library
Ballina Toy Library
Scarab Car Club
Lismore Rams Old Boys
Red Hat Ladies
Mandaly Committee
Northern Rivers Dirty Wheels
Headliners Chorus

TOTAL SPONSORSHIP FOR THE FOLLOWING LOCAL SPORTING GROUPS FROM 1/7/2019 TO 30/6/2020 WAS \$76320.00

Ballina Dragon Boats
Ballina Bears Cricket Club
Tintenbar East Ballina Football club
Ballina Sharks Baseball Club
Ballina Seahorses Rugby Club
Ballina Touch Football
Ballina Seagulls Junior Rugby League Club
Ballina Bombers Junior AFL Club
All Saints Netball Club
Ballina Junior Soccer Club
Epic Cheer
Cabbage Tree Island Rugby League Football Club
12 x 12 Gymnastics
Ballina Basketball
Tintenbar East Ballina Cricket Club
Truckstop 8

Cherry Street Sports also hosted and sponsored the Ballina Country Music Festival for \$25000.00

CLUBGRANTS

Major Donation

OUR KIDS OUR FUTURE

After hearing the call from the wonderful Rebekka Battista from the amazing local OUR KIDS charity. Cherry Street Sports Club Board of Directors jumped to the party. So often charities like these rely on fundraiser events like golf days, market stalls etc. Rebekka and her team have been fundraising for months and months for other items required to help with our local community children.

The Board of Directors decided unanimously to make a difference and donate **\$20,000.00** under the Club Grants scheme to ensure the team from OUR KIDS could make an **instant difference**. This expensive piece of equipment has been purchased in full by Cherry Street Sports Club. The Panda Warmer is now installed at Ballina Base Hospital Accident and Emergency ward.

This vital piece of equipment will no doubt save the lives of extremely sick children across the Ballina region.

Cherry Street Sports club plays an integral part in the Ballina Community and this significant Donation is just one of the many our club provides.

Cherry Street Sports continues to be at the heart of its community.



**\$100,000 SPENT IN
GRASS ROOTS SPORTS
SPONSORSHIP AND
IN-KIND DONATIONS**



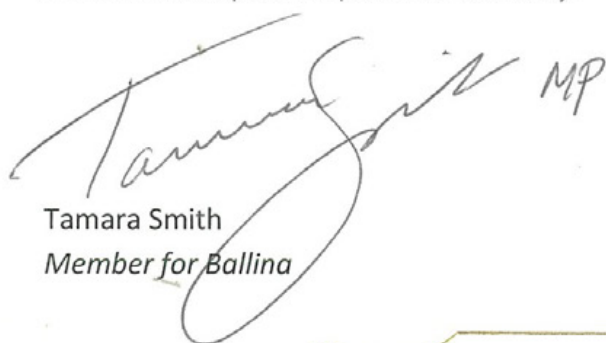
17th June 2020

Community Recognition Statement

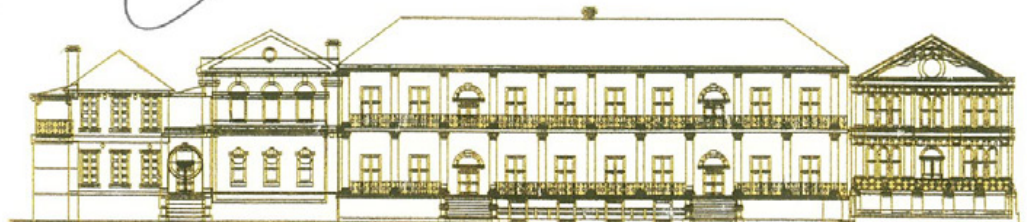
Parliament of NSW
Legislative Assembly

BALLINA BOWLING AND RECREATION CLUB (CHERRY STREET SPORTS)

Ms TAMARA SMITH (Ballina) — Today I acknowledge the efforts of Tere Sheehan and his team at the Ballina Bowling and Recreation Club (Cherry Street Sports) in Ballina. During the restrictions imposed as a result of the COVID-19 pandemic the club was able to keep many employees engaged in innovative ways and give back to the community by providing half price, ready to heat and eat meals to elderly members, free meals to frontline workers in the Ballina community and delivered directly to hospitals, schools and GP clinics. The team kept in contact with many older club members, calling to see how they were doing and offering assistance. I commend Tere and the club for engaging with Cape Byron Medical Centre, NSW Health and Aspin Medical to establish a respiratory medical clinic in the club's spacious grounds. Their community concern and innovation during this difficult time had a positive impact on our community.

A large, stylized handwritten signature in blue ink, reading 'Tamara Smith MP'.

Tamara Smith
Member for Ballina



TREASURER'S *Report* 2019/2020



**\$430,747 IN MEMBERS
FOOD AND BEVERAGE
DISCOUNTS**



TREASURER'S *Report* 2019/2020

It's a pleasure to submit the clubs result for the last financial year ending 30th June 2020. This report will not cover financials in their entirety, and I urge you to read the full financial report audited by Crowe Horwath for a more in depth break up.

March 2020 saw the closure of our club with the impacts of COVID -19 gripping the world and forcing businesses all over the country into uncharted territory. The uncertainty of what was going to happen and when the lockdown would be lifted was suffocating but our focus was to ensure we could re-open and the team did a fantastic job pivoting the businesses while protecting our cash reserves. The Governments support with the Job Keeper program was a real lifeline, otherwise the COVID-19 impacts would have been devastating and really highlights the importance of having strong cash reserves as part of your financial strategy. There were many tough meetings and conversations. This was new territory for everyone, no one had ever encountered the situation we were in or how we would ensure the survival of our Club. I am pleased to say we are now out the other end of this storm and trading well in what is the 'new normal' with social distancing and restrictions on patronage numbers etc. Once again, this year's report will include graphs to give you a snapshot of where this year's result sits with previous years.

Cherry Street Sports Performance Measurement

EBITDA of 12.83% was achieved which is below the 15% industry benchmark (2019: 13.94%).

Profit, after income tax expense, for the financial year was \$262,289. This is an incredible result considering the impacts of COVID-19. This was compared to a profit of \$593,149 in 2019.

