



Sixty-Sixth
ANNUAL REPORT
2023-2024



**HARRINGTON BOWLING CLUB'S
OXLEY ANCHORAGE
CARAVAN PARK**
A GREAT PLACE IN THE HEART OF HARRINGTON

Great location in the heart of Harrington,
across from Club Harrington & only minutes
from the Beach & The Manning River.

Who Would'nt want to experience this on
their Holidays!

Enjoy our NEW Resort Style Ensuit A/C
Cabins and Saltwater pool with undercover
Barbecues, Camp Kitchen & TV room, Free
WiFi (conditions apply) through NET4.

Across the road from the Bowling Club
with the million dollar views incorporating
an excellent Bistro / Restaurant with a
comprehensive Menu.



71-83 Beach Street, HARRINGTON, NSW 2427 Phone: (02) 6556 1250





NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Harrington Bowling Club Limited (ACN 001 040 311) will be held on Saturday August 24, 2024 in the Auditorium of the registered office of the Club, 50 Beach Street Harrington NSW at 10am.

AGENDA

1. To confirm the minutes of the Annual General Meeting held on 26th August 2023.
2. Consideration of the Annual Review by the Chairman of Directors and General Manager.
3. Consideration of the Financial Report, Directors Report, Auditors Report and Statutory Statement(s) of the financial year ended 31st May 2024.
4. To consider and if thought fit pass the following ordinary resolutions:

First Ordinary Resolution

That the members hereby approve that the Club's Board of Directors shall be entitled to receive the following benefits for the twelve (12) month period preceding the 2025 Annual General Meeting and the members further acknowledge that these benefits are limited to \$20,000 in total and are only available to those members who are elected to the Club's Board of Directors.

- Reasonable meals and refreshments for each Director of the Club at Board and committee meetings
- Reasonable costs or expenses of attending functions whilst representing the Club (with partners where appropriate) or in undertaking such other duties as may be approved from time to time by the Board.
- Reasonable costs or expenses in relation to the professional development of Directors of the Club, including (but not limited to):
 - o Attending meetings of Associations of which the Club is a member or Directors of the Club are members.
 - o Attending conferences, seminars, lectures, trade displays, organised study tours, fact finding tours and other similar events anywhere in New South Wales and the Clubs NSW annual conference as may be determined by the Board from time to time.
 - o Attending other Registered Club's or gaming venues for the purpose of observing their facilities and methods operations.

Second Ordinary Resolution

That pursuant to section 10(6)(b) of the Registered Clubs Act, the members hereby approve that the payment of the following honorariums inclusive of any applicable superannuation guarantee levy for the Club's Board of Directors for the twelve (12) month period preceding the 2025 Annual General Meeting:

Chairman	\$6,000.00
Treasurer	\$5,000.00
Vice Chairman	\$2,000.00 each
Ordinary Directors	\$1,000.00 each

Third Ordinary Resolution

That pursuant to section 10(6) (b) of the Registered Clubs Act, the members hereby approve that the payment of honorariums for the members of the Men's Bowls Committee of the Club as determined by the Board of Directors provided that the total amount paid for the twelve (12) month period preceding the 2025 Annual General Meeting does not exceed \$6,000.00.

Fourth Ordinary Resolution

That pursuant to section 10(6) (b) of the Registered Clubs Act, the members hereby approve that the payment of honorariums for the members of the Women's Bowls Committee of the Club as determined by the Board of Directors provided that the total amount paid for the twelve (12) month period preceding the 2025 Annual General Meeting does not exceed \$6,000.00.

5. Questions for the outgoing Board of Directors
6. To re-affirm our Club Patrons Claire Brown and Bill Burges for the following as recommended by the Board of Directors.
7. To deal by discussion only with such other business of which due notice is given.
8. Election of Office Bearers
9. To deal by discussion only with any other business approved by the meeting of which due notice has not been given.

PLEASE NOTE

- Members are requested to ask questions regarding the Financial Report in writing and lodge those questions with the Clubs Registered Office 50 Beach Street Harrington NSW 2427 14 days prior to the Annual General Meeting. If you do not do this, it may not be possible to answer your question at the meeting.
- To be passed an Ordinary Resolution must receive votes in its favour from not less than a simple majority of those members who, being entitled to do so, vote in person at the meeting.
- Hard copy of the Financial Report is available from the office on request.
- It will also be available on our website, www.clubharrington.com.au



By order of the Board
Michael Burgess ACCM, JP
General Manager



Chairman's Report



Welcome members to my 11th report as the Chairman of Harrington Bowling Club Ltd, trading as Club Harrington. It continues to be an honour to serve our members, as you will see throughout our financial statements the 2023/24 year is another pleasing result for the Club.

Whilst the Club is continuing to go well, we do have more to do. Once our renovations are done, I am confident your Club will continue to impress as a venue of choice on the Mid North Coast.

