

BONDI WAVERLEY SQUASH CLUB LIMITED
ABN: 20 000 434 355

ANNUAL REPORT
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30TH SEPTEMBER 2019

BONDI WAVERLEY SQUASH CLUB LIMITED
ABN: 20 000 434 355

CONTENTS

Directors' Report

Notes to Financial Statement

Statement of Cash Flow

Statement of Changes in Equity

Auditor's Independence Declaration

Balance Sheet

Notes to Financial Statement

Directors' Declaration

Independent Auditor's Report

Profit and Loss Statement

Squash Goods Trading

BONDI WAVERLEY SQUASH CLUB LIMITED
A.B.N. 20 000 434 355

DIRECTOR'S REPORT

The Directors present the following Report for the year ended 30th September, 2019.

The names of the Directors of the Company in office at the date of the report are:

COWLING, John
MAZZONE, Michael
HARMS, Patrick
HECK, Christopher
ZAVOS, Zachary

INTERESTS OF DIRECTORS IN CONTRACTS WITH THE COMPANY:

There were no material contracts involving directors' interests at the end of the financial year, or, if not then subsisting, entered into since the end of the previous financial year.

PRINCIPAL ACTIVITIES:

The principal activities of the company during the year have been those of a registered sporting club.

There has been no significant change in the nature of those activities during the year.

RESULT:

The company earned a profit for the financial year of \$28,809. The company does not have a share capital and therefore the directors do not have to recommend the payment of a dividend. There was no provision for Income Tax as none is payable.

Our Cash balances increased by \$64,947 over the year and at 30th September, 2019 stood at \$177,282

INFORMATION OF BOARD OF DIRECTORS:

Chris Heck, RICS

Age: 42

Skills & Experience

15 years in commercial property in England and Australia.

Focusing on the redevelopment aspect and talent scouting for comp.

2 years as a Board member

Zac Zavos, BA (Psych), MCom (Info Sys & Mgt)

Age: 45

Skills & Experience

Twenty years in business including ten as co-founder and CEO of a digital media business. Zac served as a divisional CEO within a listed media company before co-founding his venture investment fund. Zac has experience with several advisory boards in business and non-profit sectors.

Zac first played squash at Bondi Waverley Squash Club in the 1980s and recalls taking a few points off club legend Sir William McMahon.

14 months as a Board Member

Michael Mazzone, BCom, BLaw, MLaw

Age: 50

Skills & Experience

25 years as a solicitor in private practice. Co-founder and director of technology startup.

Served 11 years on the Board

Patrick Harms, B.App.Sc (Computing)

Age: 59

Skills & Experience

Patrick has had 38 years so far in the IT industry in Australia and the UK, predominantly in technical roles. Board member and Secretary of the Bondi Waverley Squash Club since 2010.

Patrick also had committee roles at other sports clubs.

Served 10 years on the Board

John Cowling, B Sc (Econ); FCA; FAICD; FFIN

Age 72:

Skills & Experience

John had a 40 year corporate career in Australia, US and UK and Asia and has held positions as CEO of public and private companies in Australia and overseas. John has held directorships in public and private companies.

John played for Sydney University Squash Club pennant teams from 1975 to 2017 and is still involved with student squash.

2 years as a Board member

DIRECTORS' BENEFITS:

Neither since the financial year nor during the financial year has a Director received or become entitled to receive a benefit by reason of a contract made with the Director, a firm of which the Director was a member or an entity in which the Director has a substantial financial interest, by the Company or an entity that the Company controlled, or a body corporate that was related to the Company when the contract was made or when the Director received or became entitled to receive the benefit.

INDEMNIFICATION:


During the financial year the Company paid a premium for a Directors and Officers Liability Insurance Policy, which insures all Directors and Officers named in this report against certain liabilities as set out under the terms and conditions of the policy.

Signed in accordance with a resolution of the Directors.

DIRECTOR:


M. Mazzone

DIRECTOR:


J. Cowling

DIRECTOR:


P. Harms

SYDNEY

21st December, 2019

BONDI WAVERLEY SQUASH CLUB LIMITED

ABN: 20 000 434 355

**NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 30TH SEPTEMBER, 2019**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The principal accounting policies adopted by the company are stated in order to assist in a general understanding of the financial statements. These policies have been consistently applied except as otherwise stated.

The financial statements have been drawn up in accordance with the Corporations Regulations and applicable Australian Accounting Standards.

BASIS OF ACCOUNTING:

The financial statements have been prepared on the historical cost basis and except where stated do not take into account current valuations of non-current assets.

The carrying amounts of non-current assets do not exceed the net amounts that are expected to be recovered through the cash inflows and outflows arising from continued use and subsequent disposal.

- (a) **Investments -**
Investments are shown at cost. All interest earned is shown in the Revenue Accounts.
- (b) **Depreciation –**
Non-Current Assets, except for Freehold Land, are depreciated at rates so as to write-off their cost over their useful lives.
- (c) **Maintenance and Repairs –**
Maintenance, repair costs and minor renewals are charged against income as incurred.
- (d) **Inventories (stock on hand) –**
All Inventories are valued at the lower of cost and net realisable value. Cost is calculated on invoice price on a first in first out basis.
- (e) **Income Tax -**
No provision has been made for Federal Income Tax as none is payable

(f) **Employee Entitlements –**

The amounts expected to be paid to employees for their pro rata entitlement to long service, annual and sick leave have been accrued at current rates of pay. Contributions are made to an industry superannuation plan in accordance with employees' entitlements under their awards.

(g) **Comparative Figures –**

Comparative figures are shown as they were in the 2017/2018 accounts, except where material changes in accounting classifications have occurred during the year when they have been, where possible, restated in accordance with the change. The additional dissections and apportionment of expenditure shown in the 2018/2019 accounts is for the further information of members.