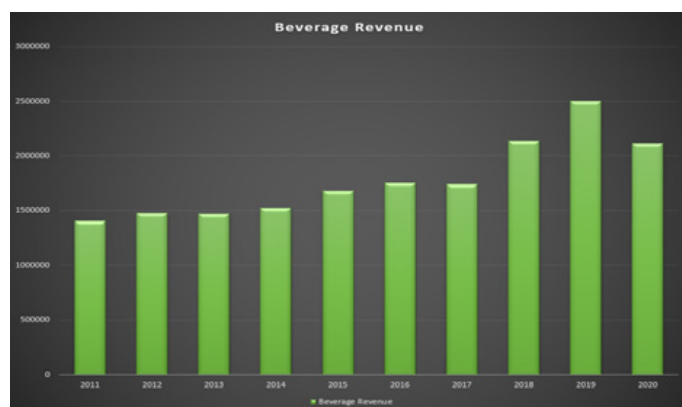
Operating Cash Flow for the financial year was \$1,058,777 compared to the 2019 operating cash flow of \$1,409,912. Once again, another really pleasing result.

Total Revenue: Total revenue for 2020 was \$8,247,751. This was heavily impacted with the closure of the club from March 24th until June 1st. Up until the closure we were on track on hitting the 2019/20 budget of \$9,675,985.



Below is a snapshot on the revenue performance during this year:

Bar – down \$106,965 on 2019



Catering – down \$151,898 on 2019



Gaming revenue – This area of our business was down \$686,280 on 2019



Net Profit:

2020 has seen Cherry Street Sports post a profit of \$262,289. This is an exceptional result in what were unprecedented times. To achieve any sort of profit when the business was closed for a period of 2 months certainly shows the quality of our management team and staff and their ability to quickly adjust to whatever obstacles are put in front of them. Before the closure we were on track to deliver what would have been another record-breaking year.



Assets And Liabilities:

In 2020 our current assets are \$1,108,422 and Current Liabilities were \$1,625,705. As predicted in last year's report the gap between assets and liabilities has closed considerably. Our focus this year is to pay down the variable portion of our loan which will have a positive impact on the below graph.



Cash Flows:

Cash flows from operating activities for 2020 were \$1,058,777 compared to \$1,409,912 in 2019. Our EBITDA was heavily impacted due to the loss of revenue over the closure period.



Budget Forecasts For 2021:

The management team have set another bold budget to deliver in 2021, with a net profit prediction of \$939,912 and a cash profit of \$1,777,144

Tere and the team have delivered superb results in the first quarter of 2020\21, although food and beverage departments are struggling to recover to the levels of last year. As Job Keeper comes to an end it will be a massive job juggling wage and cost

lines against our lower revenue lines. With COVID-19 likely to impact us for some time yet, this year's budget could be a moving one with plans to review each quarter to match the climate.

Cherry Street Sports is blessed to have amazing staff and an incredible management team.

DEBT MANAGEMENT:

The Board and Management put in place a debt management strategy fixing a portion of our renovation loan and leaving the other portion variable to allow for this to be paid down as quickly as possible. We are making great progress with the variable portion of our loan now at -\$172,484.57 and fixed portion at -\$709,472.59.

The two-trading accounts are looking healthy with a total of \$1,410,000 in cash reserves at the time of writing this report.

As you can see from our cash reserves, Tere's focus on this first quarter was to build cash reserves in case they are needed with any other forced shutdowns or restricted trading conditions.

To General Manager Tere Sheehan, what a stressful year and one we hope never to experience again. It certainly was a massive challenge, but we made it through the other side through some tough and robust conversations. Your passion and resolve never wavered and we really appreciate your commitment. To the professional management team of Kaye, Brad, Fiona, Keith and Daryl and all our wonderful staff thanks for delivering an impressive result for Cherry Street Sports.

To our Board of Directors, what a year, we have been through so much. Thank you for all your support and expertise and your trust. I would like to make special mention of our finance team Erin Hutchinson and Tom Smalley and the countless hours you spent working with me on what effectively was a survival plan. Thank you. To have Erin's auditing experience was invaluable and Tom your finance experience and cool head was a true asset. To our chairman Dac Cameron your leadership through this year was amazing. You are such a well-respected leader.



Alf Boston

A stylized handwritten signature in black ink, appearing to read 'Alf Boston'.

Treasurer

CHAIRMAN'S *Report* 2019/2020



**4,730 CHICKEN
SCHNITZEL'S SOLD**

CHAIRMAN'S *Report* 2019/2020

It is with pleasure that I submit my (and the Board's) Annual Report.

The Audited Financial Statements confirm a solid financial position for the Club and confirm the viability of the Club into the future. Once again, the optimistic budget set for 2019-20 year was on track to be achieved when COVID-19 struck resulting in closure from 24th March 2020 until 1st June 2020 impacting the Club's cash reserves. June's trading and financial results were pleasing to round off the financial year.

The management team, led by General Manager Tere Sheehan, Assistant Manager Kaye McLennan, Operations Manager Brad Benson, Human Resources Manager Fiona Siviour were on track to provide exceptional results for all aspects of the Club until the forced closure. During the closure, the management team had endured uncertainty about their immediate and long-term futures, including salary cuts and new directions. Top priority was to have the Club ready to reopen. An earlier storm had caused considerable leakage inside the club with repairs urgently needed. The situation was turned into one of opportunity to have the roof renewed and painting of the northern façade of the Club completed while the Club was empty. Members now have a completely renovated club. No sooner had the kitchen been closed for cleaning, it was fired up to produce home delivered meals and some 1700 free meals for frontline workers. Members should realise the incredible amount of time spent by Tere and his management team in negotiations with Government Departments; Westpac Banking; discontinuing services such as cleaning services, suppliers to our kitchen, bars, Keno, Tab, etc. We are privileged to have a management team of this caliber. Tere is continually in contact with colleagues from his incredible network of club managers who provide up-to-date information and advice in this rapidly changing world 'normal' will be different! Make sure that you read the Community Recognition Statement from Parliament of NSW included in this Annual Report.

The community has always been foremost in our minds. After all, this Club belongs to the 13,000 members and provides important services and support to the wider community. Numerous grants and support have been provided throughout the year to most of Ballina's Sporting and other charitable Organisations. As COVID-19 took hold the construction of a Respiratory Testing Clinic on the back deck was implemented. This has been welcomed by the community.

We have invested heavily in the training of our staff which provide a service that is appreciated by our members and guests. It was a sad day when the staff were stood down. Management

maintained continual contact with staff members, firstly to help with their welfare and secondly so that we could have them back at Cherry Street Sports when we reopened not if! Thanks to JobKeeper most were working during the closure in different roles. Under the leadership of chefs Darryl Bennett, Keith Wilson, and the kitchen/café staff, we enjoy an efficient catering operation. It is a pleasure to enjoy a coffee or dine at Sporties; always being served affordable quality product by exceptionally friendly, caring, and helpful catering staff.