I would like to take the opportunity to thank our General Manager Michael Burgess. Michael joined our Club in 2015 his experience and passion to ensuring not only compliance is met while we continue to drive the business forward so we can best support our members and community. I thank Michael and his management team and staff for delivering and continuing to improve our customer service standards which has led to another favourable financial result.

To our sub-clubs Committees thank you for your contributions each week. Thank you also to those who give up their time in a volunteer capacity around and throughout the year we value your contributions. Many of these people have been doing this for years your contributions don't go unnoticed by our team.

Congratulations to all our pennants players who represented our Club at the recent district and state level. A magnificent achievement.

I would like to pass on the Board's condolences to the family and friends of those members who have passed away over the last 12 months. A special mention to the family of Morrie Anthoney, as long-term life member and contributor to the club he certainly will be missed.

I would like to take this opportunity to thank all my fellow Board members for their valued input during the year. Special thanks to our Treasurer, Roger McElligott for the guidance given to our Board over many years this continues to position our Club in a strong financial position now and into the future.

Lastly thank you to all those members and their families who continue to support our Community Club, we cannot have the continued success without your support.

Kerry McDonald
Chairman of the Board



General Manager's Report



As another year passes, we present to the members another strong result. Let me start by thanking our team of directors, management and staff, along with our members.

Club Harrington and more broadly the industry continues to confront challenges from proposed industry reform, ongoing and increased compliance along the cost-of-living pressure that many households are also facing.

The Club is posting another positive result with the support of the abovementioned. We were able to achieve a profit of \$297,953 after depreciation which is down from the previous year by \$90,832. The operating profit for the year was pleasing with a result of \$801,644 before depreciation and amortisation, down on last year by \$41,170.

The approved renovations and refurbishment are progressing as I write this report. The project has been held up by the DA approval process and now building surveyors despite this the DA has been approved. Construction is anticipated to be underway in the coming months once the building surveyor is satisfied. The project will include a new foyer, gaming room including outdoor gaming, new bowls office and locker rooms along with new multi-purpose function rooms.

I would like to thank the board of directors led by Chairman Kerry McDonald for continued support and for the results that we have achieved. Our directors continue to put both a lot of time and effort into ensuring a healthy and bright future for the Club, this is truly a team effort. Thank you.

This year we contributed over \$170,000 to promote and fund the sport of lawn bowls this is additional to the movements within the bowling sub-clubs which meets one of our core objectives. I would also like to acknowledge the efforts of our bowlers who performed well throughout the year either at social bowls level or representative level, congratulations! Thank you to those on our bowls committee we acknowledge and greatly appreciate your contributions.

With your support we continue to contribute to our local community. We have continued to support by way of donations, more than \$22,000. Some of these not-for-profit organisations and community causes include: The John Gollan Day Fireworks, Cancer Council NSW, Black Dog Institute Mental Health, Harrington Little Athletics, Harrington Crowdy Head RSL, Harrington Waters Golf Club Over 80's tournament, Children's Variety Bash and Harrington Seniors Citizens Association.

Additional to this, Club Harrington provided a home for raffle income and in-kind donations (meeting/ function rooms space) for many local community groups.

To my staff across all departments, on behalf of our members, board of directors and myself I thank-you for your support of our Club. You continue to respond to challenges thrown your way with professionalism and compassion for all.

To our volunteers, you selflessly give up your time to ensure the Club, Bowls, Snooker, and many other causes around the Club run smoothly and successfully. Your contribution is greatly appreciated. We recognise your contributions they play their part in our success, once again thank you!

Our renovations and all the challenges that come with, will soon be upon us. On behalf of the team, board of directors and staff we are excited to deliver this project to the members and community of Harrington in the coming year.

Our sincere sympathy is extended to the relatives and friends of those members who have passed away during the twelve months. Our heart goes out to you all, may they rest in peace.

A handwritten signature in cursive script, appearing to read 'M Burgess', written in black ink.

Michael Burgess ACCM, JP
General Manager



Treasurer's Report



I respectfully present the Treasurer's Report of Harrington Bowling Club, for the year ending 31 May 2024.

The Club made a profit this year of \$292,356 a decrease of \$90,775 from 2023. Included in this was depreciation expense \$498K and long service leave provision. Both items are not payments from our funds; however, each are providing for future cashflows when we need to replace capital items or when long service leave is used or paid out.

Available Cash on Hand at years end was \$2,396,521 a substantial increase from 2023.

The Club is in a very strong position with all capital items to date completed and a very buoyant cashflow. I have budgeted for a slight increase in profits for the year ended 2025.

Finally, I would like to thank Michael and his staff for their co-operation and assistance during the year, also the Board for their understanding and tireless work to achieve the above result.