I would like to thank the Board for their dedication during the COVID-19 closure. No director jumped ship, but some did not enjoy Board meetings held on 'Zoom'! Central to our role as directors is to ensure that Cherry Street Sports is viable into the future. Special mention should be made of the Board Finance Committee, Alf Boston, Tom Smalley, and Erin Hutchinson who crunched numbers to ensure survival with the least amount of financial damage. A club closed entirely will still have fixed costs which will quickly erode cash reserves.

Contract greenkeeping was implemented early in the current financial year. This had often been discussed over recent years but was deferred because of adverse information about the quality of the services provided. Expressions of interest were sought from interested contractors to supply greenkeeping services at the Club. The tender provided by Duncan Elphick, t/a Elfco Greenkeeping, was accepted. Twelve months down the track; Management, Board and membership are unanimous that the correct decision was made. Thank you, Duncan, for providing Cherry Street Sports with immaculate playing surfaces for members and visitors to our bowling greens and croquet courts together with provision of attractive surroundings, including Hampton Park. Ballina Shire Council and Cherry Street Sports Club both have the Ballina community at heart, and we are proud to contribute towards the maintenance of this hub of activities. Hampton Park would be the most utilised community facility in the shire.

Welcome to our newest sub club, Cherry Street Sports Sandflies, continuing their long tradition at their new home at Cherry Street Sports. They join our existing sub clubs, Ballina Women's Bowling Club, Ballina Men's Bowling Club, and the Ballina Cherry Street Croquet Club. These sub clubs effectively manage the activities of their respective sports. The influx of bowlers from the closure of the RSL Bowling Club has boosted the bowling numbers. A rethink has been needed to assimilate these bowlers into the Cherry Street Sports Club and provide increased capacity. Ballina Cherry Street Croquet Club continues to provide a friendly environment in which to enjoy their sport. We appreciate the contributions of the

members who make up the committees of these clubs. Joy Sully, Mike Hynes, John Harley, and Joan Doust have been elected as presidents of BWBC, BMBC, CSSS, and BCSCC, respectively. Jim and Jean Pike's Sunday morning Rabbit Trappers continue to provide an excellent opportunity to enjoy great friendship and well organised Sunday morning activities on the greens. Kris Lehfeltdt continues to oversee bowling at the Club and organise tournaments at all levels, from his Legendary Friday Open Pairs to the Summerland Pairs and Singles tournament. COVID-19 provided another challenge for Kris to restart bowls under Bowls NSW and Health Department regulations, especially social distancing. David Scott was instrumental in getting the croquet players back on the courts. Thank you, David.

Joan Ashford and Patsy Birmingham volunteer numerous hours to ensure the smooth running of Bingo. Wednesday evening Trivia enjoys a strong following. The Mahjong Group continue to grow as they enjoy the friendship and challenges of their game. Enjoy the facilities of the club.

Thanks to all the community people who choose to be members of Cherry Street Sports ... the friendliest and fast becoming the club of choice in the Ballina Shire and surrounds. We do appreciate the loyalty of members and to this end enjoy the benefits of the Stars Rewards program ... you own this club so make the most of it. We strive to satisfy what motivated you to join our great club and through forward planning we hope to provide you with new activities, modern functional amenities and a staff that is second to none, to make your membership even more rewarding.

Once again, the Board thanks the spouses of directors, management and staff for their support, patience and understanding as we attend to our duties. Thank you, Ann, for your valued support and for presiding during travel excursions by Judy and myself. Also, for the eleventh time, I hope there has been enough Judy-time!



Dac Cameron

Chairman

FINANCIAL

Statements

FOR THE YEAR ENDED 30 JUNE 2020



**9120 LAMB CUTLETS
COOKED BY OUR
CHEFS**

BALLINA BOWLING & RECREATION CLUB LIMITED

ACN 30 000 984 412

**BALLINA BOWLING & RECREATION CLUB LIMITED
ABN 30 000 984 412****DIRECTORS REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

Your directors present their report on the company for the financial year ended 30 June 2020.

Principal Activities

The principal activities of the company during the financial year were to promote and conduct the game of Bowls and such other sports, games, amusements, entertainments and entertainers, pastimes and recreation (indoor and outdoor) as the Club may deem expedient.

These principal activities assist in achieving the short term and long term objectives of the company by:

- providing sporting facilities for the members and the community.
- providing entertainment, dining, gaming and social facilities for members and the community.
- providing turnover, cash flow and profit to meet the financial objectives of the company.

Short and Long Term Objectives of the Company

The company has identified the following short term objectives:

- to maintain the clubs profitability.
- to meet the industry benchmark for financial performance of a 15% EBITDA (Earning Before Interest Tax Depreciation and Amortisation).
- to install new technology to enhance the controls over cash flow.
- to meet industry requirements for the provision of a smoke free and safe environment for staff, members and their guests.
- to promote sport and the memberships involvement in sport.
- to foster the clubs involvement with community organisations.

The company has identified the following long term objectives:

- to remain financially secure.
- to continue to maintain and refurbish the facilities of the company to meet the needs of the members and the community.
- to promote sport in the community and to be recognised for our contribution to sport.
- to grow the operations of the company in accordance with members interests.
- the preparation of strategic and business plans that consider diversification of business operations and prudent levels of debt with maintenance of profitability and cash flows.
- the establishment of a members services team to engage with members to identify and plan for future development based upon the needs of members.

Strategies

To achieve its stated objectives, the company has adopted the following strategies:

- the preparation of an annual financial budget for financial performance and cashflow projections. The management and directors regularly review the company performance against budget.
- the on going management of in house compliance with legislative obligations be conducted.
- to closely monitor performance of revenue and expenses.
- to ensure the building and renovation committee monitor facilities and member needs putting in place a strategic plan for expansion and diversification.

BALLINA BOWLING & RECREATION CLUB LIMITED

ACN 30 000 984 412

**BALLINA BOWLING & RECREATION CLUB LIMITED
ABN 30 000 984 412****DIRECTORS REPORT
FOR THE YEAR ENDED 30 JUNE 2020****Performance Measurement**

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

- EBITDA of 12.77% was achieved which is below the 15% industry benchmark (2019: 14.13%).
- Profit, after income tax expense, for the financial year was \$262,289 compared to the 2019 profit of \$593,149.
- Operating Cash Flow for the financial year was \$1,170,555 compared to the 2019 operating cash flow of \$1,409,912.
- Membership for the financial year was 13,323 compared to a prior year 12,409 members.
- the company has complied with all Workplace Health and Safety Employment and Environmental requirements.