Regards

Roger McElligott
Treasurer



Harrington Bowling Club Limited

ABN: 56 001 040 311

Financial Statements

For the Year Ended 31 May 2024



Harrington Bowling Club Limited

ABN: 56 001 040 311

Financial Statements

For the Year Ended 31 May 2024

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Harrington Bowling Club Limited

ABN: 56 001 040 311

DIRECTORS' REPORT

Your Directors present their report on the Company for the financial year ended 31 May 2024.

Directors

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

Kerry McDONALD

Roger McELLAGOTT

Kelvin SWEETMAN

Margaret HAWKINS

Allan ROSS

Edward MOORE

Jessie SPENCER

(Appointed 26/08/2023)

Gary JOHNSON

(Resigned 26/08/2023)

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

Short-Term Objectives

The short-term objectives of the Company are to:

- Promote the Club principally for lawn bowls as well as other sporting, social and community activities.
- Provide entertainment to suit customers' needs.
- Provide quality food and beverage services with special benefits to customers.
- Raise funds for community based appeals.
- Ensure regulatory requirements are met.

Long-Term Objectives

The long-term objectives of the Company are to:

- Increase overall membership and encourage participation in sporting and other activities.
- Be a positive influence on the community through considered donations and providing a meeting place for community entities.
- Provide and deliver quality food and beverage products and other services to customers.
- Upgrade Club and Caravan Park facilities.

Harrington Bowling Club Limited

ABN: 56 001 040 311

DIRECTORS' REPORT

Strategies Adopted for Achieving Objectives

To achieve the objectives of the Company the following strategies have been adopted:

- Monitor the external and internal environment and make changes to the Club's Constitution, if required.
- Provide cash donations (on request) as well as in-kind support to community organisations.
- Allow the use of the auditorium to members and community groups for special functions.
- Organise sporting events as well as raffles and donations to raise funds for charitable appeals.
- Maximise the benefits offered to community groups by appropriate management of the Club's Grants Program.
- Promote men's and women's bowls, fishing, snooker and darts Clubs, entertainment activities and membership benefits through in-house advertising as well as advertising in the local community newspaper, district press and TV campaigns.
- Reward customers for loyalty by conducting promotional events related to the Club's income streams.
- Offer services at a more competitive price than our local competitors.
- Deliver products and services in a professional and friendly manner that is equal to industry standards and better than our local competitors by monitoring staff performance and encouraging constant improvement in customer service.
- Provide regular music and dancing entertainment.
- Encourage discounted meals for members.
- Encourage promotional meals to all customers on targeted nights to increase turnover in quiet periods.
- Monitor health and safety requirements, industrial awards and other requirements for compliance and upgrade as necessary.
- Explore options for improvements to bowling green and act on improvement provided the circumstances are favourable.
- Explore electronic options for improving services to customers.
- Upgrade equipment and infrastructure at the Club and the Caravan Park as required.

Principal Activities

The principal activity of the Company during the financial year was the conduct of a Registered Club.

No significant change in the nature of this principal activity occurred during the financial year.

Means by which Principal Activities Assisted in Achieving the Company's Objectives

The Club's objectives were achieved through profits and cash flow as well as support provided by volunteer activities.

Harrington Bowling Club Limited

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DIRECTORS' REPORT

Key Performance Measures

The Club measures performance against actual monthly results matched to forecasts derived from previous years' activities and anticipated growth in the major income streams of bar, bistro, gaming, TAB, KENO, fees from bowls events and caravan park receipts. The Club monitors trading results and any impact that may occur due to price increases and possible changes in regulations.

Members' Guarantee

Harrington Bowling Club Limited is incorporated under the Corporations Act 2001 and is a Company limited by guarantee. If the Company is wound up, the Constitution states that each member is required to contribute a maximum of \$2 each towards any outstanding obligations of the Company. At 31 May 2024 the number of members was 3,238 (2023: 3,381).

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* has been received and is included in this financial report.

Core and Non-Core Property

Core property is defined as any real property owned by the Club that comprises the defined premises of the Club or any facility provided by the Club for the use of its members and visitors. Core property of the Club consists of land occupied by the Clubhouse, Bowling Greens at 50 Beach Street, Harrington, New South Wales.

Non core property of the Club means any real property owned by the Club that is not core property. Non core property consists of land located at 69 Beach Street and a caravan park located at 71-83 Beach Street, Harrington New South Wales.

Meetings of Directors

During the financial year 11 monthly and 2 special meetings of Directors were held. Attendances by each Director during the year were as follows:

	Directors' Meetings		Special Meetings	
	Eligible to attend	Number attended	Eligible to attend	Number attended
Kerry McDONALD	11	11	2	2
Roger McELLIGOTT	11	11	2	2
Kelvin SWEETMAN	11	10	2	1
Margaret HAWKINS	11	11	2	1
Allan ROSS	11	11	2	2
Edward MOORE	11	11	2	1
Jessie SPENCER	9	9	1	1
Gary JOHNSON	2	2	1	1

Harrington Bowling Club Limited

ABN: 56 001 040 311

DIRECTORS' REPORT

Information on Current Directors

Kerry McDONALD

Experience Chairman 11 years
Past Deputy Chairman 1 year
Past Ordinary Director 2 years

Special Responsibilities Chairman

Roger McELLIGOTT

Experience Treasurer 12 years

Special Responsibilities Treasurer

Kelvin SWEETMAN

Experience Deputy Chairman 8 years
Past Ordinary Director 4 years

Special Responsibilities Deputy Chairman

Margaret HAWKINS

Experience Ordinary Director 10 years

Allan ROSS

Experience Deputy Chairman 6 years
Past Ordinary Director 2 years

Special Responsibilities Deputy Chairman

Edward MOORE

Experience Ordinary Director 2 years

Jessie SPENCER

Experience Ordinary Director 1 year

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



Chairman:

Kerry McDONALD

Dated: 1 July 2024



PARTNERS

Paul Fahey B Bus CA

Bart Lawler B Com CA

Patrick Brennan B Com CA

Alison McKinnon B Bus CA

AUDITOR'S INDEPENDENCE DECLARATION

Under Section 307C of the *Corporations Act 2001*

To the Directors of Harrington Bowling Club Limited

I declare that, to the best of my knowledge and belief, during the year ended 31 May 2024 there have been no contraventions of:

- (i) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

NorthCorp Accountants

A handwritten signature in black ink, appearing to read "D Johnson", written over a horizontal line.

Darren Johnson
Registered Company Auditor

10-12 Short Street
Port Macquarie NSW 2444

Dated: 1 July 2024

Harrington Bowling Club Limited

ABN: 56 001 040 311

STATEMENT OF COMPREHENSIVE INCOME

For the Year Ended 31 May 2024

		2024	2023
	Note	\$	\$
Revenue	2(a)(b)	5,608,487	5,363,614
Other income	2(c)	80,443	69,455
		<u>5,688,930</u>	<u>5,433,069</u>
Changes in inventories	3	2,240	6,518
Inventories purchased	3	(1,179,955)	(1,185,680)
Bowling, member and social expenses		(168,559)	(127,423)
Contract management fees- caravan park		(278,331)	(231,483)
Electricity and gas		(218,883)	(184,110)
Employee benefits expense		(1,622,229)	(1,560,586)
Depreciation and amortisation expense	3	(498,227)	(452,531)
Insurances		(154,796)	(125,322)
Other poker machines, keno and tab expenses		(381,203)	(370,722)
Rates and taxes		(121,138)	(115,520)
Repairs, maintenance and cleaning expenses		(295,326)	(328,964)
Other expenses from operating activities		(480,167)	(374,115)
		<u>(5,396,574)</u>	<u>(5,049,938)</u>
Profit / (loss) before income tax		292,356	383,131
Income tax expense		-	-
Profit / (loss) for the year		292,356	383,131
Other comprehensive income for the year		-	-
Total comprehensive income for the year		292,356	383,131
Profit / (loss) attributable to members of the Company		<u>292,356</u>	<u>383,131</u>
Total comprehensive income attributable to members of the Company		<u>292,356</u>	<u>383,131</u>

The accompanying notes form part of these financial statements.

Harrington Bowling Club Limited

ABN: 56 001 040 311

STATEMENT OF FINANCIAL POSITION

As at 31 May 2024

	Note	2024 \$	2023 \$
ASSETS			
Current assets			
Cash and cash equivalents	4	2,396,521	2,131,037
Trade and other receivables	5	22,290	11,870
Inventories	6	71,231	67,365
Other assets	7	28,196	13,835
Total current assets		2,518,238	2,224,107
Non-current assets			
Property, plant and equipment	8	5,009,358	4,934,422
Intangible assets	9	-	-
Total non-current assets		5,009,358	4,934,422
TOTAL ASSETS		7,527,596	7,158,529
LIABILITIES			
Current liabilities			
Trade and other payables	10	386,139	294,451
Provisions	11	210,114	231,169
Other current liabilities	12	10,855	12,982
Total current liabilities		607,108	538,602
Non-current liabilities			
Provisions	11	42,097	33,892
Total non-current liabilities		42,097	33,892
TOTAL LIABILITIES		649,205	572,494
NET ASSETS		6,878,391	6,586,035
EQUITY			
Retained earnings		6,878,391	6,586,035
TOTAL EQUITY		6,878,391	6,586,035

The accompanying notes form part of these financial statements.