Directors Information**Directors**

The names of the directors in office at any time during, or since the end of, the year and the period that each director has been in office:

Directors Name	Special Responsibilities	Period as Director	Qualifications and Experience
Dac Cameron	Chairman	Appointed 15 October 2006	Retired School Teacher
Alf William Boston	Treasurer	Appointed 13 October 2013	Sales Manager
Ann Steele	Deputy Chairman	Appointed 27 October 2005	Retired Motel Manager
Des Wayne Robinson		Appointed 28 October 2007	Retired Upholsterer
John Brendon Whitty		Appointed 28 October 2007	Employment Consultant
Bernadette Margaret De Re		Appointed 28 August 2012	Retired Business Administrator
Colin John Siviour		Appointed 28 October 2012	Retired Business Proprietor
Thomas Spencer Smalley		Appointed 27 October 2014	Retired Bank Manager
Erin Lindsay Hutchinson		Appointed 17 September 2018	RTO Operations Manager

Company Secretary

Tere Sheehan was appointed as the Company Secretary on 2 January 2013. Tere has 24 years experience in the registered club industry, including 17 years in management and senior management. Tere also has 6 years in senior management within the retail industry.

BALLINA BOWLING & RECREATION CLUB LIMITED

ACN 30 000 984 412

**BALLINA BOWLING & RECREATION CLUB LIMITED
ABN 30 000 984 412****DIRECTORS REPORT
FOR THE YEAR ENDED 30 JUNE 2020****Meetings of Directors**

During the financial year, 13 meetings of directors (including 1 special meeting) were held and the attendances by each director during the year were as follows:

	Directors' Meetings	
	Eligible to attend	Number attended
Dac Cameron	13	12
Alf William Boston	13	13
Ann Steele	13	12
Des Wayne Robinson	13	11
John Brendon Whitty	13	10
Bernadette Margaret De Re	13	13
Colin John Siviour	13	12
Thomas Spencer Smalley	13	13
Erin Lindsay Hutchinson	13	12

Membership Details

The Ballina Bowling and Recreation Club Limited is a public company limited by guarantee and no shares or options are issued. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$2 each towards meeting any outstanding obligations of the company.

Membership Class	Number of Members	Individual Members Contribution on winding up of Company	Total Members Contribution on winding up of Company
Male Bowling	287	\$ 2	\$ 574
Lady Bowling	112	\$ 2	\$ 224
Croquet	75	\$ 2	\$ 150
Junior	2	\$ 2	\$ 4
Social	12,847	\$ 2	\$ 25,694
Total	13,323	\$ 2	\$ 26,646

Auditors' Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is attached to these financial statements.

Signed in accordance with a resolution of the Board of Directors



Dac Cameron
Chairman



Ann Steele
Deputy Chairman

Dated: 26 August 2020

BALLINA BOWLING & RECREATION CLUB LIMITED

ACN 30 000 984 412



Crowe Central North
ABN 91 680 058 554

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Lismore NSW 2480 Australia
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**AUDITORS' INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
BALLINA BOWLING AND RECREATION CLUB LIMITED**

ABN 30 000 984 412

I declare that, to the best of my knowledge and belief, during the financial year to 30 June 2020 there has 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 North

CROWE CENTRAL NORTH

A handwritten signature in black ink that reads "Kylie Ellis".

Kylie Ellis
Partner
Registered Company Auditor (ASIC RAN 483424)
51 Tamar Street
BALLINA NSW 2478

Dated: 26 August 2020

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss Verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Central North, an affiliate of Findex (Aust) Pty Ltd. Liability limited by a scheme approved under Professional Standards Legislation. Liability limited other than for acts or omissions of financial services licensees. © 2019 Findex (Aust) Pty Ltd

BALLINA BOWLING & RECREATION CLUB LIMITED

ACN 30 000 984 412

**BALLINA BOWLING & RECREATION CLUB LIMITED
ABN 30 000 984 412****STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2020**

	Note	2020 \$	2019 \$
Revenues	2	8,110,098	9,387,345
Interest revenue calculated using the effective interest rate method	2	1,309	823
Other income	3	348,223	(8,015)
Advertising and promotional expenses		(463,022)	(570,315)
Cost of goods sold		(1,556,442)	(1,673,447)
Depreciation and amortisation expense		(771,507)	(667,065)
Employee benefits expense		(2,929,152)	(3,065,179)
Finance costs		(46,510)	(64,875)
Occupancy expense		(947,005)	(991,795)
Gaming expenses		(1,006,984)	(1,171,163)
Other expenses		(476,719)	(583,165)
Profit before income tax expense		262,289	593,149
Income tax expense	1(b)	-	-
Profit after income tax expense		262,289	593,149
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		262,289	593,149

The accompanying notes form part of these financial statements.

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BALLINA BOWLING & RECREATION CLUB LIMITED

ACN 30 000 984 412

BALLINA BOWLING & RECREATION CLUB LIMITED
ABN 30 000 984 412
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020

	Note	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	868,423	620,460
Trade and other receivables	6	154,713	34,610
Inventories	7	61,445	75,242
Investments and other financial assets	8	10,000	10,770
Other current assets	9	13,841	97,049
TOTAL CURRENT ASSETS		1,108,422	838,131
NON CURRENT ASSETS			
Property, plant and equipment	10	5,451,202	5,895,317
Right-of-use assets	11	359,170	-
Intangible assets	12	1,390,335	1,387,644
TOTAL NON CURRENT ASSETS		7,200,707	7,282,961
TOTAL ASSETS		8,309,129	8,121,092
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	693,002	503,256
Lease liabilities	14	171,119	-
Borrowings	15	240,708	684,312
Provisions	16	321,062	423,867
Other liabilities	17	-	108,479
Contract liabilities	18	199,814	-
TOTAL CURRENT LIABILITIES		1,625,705	1,719,914
NON CURRENT LIABILITIES			
Lease liabilities	14	105,146	-
Borrowings	15	639,211	726,704
Provisions	16	30,533	28,229
TOTAL NON CURRENT LIABILITIES		774,890	754,933
TOTAL LIABILITIES		2,400,595	2,474,847
NET ASSETS		5,908,534	5,646,245
EQUITY			
Retained earnings		5,908,534	5,646,245
TOTAL EQUITY		5,908,534	5,646,245

The accompanying notes form part of these financial statements.
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BALLINA BOWLING & RECREATION CLUB LIMITED

ACN 30 000 984 412

**BALLINA BOWLING & RECREATION CLUB LIMITED
ABN 30 000 984 412****STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020**

	Retained Earnings \$	Total \$
Balance at 1 July 2018	5,053,096	5,053,096
Profit after income tax expense	593,149	593,149
Total other comprehensive income for the year	-	-
Balance at 30 June 2019	5,646,245	5,646,245
Profit after income tax expense	262,289	262,289
Total other comprehensive income for the year	-	-
Balance at 30 June 2020	5,908,534	5,908,534

BALLINA BOWLING & RECREATION CLUB LIMITED

ACN 30 000 984 412

BALLINA BOWLING & RECREATION CLUB LIMITED
ABN 30 000 984 412**STATEMENT OF CASH FLOWS**
FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		9,233,183	10,351,863
Payments to suppliers and employees		(8,014,809)	(8,876,253)
Interest received		(1,309)	(823)
Finance costs		(46,510)	(64,875)
Net cash provided by operating activities		<u>1,170,555</u>	<u>1,409,912</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		55,850	72,095
Purchase of property, plant and equipment		(633,895)	(1,483,359)
Receipt from investments		770	(242)
Net cash used in investing activities		<u>(577,275)</u>	<u>(1,411,506)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		(519,268)	(374,785)
Proceeds from borrowings		374,043	88,740
Repayment of lease liabilities		(200,092)	-
Net cash used in financing activities		<u>(345,317)</u>	<u>(286,045)</u>
Net increase/(decrease) in cash held		<u>247,963</u>	<u>(287,639)</u>
Cash at the beginning of the financial year		<u>620,460</u>	<u>908,099</u>
Cash at the end of the financial year	5(a)	<u>868,423</u>	<u>620,460</u>

The accompanying notes form part of these financial statements.
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BALLINA BOWLING & RECREATION CLUB LIMITED

ACN 30 000 984 412

**BALLINA BOWLING & RECREATION CLUB LIMITED
ABN 30 000 984 412****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020****Note 1: Statement of Significant Accounting Policies****Basis of Preparation**

The financial statements cover Ballina Bowling and Recreation Club Limited as an individual entity. Ballina Bowling and Recreation Club Limited is a public company limited by guarantee, incorporated and domiciled in Australia.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for not-for-profit oriented entities.

The financial statements, except for the cash flow information, 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. The amounts presented in the financial statements have been rounded to the nearest dollar.

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 1 (p).

The financial statements were authorised for issue by the directors on 26 August 2020.

Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) RevenueRevenue 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 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.

Sale of Goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Rendering of Services

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

BALLINA BOWLING & RECREATION CLUB LIMITED

ACN 30 000 984 412

**BALLINA BOWLING & RECREATION CLUB LIMITED
ABN 30 000 984 412****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**Other revenue

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

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

(b) Income Tax

The directors consider that the company is exempt from income tax under section 50-45 of the Income Tax Assessment Act 1997.

(c) 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 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 exchange 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 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.

(d) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

(e) Property, Plant and Equipment

Property, Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Class of Fixed Asset	Depreciation Rate
Clubhouse & grounds	2.5-33%
Poker machines	7.5-33%
General plant & equipment	5-50%
Clubhouse furniture & equipment	5-20%
Bar plant & equipment	7.5-20%
Greens plant & equipment	5-20%
Catering plant & equipment	10-50%
Motor vehicles	25%

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

BALLINA BOWLING & RECREATION CLUB LIMITED

ACN 30 000 984 412

**BALLINA BOWLING & RECREATION CLUB LIMITED
ABN 30 000 984 412****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020****(f) Right-of-use Assets**

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

(g) Intangibles**Poker Machine Entitlements**

Poker machine entitlements shown in the financial statements represent licences purchased by the company and are initially recognised at cost. As they are considered an indefinite life intangible asset, they are not amortised and are subsequently measured at cost less any impairment. The company also holds other poker machine entitlements that potentially have a market value that are not recognised within the financial statements. If the company were to be wound up or the number of entitlements were in excess of the company's requirements, the poker machine entitlements would be able to be sold at the prevailing market price.

(h) Impairment of Non-Financial Assets

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use to the asset's carrying value. Any excess of the asset's carrying value of its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the receivable amount of the cash-generating unit to which the asset belongs.

(i) 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.

(j) Contract Liabilities

Contract liabilities represent the company's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the company recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the company has transferred the goods or services to the customer.

BALLINA BOWLING & RECREATION CLUB LIMITED

ACN 30 000 984 412

**BALLINA BOWLING & RECREATION CLUB LIMITED
ABN 30 000 984 412****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020****(k) Lease Liabilities**

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option or extension option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of an extension or purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

(l) Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest rate method.

(m) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(n) Employee BenefitsShort-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(o) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

BALLINA BOWLING & RECREATION CLUB LIMITED

ACN 30 000 984 412

**BALLINA BOWLING & RECREATION CLUB LIMITED
ABN 30 000 984 412****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020****(p) Critical accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Key Judgement - Revenue from contracts with customers

When recognising revenue in relation to the sale of goods to customers, the key performance obligation of the consolidated company is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

Key Judgement - Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The company assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Lease Term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the company's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The company reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Incremental Borrowing Rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the company estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

Employee Benefits Provision

As discussed in note 1 (n), the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

BALLINA BOWLING & RECREATION CLUB LIMITED

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

(q) Changes in accounting policy, disclosures, standards and interpretations

New of 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.

The following Accounting Standards and Interpretations are most relevant to the company:

AASB 15 Revenue from Contracts with Customers

The company has adopted AASB 15 from 1 July 2019. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. This is described further in the accounting policies below. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period.

AASB 16 Leases

The company has adopted AASB 16 from 1 July 2019. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

When adopting AASB 16 from 1 July 2019, the company has applied the following practical expedients:

- applying a single discount rate to the portfolio of leases with reasonably similar characteristics;
- accounting for leases with a remaining lease term of 12 months as at 1 July 2019 as short-term leases;
- excluding any initial direct costs from the measurement of right-of-use assets;
- using hindsight in determining the lease term when the contract contains options to extend or terminate the lease; and
- not apply AASB 16 to contracts that were not previously identified as containing a lease.