Harrington Bowling Club Limited

ABN: 56 001 040 311

STATEMENT OF CHANGES IN EQUITY

For the Year Ended 31 May 2024

2024

	Retained Earnings	Total
	\$	\$
Balance at 1 June 2023	6,586,035	6,586,035
Profit / (loss) attributable to members of the Company	292,356	292,356
Other comprehensive income	-	-
Total comprehensive income for the year	292,356	292,356
Balance at 31 May 2024	6,878,391	6,878,391

2023

	Retained Earnings	Total
	\$	\$
Balance at 1 June 2022	6,202,904	6,202,904
Profit / (loss) attributable to members of the Company	383,131	383,131
Other comprehensive income	-	-
Total comprehensive income for the year	383,131	383,131
Balance at 31 May 2023	6,586,035	6,586,035

The accompanying notes form part of these financial statements.

Harrington Bowling Club Limited

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STATEMENT OF CASH FLOWS

For the Year Ended 31 May 2024

	2024	2023
Note	\$	\$
Cash Flows from Operating Activities		
Receipts from customers	6,105,865	5,831,888
Payments to suppliers and employees	(5,466,699)	(5,057,143)
Interest received	40,275	12,892
Net cash provided by (used in) operating activities	679,441	787,637
Cash Flows from Investing Activities		
Proceeds from sale of property, plant and equipment	97,578	69,455
Purchase of property, plant and equipment	(511,535)	(525,967)
Net cash provided by (used in) investing activities	(413,957)	(456,512)
Cash Flows from Financing Activities		
Net cash provided by (used in) financing activities	-	-
Net increase (decrease) in cash and cash equivalents	265,484	331,125
Cash and cash equivalents at beginning of financial year	2,131,037	1,799,912
Cash and cash equivalents at end of financial year	2,396,521	2,131,037

The accompanying notes form part of these financial statements.

Harrington Bowling Club Limited

ABN: 56 001 040 311

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 May 2024

The financial report is for Harrington Bowling Club Limited as an individual entity, incorporated and domiciled in Australia. Harrington Bowling Club Limited is a Company limited by guarantee.

The financial statements were approved and authorised for issue on 1 July 2024 by the Directors of the Company.

Note 1 Material Accounting Policy Information

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Simplified Disclosures of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied, unless otherwise stated.

The financial statements, 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.

Accounting Policies

(a) Income Tax

The Company has been granted an exemption from income tax under Section 50-45 of the *Income Tax Assessment Act 1997*. The exempt status of the Company applies indefinitely or until such time as a change in circumstances warrants a review of the exempt status.

(b) Inventories

Inventories are measured at the lower of cost and net realisable value.

(c) Property, Plant and Equipment

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

Property

Freehold land and buildings are measured on the cost basis less, where applicable, accumulated depreciation for buildings and any impairment losses.

Plant and equipment

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

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Company commencing from the time the asset is held ready for use.

Harrington Bowling Club Limited

ABN: 56 001 040 311

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 May 2024

(c) Property, Plant and Equipment (continued)

The depreciation rates used for each class of depreciable assets are:

<i>Class of Fixed Asset</i>	<i>Depreciation Rate</i>
Buildings and freehold improvements	2.5 to 20%
Plant and equipment	5 to 50%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise.

(d) Financial Instruments

Classification and Subsequent Measurement

Financial assets

Financial assets are subsequently measured at amortised cost.

Financial assets comprising cash and cash equivalents, trade and other receivables and interest bearing deposits are subsequently measured at amortised cost as they meet the following conditions:

- the financial assets are managed solely to collect contractual cash flows; and
- the contractual terms within the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

Derecognition

Derecognition of financial assets

A financial asset is derecognised when the Company's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all the risks and rewards of ownership of the asset have been substantially transferred; and
- the Company no longer controls the asset.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Harrington Bowling Club Limited

ABN: 56 001 040 311

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 May 2024

(d) Financial Instruments (continued)

Impairment of Financial Assets

The Company recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost.

Recognition of expected credit losses in financial statements

At each reporting date, the Company recognises the movement in the loss allowance as an impairment gain or loss in the statement of comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

(e) Impairment of Non-Financial Assets

At the end of each reporting period, the Company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is recognised in profit or loss.

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

Impairment testing is performed annually for goodwill and intangible assets with indefinite useful lives.

(f) Employee Benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements.

Contributions are made by the Company to employee superannuation funds and are charged as expenses when incurred.

(g) 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.

(h) Trade and Other Payables

Trade and other payables are carried at amortised cost and represent the liabilities for goods and services received by the Company during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. Trade and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

Harrington Bowling Club Limited

ABN: 56 001 040 311

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 May 2024

(i) Revenue Recognition

Revenue is recognised when control of the goods and services has transferred to the customers. For such transactions, this is the point in time when the goods are delivered to the customers or the services are received by customers.

Interest revenue is recognised using the effective interest method.

Receivables are recognised when items are delivered or services received, as at this point consideration is unconditional since only time needs to pass before payment of that consideration is due.

(j) Affiliated Clubs

Affiliated clubs are amalgamated with the Company unless they can demonstrate financial and legal independence.

(k) Critical Accounting Estimates and Judgements

The Directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

Key Estimates - Impairment

The Company assesses impairment at the end of each reporting period by evaluating conditions specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

No impairment has been recognised in respect of assets at the end of the reporting period.

(l) Adoption of New and Revised Accounting Standards

AASB 2021-2: Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates

The Company has adopted AASB 2021-2: Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates. The amendment makes amendments to a number of standards, including:

- AASB 7: Financial Instruments: Disclosures, to clarify that information about measurement bases for financial instruments is expected to be material to an entity's financial statements;
- AASB 101: Presentation of Financial Statements, to require entities to disclose their material accounting policy information rather than their significant accounting policies;
- AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors, to clarify how entities should distinguish changes in accounting policies and changes in accounting estimates.

Harrington Bowling Club Limited

ABN: 56 001 040 311

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 May 2024

Note 2 Revenue and Other Income

The Company has recognised the following amounts relating to revenue in the statement of comprehensive income.

		2024	2023
	Note	\$	\$
Continued operations			
Sale of goods	2(a)	2,722,353	2,583,528
Other sources of revenue	2(b)	2,886,134	2,780,086
		<u>5,608,487</u>	<u>5,363,614</u>

(a) Revenue Disaggregation

The revenue is disaggregated along the following product lines:

Bar sales		1,525,040	1,395,269
Bistro sales		1,197,313	1,188,259
Total Sales Revenue		<u>2,722,353</u>	<u>2,583,528</u>

Timing of revenue recognition

Goods and services transferred to customers:

- at a point in time		<u>2,722,353</u>	<u>2,583,528</u>
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(b) Other Sources of Revenue

Caravan park revenue		798,451	818,187
Commissions received - Club Keno		88,144	82,504
Commissions received - other		34,839	32,884
Commissions received - TAB		11,134	10,195
Contributions - Sub Clubs		(5,655)	(7,153)
Green fees		72,284	62,867
GST rebate - poker machines		17,180	17,180
Interest received - other persons		40,275	12,892
Membership subscriptions		34,008	36,389
Poker machine takings (net of payouts)		1,681,871	1,599,819
Sundry income		4,480	9,000
Supplier rebates		109,123	105,322
Total Other Revenue		<u>2,886,134</u>	<u>2,780,086</u>

Harrington Bowling Club Limited

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NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 May 2024

Note 2 Revenue and Other Income (continued)

(c) Other Income

	2024	2023
	\$	\$
Net gain on disposal of property, plant and equipment	80,443	69,455
Total Other Income	80,443	69,455
Total Revenue and Other Income	5,688,930	5,433,069

Note 3 Profit / (loss) for the Year

(a) Expenses

Cost of goods sold

Bar sales	699,693	645,229
Bistro sales	478,022	533,933
	1,177,715	1,179,162

Finance Costs

Depreciation

Buildings and improvements	243,509	234,935
Plant and equipment	254,718	217,596
	498,227	452,531

Harrington Bowling Club Limited

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NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 May 2024

Note 4 Cash and Cash Equivalents

	2024	2023
	\$	\$
Cash at bank and in hand - main club	2,306,777	2,033,430
Cash at bank and in hand - sub clubs	89,744	97,607
	<u>2,396,521</u>	<u>2,131,037</u>

Reconciliation of Cash

Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows are reconciled to items in the statement of financial position as follows:

Cash and cash equivalents	<u>2,396,521</u>	<u>2,131,037</u>
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Note 5 Trade and Other Receivables

Current

Trade receivables	<u>22,290</u>	<u>11,870</u>
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Note 6 Inventories

Current

Finished Goods - at Cost

Bar stock	51,329	47,060
Bistro stock	11,404	13,432
Other consumables	8,498	6,873
	<u>71,231</u>	<u>67,365</u>

Note 7 Other Assets

Current

Prepayments	23,196	8,835
TAB guarantee	5,000	5,000
	<u>28,196</u>	<u>13,835</u>

Harrington Bowling Club Limited

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NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 May 2024

Note 8 Property Plant and Equipment

	2024	2023
	\$	\$
Land and buildings		
Freehold land		
Land at cost	1,377,870	1,377,870
Buildings and freehold improvements		
Buildings at cost	6,601,106	6,464,667
Accumulated depreciation	(3,818,343)	(3,575,152)
Total buildings	<u>2,782,763</u>	<u>2,889,515</u>
Total land and buildings	<u>4,160,633</u>	<u>4,267,385</u>
Plant and equipment		
Plant and equipment at cost	3,464,784	3,291,614
Accumulated depreciation	(2,616,059)	(2,624,577)
Total plant and equipment	<u>848,725</u>	<u>667,037</u>
Total property, plant and equipment	<u>5,009,358</u>	<u>4,934,422</u>