BALLINA BOWLING & RECREATION CLUB LIMITED

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**BALLINA BOWLING & RECREATION CLUB LIMITED
ABN 30 000 984 412****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020***AASB 1058 Income of Not-for-Profit Entities*

The company has adopted AASB 1058 from 1 July 2019. The standard replaces AASB 1004 'Contributions' in respect to income recognition requirements for not-for-profit entities. The timing of income recognition under AASB 1058 is dependent upon whether the transaction gives rise to a liability or other performance obligation at the time of receipt. Income under the standard is recognised where: an asset is received in a transaction, such as by way of grant, bequest or donation; there has either been no consideration transferred, or the consideration paid is significantly less than the asset's fair value; and where the intention is to principally enable the entity to further its objectives. For transfers of financial assets to the entity which enable it to acquire or construct a recognisable non-financial asset, the entity must recognise a liability amounting to the excess of the fair value of the transfer received over any related amounts recognised. Related amounts recognised may relate to contributions by owners, AASB 15 revenue or contract liability recognised, lease liabilities in accordance with AASB 16, financial instruments in accordance with AASB 9, or provisions in accordance with AASB 137. The liability is brought to account as income over the period in which the entity satisfies its performance obligation. If the transaction does not enable the entity to acquire or construct a recognisable non-financial asset to be controlled by the entity, then any excess of the initial carrying amount of the recognised asset over the related amounts is recognised as income immediately. Where the fair value of volunteer services received can be measured, a private sector not-for-profit entity can elect to recognise the value of those services as an asset where asset recognition criteria are met or otherwise recognise the value as an expense.

Impact of Adoption

AASB 15, AASB 16 and AASB 1058 have all been adopted using the modified retrospective approach and as such the comparatives have not been restated. The impact of adoption on opening retained profits as at 1 July 2019 was as follows:

	Carrying amount at 30 June 2019 \$	Reclassification \$	Remeasurement \$	AASB 16 Carrying amount at 1 July 2019 \$
Property, plant and equipment	5,895,317	(157,340)	-	5,737,977
Leased assets	-	157,340	-	157,340
Contract liabilities	-	(97,709)	-	(97,709)
Other current liabilities	(108,479)	97,709	-	(10,770)
Lease liabilities	-	(29,580)	-	(29,580)
Financial liabilities	(1,411,016)	29,580	-	(1,381,436)
Total	4,375,822	-	-	4,375,822

The following is a reconciliation of total operating lease commitments at 30 June 2019 (as disclosed in the financial statements to 30 June 2019) to the lease liabilities recognised at 1 July 2019:

	\$	\$
Total operating lease commitments disclosed at 30 June 2019		101,153
Recognition exemptions:		
Leases of low value assets	-	
Lease with remaining lease terms of less than 12 months	-	
Variable lease payments not recognised	-	
Other minor adjustments relating to commitment disclosures	-	
		-
Operating lease liabilities before discounting		101,153
Discounted using the incremental borrowing rate		(14,617)
Operating lease liabilities		86,536
Reasonably certain extension options		78,677
Finance lease obligations (Note 15)		29,580
Total lease liabilities recognised under AASB 16 at 1 July 2019		194,793

BALLINA BOWLING & RECREATION CLUB LIMITED

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**BALLINA BOWLING & RECREATION CLUB LIMITED
ABN 30 000 984 412**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

(r) Going concern

The financial statements have been prepared on a going concern basis, which assumes that the company will be able to continue their trading activities. The company has recognised a profit after income tax of \$262,289 (2019: profit of \$593,149) and positive net operating cash flows of \$1,170,555 (2019: \$1,409,912) for the year ended 30 June 2020 and as at that date, current liabilities exceed current assets by \$517,283.

It is noted that the company has pre-approved finance facilities at 30 June 2020 of which an amount of \$822,727 is available, allowing for ready access to short term funds if considered necessary by the directors and management.

In the unlikely event that the above results in a negative outcome, then the going concern basis may not be appropriate. No allowance for such circumstances has been made in the financial report.

BALLINA BOWLING & RECREATION CLUB LIMITED

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**BALLINA BOWLING & RECREATION CLUB LIMITED
ABN 30 000 984 412****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

	Note	2020 \$	2019 \$
Note 2: Revenue			
Revenue from contracts with customers			
Sale of goods		4,080,218	4,583,897
Bingo/raffles		324,005	335,049
Green fees		104,888	98,807
Events/venue hire		26,522	58,208
Poker machine revenue		3,314,014	4,000,294
Gaming tax rebate		17,180	17,180
Commissions		178,499	202,752
Sponsorship Income		(2,129)	21,603
Members subscriptions		66,901	69,555
Total revenue from contracts with customers		<u>8,110,098</u>	<u>9,387,345</u>
Other revenue			
Interest received from other persons		<u>1,309</u>	<u>823</u>
Total other revenue		<u>1,309</u>	<u>823</u>
Total revenue		<u>8,111,407</u>	<u>9,388,168</u>
The disaggregation of revenue from contracts with customers is as follows:			
Timing of revenue recognition			
Goods transferred at a point in time		4,535,633	-
Service transferred over time		<u>3,574,465</u>	<u>-</u>
		<u>8,110,098</u>	<u>-</u>

AASB 15 was adopted using the modified retrospective approach and as such comparatives have not been provided for disaggregation of revenue.

Note 3: Other Income

Profit/(Loss) on sale of fixed assets	20,723	(8,015)
Government stimulus	<u>327,500</u>	<u>-</u>
Total other income	<u>348,223</u>	<u>(8,015)</u>

BALLINA BOWLING & RECREATION CLUB LIMITED

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**BALLINA BOWLING & RECREATION CLUB LIMITED
ABN 30 000 984 412****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

	Note	2020 \$	2019 \$
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Note 4: Expenses

Profit before income tax includes the following specific expenses:

Cleaning	106,412	129,507
Cost of sales	1,556,442	1,673,447
Electricity and gas	178,826	184,246
Finance costs		
Interest and finance charges paid/payable on borrowings	39,179	64,875
Interest and finance charges paid/payable on lease liabilities	7,331	-
Honorariums	31,801	43,392
Insurance	163,356	160,479
Operating lease charges		
Short-term lease payments	6,127	-
Provision for employee entitlements	112,797	156,576
Repairs and maintenance	274,817	314,416
Salary and wages	2,308,288	2,232,462
Sports costs	129,940	116,799
Superannuation	241,647	232,181

Note 5: Cash and Cash Equivalents

Cash on hand	187,820	252,150
Cash at bank	680,603	368,310
	<u>868,423</u>	<u>620,460</u>

A floating charge over cash and cash equivalents has been provided for certain debt. Refer to Note 15 for further detail.