(a) Movements in Carrying Amounts

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

	Land	Buildings	Plant and equipment	Total
	\$	\$	\$	\$
Balance at 1 June 2023	1,377,870	2,889,515	667,037	4,934,422
Additions at cost	-	139,197	465,808	605,005
Disposals	-	(2,440)	(29,402)	(31,842)
Depreciation expense	-	(243,509)	(254,718)	(498,227)
Balance at 31 May 2024	<u>1,377,870</u>	<u>2,782,763</u>	<u>848,725</u>	<u>5,009,358</u>

Harrington Bowling Club Limited

ABN: 56 001 040 311

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 May 2024

Note 9 Intangible assets

	2024	2023
	\$	\$
Goodwill		
Goodwill at cost	774,092	774,092
Accumulated impairment losses	(774,092)	(774,092)
Net carrying value	-	-

Note 10 Trade and Other Payables

Current		
Unsecured liabilities		
Trade payables	207,507	110,696
Accrued expenses	129,929	121,428
Other payables	48,703	62,327
	386,139	294,451

Note 11 Provisions

	Employee benefits	Total
	\$	\$
Opening balance at 1 June 2023	265,061	265,061
Additional provisions	(12,850)	(12,850)
Balance at 31 May 2024	252,211	252,211

Analysis of Total Provisions

Employee Benefits

	2024	2023
	\$	\$
Current	210,114	231,169
Non-current	42,097	33,892
	252,211	265,061

Provision for Employee Benefits

Provision for employee benefits represents amounts accrued for wages, annual leave and long service leave.

The current portion for the provision includes the total amount accrued for wages and annual leave entitlements and amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service.

Harrington Bowling Club Limited

ABN: 56 001 040 311

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 May 2024

Note 11 Provisions (continued)

These amounts are classified as current liabilities since the Company does not have an unconditional right to defer settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion of the provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

Note 12 Other Liabilities

Current

	2024	2023
	\$	\$
Members' subscriptions in advance	<u>10,855</u>	<u>12,982</u>

Note 13 Capital Commitments

(a) Capital Expenditure Commitments

Capital expenditure commitments contracted for:

Intangible assets - poker machine licences	55,000	-
Payable:		
- not later than 12 months	<u>55,000</u>	<u>-</u>

Note 14 Key Management Personnel Compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of that entity. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The aggregate compensation of key management personnel during the financial year comprising amounts paid or payable or provided for was as follows:

Short-term employee benefits	136,882	130,227
Post-employment benefits	15,010	13,618
Other long-term benefits	3,427	2,828
	<u>155,319</u>	<u>146,673</u>

Note 15 Other Related Party Transactions

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

Harrington Bowling Club Limited

ABN: 56 001 040 311

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 May 2024

Note 16 Members' Guarantee

The Company is limited by guarantee. If the Company is wound up, the Constitution states that each member is required to contribute a maximum of \$2 each towards any outstanding obligations of the Company. At 31 May 2024 the number of members was 3,238 (2023: 3,381).

Note 17 Auditors' Remuneration

	2024	2023
Note	\$	\$
Remuneration of the auditor for:		
- Auditing the financial statements	21,400	20,400
- Other non-assurance services	1,500	2,460
Total	22,900	22,860

Note 18 Financial Risk Management

The Company's financial instruments consist mainly of deposits with banks, cash on hand, accounts receivable and payable.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

Financial Assets

Financial Assets at Amortised Cost

Cash and cash equivalents	4	2,396,521	2,131,037
Trade and other receivables	5	22,290	11,870

Total Financial Assets

2,418,811 2,142,907

Financial Liabilities

Financial Liabilities at Amortised Cost

Trade and other payables	10	386,139	294,451
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Total Financial Liabilities

386,139 294,451

(a) Net Fair Values

The net fair values of financial assets and financial liabilities approximates their carrying values. The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

Note 19 Company Details

The registered office and principal place of business of the Company is:

50 Beach Street
Harrington NSW 2427

Harrington Bowling Club Limited

ABN: 56 001 040 311

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Harrington Bowling Club Limited, the Directors of the Company declare that:

1. The financial statements, comprising the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and notes to and forming part of the financial statements, are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Australian Accounting Standards - Simplified Disclosures; and
 - (b) give a true and fair view of the financial position of the Company as at 31 May 2024 and of its performance for the year ended on that date.
2. In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Chairman

Kerry McDONALD

Dated: 1 July 2024



PARTNERS

Paul Fahey B Bus CA

Bart Lawler B Com CA

Patrick Brennan B Com CA

Alison McKinnon B Bus CA

INDEPENDENT AUDITOR'S REPORT

To the Members of Harrington Bowling Club Limited

Opinion

We have audited the financial report of Harrington Bowling Club Limited, which comprises the Statement of Financial Position as at 31 May 2024, the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, notes comprising a Material Accounting Policy Information and other explanatory information, and the Directors' Declaration.

In our opinion, the accompanying financial report of Harrington Bowling 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 31 May 2024 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards - *AASB 1060: General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Report and Auditor's Report Thereon

The Directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 31 May 2024, 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.



PARTNERS

Paul Fahey B Bus CA

Bart Lawler B Com CA

Patrick Brennan B Com CA

Alison McKinnon B Bus CA

To the Members of Harrington Bowling Club Limited

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 - *AASB 1060: General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of a 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless 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 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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.



PARTNERS

Paul Fahey B Bus CA

Bart Lawler B Com CA

Patrick Brennan B Com CA

Alison McKinnon B Bus CA

To the Members of Harrington Bowling Club Limited

Auditor's Responsibilities for the Audit of the Financial Report (continued)

- 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.
- 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 our audit.

NorthCorp Accountants

A handwritten signature in black ink, appearing to read "D Johnson".

Darren Johnson
Registered Company Auditor

10-12 Short Street
Port Macquarie NSW 2444

Dated: 1 July 2024



Women's Bowling Club Report

As I reflect on this year, 2023/2024, I marvel at the continued way in which we all come together in making our Club so successful. We were well represented in our pennants this year having two sides in Grade 4. Both grades playing exceptional bowls. Our grade 4A's scored a win at District level resulting in another flag for our club.

There has been very good play in our championships, and we have been represented in district games, state carnival and at national level.

Our mufti days have been to enjoy ourselves. Amazing what can be produced for "dressing up". Our joint effort with club limited for the Biggest Morning Tea was once again a great success.

We have welcomed several new members whom I feel sure will be an asset to our club. I am very mindful of the behind the scenes work which is carried out by our ladies and of the very generous support of Club Limited.

On behalf of myself, committee and members of the Ladies Club, I would like to thank Chairman Kerry and the Board of Directors, Club General Manager Michael, Bar Staff, Restaurant Staff and Green Keeper Chris for their help and support.

Wishing another successful year for 2024/2025.

Jessie Spencer
President HWBC



Travelling Bowler's Report

This year has seen our games effected by rain and other events that have impacted on our ability to play our Monthly Sunday games.

But even though it was not suitable Sunday to play bowls we had a visit from Tuncurry that got washed out, however they still came over and had a fantastic time at our Club playing Trivia, Carpet Bowls, cards and Pool before having lunch.

We visited Old Bar, and this was also a fabulous day and believe me there where many a happy face on the green with friendly banter between players.

We have also had a couple of in-house games this year and hoping to have more monthly games either in house or seeing us travelling before this year is over. We are now starting to receive interest in teams visiting or us visiting them for 2025 which is awesome to hear.

Speaking about travelling we are off to Nelson Bay in October to play bowls and we are all excited to have the opportunity to play bowls at Nelson Bay, Soldiers Point and Stockton.

Robin Hellyer
Secretary of Travelling Bowlers



Harrington Men's Bowling Club Report

Wow, what a year it was, both positive and a few negatives however we managed all. It was a year that the committee gave me much needed support which made my job a lot easier. To our sponsors Club Harrington, CK Constructions, The Professionals Real Estate and Chrisso's Meats thank you for all your generous support.

I am a very lucky president having 4 Pennant sides make it to the state play-offs, the 2's, 3's, 4's and 6's, but I could have also been an unlucky president sending the Men's club into bankruptcy if the 7 B's had made it through, they lost the semi losing by one shot. This all happened because the selectors did a great job, to Trevor, Matt and Ken you could not have done better. Congratulations we have 4 flags to your credit.

To our Green Keeper Chris Derks, what a stellar job you keep doing year in year out, to produce what I believe the best green in the district with such inclement weather.

We held the flag unfurling for 2's and 4's it was a successful turnout, there were over 72 people who played and rallied to support the winners, we are proud of you all, now to bring a state flag home, that would be great.

It was one of my last official duties at the AGM – to put forward Edward (Ted) Moore as a life member to Harrington Men's Bowling Club and he was voted in unanimously.

To all those players who take to the greens, buy raffle tickets I thank you, your friendship means a lot to me.

Thank you

Paul Dodd
Men's President



Life Members

Thomas Bailey *
Dallas Gill *
William Morgan *
Henry Sinclair *
Percy Atkins *
Reginald Drury *
Raymond White *
Morris Anthony *
Darrell Barker *
Gordon Stewart
Dulcie Ford *
Fol Robertson *
Una Richardson *
Heather Steinmetz *
Robyn Spek
Brenda Dyer
Edward Moore

William Erikson *
William Steinmetz *
Ralph Plummer *
Alec Rae *
William Ward *
Jack Ricketts *
Fred Jenkins *
Clare Brown
George Marshall *
Enid Campbell *
Sylvia Wroblewski *
Jean Rae *
Daphne Crossingham
Gwen Whatson *
Alan Craven *
Kelvin Sweetman

Club Patrons

@ CLUB HARRINGTON

Clare Brown

Bill Burges



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