Reconciliation to cash and cash equivalents at the end of the financial year

The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statement of cash flows as follows:

Balances as above	868,423	620,460
Balance as per statement of cash flows	<u>868,423</u>	<u>620,460</u>

Note 6: Trade and Other Receivables**CURRENT**

Trade receivables	149,463	29,360
Deposits	5,250	5,250
	<u>154,713</u>	<u>34,610</u>

Note 7: Inventories**CURRENT**

Stock on Hand, at cost:	61,445	75,242
	<u>61,445</u>	<u>75,242</u>

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**BALLINA BOWLING & RECREATION CLUB LIMITED
ABN 30 000 984 412****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

	Note	2020 \$	2019 \$
Note 8: Investments and other financial assets			
(a) Financial assets at amortised cost			
Current			
Financial assets at amortised cost under AASB 9			
- term deposits		10,000	10,770
		<u>10,000</u>	<u>10,770</u>
Financial assets at amortised cost comprise term deposits and unsecured notes with financial institutions. There are fixed rate returns upon maturity of these assets.			
Note 9: Other Assets			
CURRENT			
Prepayments		13,841	97,049
		<u>13,841</u>	<u>97,049</u>
Note 10: Property, Plant & Equipment			
Buildings (at cost)			
Building/Leasehold Improvements		4,618,952	4,578,866
Less: Accumulated depreciation		(960,057)	(820,556)
Total Buildings		<u>3,658,895</u>	<u>3,758,310</u>
Plant and Equipment (at cost)			
Plant and equipment		2,002,773	1,863,570
Less: Accumulated depreciation		(1,011,869)	(896,106)
		<u>990,904</u>	<u>967,464</u>
Poker machine equipment		2,666,540	2,942,558
Less: Accumulated depreciation		(1,870,137)	(1,778,015)
		<u>796,403</u>	<u>1,164,543</u>
Motor vehicle		13,182	13,182
Less: Accumulated depreciation		(8,182)	(8,182)
		<u>5,000</u>	<u>5,000</u>
Total Plant and Equipment		<u>1,792,307</u>	<u>2,137,007</u>
Total Property, Plant and Equipment		<u>5,451,202</u>	<u>5,895,317</u>

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BALLINA BOWLING & RECREATION CLUB LIMITED
ABN 30 000 984 412**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
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(a) Movements in carrying amounts

	Buildings \$	Plant and Equipment \$	Total \$
Balance at the beginning of the year	3,758,310	2,137,007	5,895,317
Adjustment on adoption of AASB 16		(157,340)	(157,340)
Additions	49,850	298,032	347,882
Disposals	(2,088)	(32,558)	(34,646)
Depreciation expense	(147,177)	(452,834)	(600,011)
Carrying amount at the end of the year	3,658,895	1,792,307	5,451,202

(b) Leasehold improvements have been capitalised and are being amortised over the term of the lease.

(c) There is a registered equitable mortgage over the assets of the club including working capital.

(d) No impairment has been recognised in respect of plant and equipment.

Note 11: Right-of-Use Assets

Land & Buildings

Land & Buildings	194,803	-
Less: Accumulated depreciation	(92,763)	-
Total Land and Buildings	102,040	-

Plant and Equipment

Plant and equipment	335,863	-
Less: Accumulated depreciation	(78,733)	-

Total Plant and Equipment

257,130 -

Total Leased Assets

359,170 -

(a) Movements in carrying amounts

	Buildings \$	Plant and Equipment \$	Total \$
Balance at the beginning of the year	-	-	-
Adjustment on adoption of AASB 16	194,803	157,340	352,143
Additions	-	178,523	178,523
Disposals	-	-	-
Depreciation expense	(92,763)	(78,733)	(171,496)
Carrying amount at the end of the year	102,040	257,130	359,170

(b) The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

(c) The Company also assesses the right-of-use asset for impairment when such indicators exist. No impairment has been recognised in respect of right-of-use assets.

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**BALLINA BOWLING & RECREATION CLUB LIMITED
ABN 30 000 984 412****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

	Note	2020 \$	2019 \$
Note 12: Intangible Assets			
Computer software		27,763	34,184
Less: accumulated amortisation		(23,130)	(32,242)
		<u>4,633</u>	<u>1,942</u>
Poker machine entitlements (at cost)		<u>1,385,702</u>	<u>1,385,702</u>
		<u>1,390,335</u>	<u>1,387,644</u>

Poker Machine Entitlements

Poker machine entitlements are assessed as having an indefinite useful life. The measurement and recognition criteria is outlined in Note 1 to the financial statements.

Poker machine entitlements have been impairment tested using calculations of the higher of fair value, less costs to realise, and value in use. The directors believe that the carrying amount of poker machine entitlements are not impaired and annual impairment testing will be conducted at 30 June 2020.

Note 13: Trade and Other Payables**CURRENT**

Unsecured liabilities;

Trade payables	325,024	212,464
Capital works creditors	-	46,103
Sundry payables and accrued expenses	367,978	244,689
	<u>693,002</u>	<u>503,256</u>

Note 14: Lease liabilities**CURRENT**

Lease liability

171,119	-
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Total Current Lease liability

171,119	-
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NON-CURRENT

Lease liability

105,146	-
---------	---

Total Non-Current Lease liability

105,146	-
---------	---

Total Lease liability

276,265	-
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The company leases land for its clubhouse and facilities under agreements set to end in July 2021, these leases contain options to renew. On renewal, the terms of the leases are renegotiated. The company also has several leases for poker machines for terms of 1 year to 5 years, the club retains ownership of these assets at the end of the lease term. The company also has a lease for printers over a 5 year term, this lease continues as a month to month rental at the end of the term unless renewed.

The company also has certain leases of land and office equipment with lease terms of 12 months or less. The company applies the 'short-term lease' recognition exemptions for these leases.

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BALLINA BOWLING & RECREATION CLUB LIMITED
ABN 30 000 984 412**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
Note 15: Borrowings			
CURRENT			
Secured liabilities:			
Bank loan		240,708	654,732
Lease liabilities		-	29,580
		<u>240,708</u>	<u>684,312</u>
NON-CURRENT			
Secured liabilities:			
Bank loan		639,211	726,704
		<u>639,211</u>	<u>726,704</u>
Total Borrowings		<u>879,919</u>	<u>1,411,016</u>
(a) Total current and non-current secured liabilities:			
Bank loan		879,919	1,381,436
Lease liabilities		-	29,580
		<u>879,919</u>	<u>1,411,016</u>
(b) The carrying amounts of assets pledged as security are:			
Current assets		1,108,422	838,131
Non current assets		<u>7,200,707</u>	<u>7,282,961</u>
		<u>8,309,129</u>	<u>8,121,092</u>
(c) The unused portion of approved finance facilities are:			
Bank loan		<u>822,727</u>	<u>729,709</u>
		<u>822,727</u>	<u>729,709</u>

The company entered a Bank Bill Business Loan Agreement with Westpac Banking Corporation in 2017 with a total facility amount of \$2,700,000 with a three year term and overall 7 year payback period for the refurbishment and renovation of the Club.

(d) Borrowings are secured against fixed and floating charge by Ballina Bowling and Recreation Club Ltd over all assets and uncalled capital and mortgage over lease over the property at the corner of Cherry Street and Bentinck Streets, Ballina, Lease No 7958827 and Lease No 158359 and Lease No S34A388533.

Asset finance liabilities are secured by the underlying financed assets.

BALLINA BOWLING & RECREATION CLUB LIMITED

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BALLINA BOWLING & RECREATION CLUB LIMITED
ABN 30 000 984 412**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
Note 16: Provisions			
CURRENT			
Provision for employee benefits		321,062	340,228
Provision for poker machine jackpots		-	83,639
		<u>321,062</u>	<u>423,867</u>
NON-CURRENT			
Provision for employee benefits		30,533	28,229
		<u>30,533</u>	<u>28,229</u>
(a) Aggregate employee benefits liability		<u>351,595</u>	<u>368,457</u>
Provision for employee benefits			
A provision has been recognised for employee entitlements relating to annual and long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits has been included in Note 1 to this report.			
Provision for poker machine jackpots			
Provision has been made for poker machine jackpots representing the liability accrued as a result of turnover on poker machines in excess of the minimum jackpot amount. The measurement and recognition criteria relating to provisions has been included in Note 1 to this report.			
Note 17: Other Liabilities			
CURRENT			
Subscriptions received in advance		-	97,709
Noel Fleming trust funds		-	10,770
		<u>-</u>	<u>108,479</u>
Note 18: Contract Liabilities			
CURRENT			
Subscriptions received in advance		94,255	-
Noel Fleming trust funds		10,000	-
Provision for poker machine jackpots		95,559	-
		<u>199,814</u>	<u>-</u>
Note 19: Capital and Leasing Commitments			
(a) Operating Lease Commitments			
Non-cancellable operating leases contracted for but not capitalised in the financial statements.			
Payable - minimum lease payments:			
- not later than 12 months		-	50,250
- between 12 months and five years		-	50,903
		<u>-</u>	<u>101,153</u>

BALLINA BOWLING & RECREATION CLUB LIMITED

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BALLINA BOWLING & RECREATION CLUB LIMITED
ABN 30 000 984 412**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
(b) Finance Lease Commitments			
Payable - minimum lease payments:			
- not later than 12 months		-	29,580
Minimum lease payments	15 (a)	-	29,580
(c) Capital Expenditure Commitments			
Capital expenditure commitments contracted for:			
Clubhouse roof replacement		337,500	-
		337,500	-

Clubhouse roof replacement will be largely funded by New South Wales Government Office of Sport grant totalling \$300,000.

As at 30 June 2020, the company had not engaged in any other capital commitments.

Note 20: Events After the End of the Reporting Period

The impact of the Coronavirus (COVID19) pandemic is ongoing. It is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other 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.

Note 21: Related Party TransactionsKey Management Personnel

The totals of remuneration paid to key management personnel (KMP), except Directors, during the year are as follows:

Key management personnel compensation	683,048	720,282
Number of persons	7	7

Other Related Parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Transactions with related parties were:

Total income paid or payable, or otherwise available, to all directors of the company from the company or any related party	31,800	43,392
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Note 22: Company Details

The club is incorporated and domiciled in Australia as a company limited by guarantee.

The registered office and principal place of business is:

Ballina Bowling & Recreation Club Limited
Cherry Street
Ballina NSW 2478

BALLINA BOWLING & RECREATION CLUB LIMITED

ACN 30 000 984 412

BALLINA BOWLING & RECREATION CLUB LIMITED
ABN 30 000 984 412**DIRECTORS' DECLARATION**
FOR THE YEAR ENDED 30 JUNE 2020

The directors of the company declare that:

1. the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Reduced Disclosure Requirements, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
2. the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2020 and of its performance for the financial year ended on that date; and
3. there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors by:



Dac Cameron
Chairman



Ann Steele
Deputy Chairman

Dated: 26 August 2020

BALLINA BOWLING & RECREATION CLUB LIMITED

ACN 30 000 984 412



**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
BALLINA BOWLING AND RECREATION CLUB LIMITED
ABN 30 000 984 412**

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Opinion

We have audited the accompanying financial report of Ballina Bowling and Recreation Club Limited (the Company), which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and other comprehensive income, statement of changes in equity and statements of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion the financial report of Ballina Bowling and Recreation Club Limited is in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the company's financial position as at 30 June 2020 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements as described in Note 1 and the Corporations 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 auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (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 confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditors report.

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 20 of the financial statements, which describes the effects of the World Health Organisation's declaration of a global health emergency relating to the spread of COVID-19. Our opinion is not modified in respect of this matter.

Other Information

The directors are responsible for the other information. The other information comprises the information contained in the Company's Directors Report for the year ended 30 June 2020 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.

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.

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BALLINA BOWLING & RECREATION CLUB LIMITED

ACN 30 000 984 412



INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
BALLINA BOWLING AND RECREATION CLUB LIMITED
ABN 30 000 984 412

Crowe Central North
 ABN 91 680 058 554

53 Carrington Street
 Lismore NSW 2480 Australia
 PO Box 523
 Lismore NSW 2480 Australia

Main +61 02 6627 3500
 Fax +61 02 6621 9385
www.crowe.com.au

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Act 2001 and for such internal control as the directors 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 directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company 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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional skepticism 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 Company to cease to continue as a going concern.

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- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

Crowe Central North

CROWE CENTRAL NORTH

Kylie Ellis

Kylie Ellis
Partner
Registered Company Auditor (ASIC RAN 483424)
51 Tamar Street
BALLINA NSW 2478

Dated: 27 August 2020

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MEALS SOLD
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