(h) **Core Property –**

The land and building at 8 Denison Street, Bondi Junction, NSW 2022 is classified as core property pursuant to Section 41J (2) of the Registered Club Act 1976. The club does not own any non-core property.

The Directors note that this property now has an estimated value of \$11 million. The increased value is not recorded in the Balance Sheet as it is not the Club's intention to liquidate the asset.

The Directors are looking at ways to refurbish or redevelop the Club. Any proposal will not interrupt or reduce the facilities available to members or stop them enjoying continuous use of squash facilities in the Eastern Suburbs.

2. OPERATING PROFIT:	2019	2018
Operating Profit before abnormal items and income tax has been determined after charging as Expense:		
Depreciation	20,074	21,364
Audit and Accountancy Fees	4,950	4,950

3. **FINANCIAL REPORTING BY SEGMENTS:**

The Club operates predominantly in one industry. The principal activity of the Club is that of a Licensed Club under Part 10 of the New South Wales Liquor Act. The Club operates predominantly in one geographical area, being Bondi Junction, N.S.W., Australia.

4. RELATED PARTIES:

The names of each person holding the position of director of the Bondi Waverley Squash Club Limited during the financial year are Messrs J. Cowling, M. Mazzone, P. Harms, C. Heck and Z. Zavos.

No director derived any remuneration from the Club during the course of the financial year.

5. COMPANY LIMITED BY GUARANTEE:

Bondi Waverley Squash Club Limited is a company limited by guarantee with the liability of members limited to the amount set out in the Company's Memorandum and Articles of Association.

The other information required to be shown by the Corporations Regulations is contained in the accompanying Financial Accounts and Balance Sheet.

THESE NOTES SHOULD BE READ IN CONJUNCTION WITH THE FINANCIAL ACCOUNTS AND BALANCE SHEET FOR THE YEAR ENDED 30th SEPTEMBER, 2019.

BONDI WAVERLEY SQUASH CLUB LTD
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH SEPTEMBER, 2019

	2019	2018
	\$	\$
Cash at beginning of year	112,335	84,652
	=====	=====
Notes to the Statement of Cash Flows		
Reconciliation of Cash		
Cash at the end of financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:		
Cash on Hand	6,000	6,000
Commonwealth Bank	<u>171,282</u>	<u>106,335</u>
	177,282	112,335
	=====	=====
Reconciliation of Net Cash provided by Operating Activities to profit from ordinary activities after Income Tax.		
Operating profit (loss) after income tax	28,809	14,677
Non-cash flows in profit from ordinary activities		
Depreciation	<u>20,074</u>	<u>21,364</u>
	48,883	36,041
	=====	=====
Changes in Assets and Liabilities		
Purchase Plant & Equipment	(3,995)	(7,148)
Decrease (Increase) in Current Assets	13,158	(16,578)
Increase (Decrease) of Liabilities	<u>6,901</u>	<u>15,368</u>
	16,064	(8,358)
	=====	=====
Cash Flows from Operations	\$64,947	\$27,683
	=====	=====

The accompanying notes form part of these financial statements.

BONDI WAVERLEY SQUASH CLUB LIMITED

ABN 20 000 434 355

STATEMENT OF CHANGES IN EQUITY
AS AT 30TH SEPTEMBER, 2019

	<u>2019</u>	<u>2018</u>
	\$	\$
Members Equity at the beginning of the year	346,834	332,157
Net Profit/(Loss) for Year	28,809	14,677
Members Equity at the end of the year	<u>\$375,643</u> =====	<u>\$346,834</u> =====

The accompanying notes form part of these Financial Statements

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
BONDI WAVERLEY SQUASH CLUB LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 30 September 2019 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Name of Firm: David J Hoggett
CPA

Name of Partner:

David J Hoggett



Address: PO Box 342 Waverley NSW 2024

Dated this 21st day of December 2019

BONDI WAVERLEY SQUASH CLUB LIMITED
ABN 20 000 434 355

BALANCE SHEET
AS AT 30 SEPTEMBER 2019

	Note	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	177,282	112,335
Inventories	4	25,071	38,062
Prepayments		1,399	1,571
TOTAL CURRENT ASSETS		<u>203,752</u>	<u>151,968</u>
NON-CURRENT ASSETS			
Property, plant and equipment	5	213,433	229,508
TOTAL NON-CURRENT ASSETS		<u>213,433</u>	<u>229,508</u>
TOTAL ASSETS		<u>417,185</u>	<u>381,476</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	6	39,567	32,573
Borrowings	7	1,975	2,068
TOTAL CURRENT LIABILITIES		<u>41,542</u>	<u>34,641</u>
TOTAL LIABILITIES		<u>41,542</u>	<u>34,641</u>
NET ASSETS		<u>375,643</u>	<u>346,835</u>
EQUITY			
Retained earnings	8	375,643	346,835
TOTAL EQUITY		<u>375,643</u>	<u>346,835</u>

The accompanying notes form part of these financial statements.

BONDI WAVERLEY SQUASH CLUB LIMITED
ABN 20 000 434 355

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019

The financial statements cover the business of Bondi Waverley Squash Club Limited and have been prepared to meet the needs of stakeholders and to assist in the preparation of the tax return.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The Company is non reporting since there are unlikely to be any users who would rely on the general purpose financial statements.

The special purpose financial statements have been prepared in accordance with the significant accounting policies described below and do not comply with any Australian Accounting Standards unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Summary of Significant Accounting Policies
Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first-in-first-out basis and is net of any rebates and discounts received.

Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

Property, Plant and Equipment

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

Depreciation

Property, plant and equipment excluding freehold land, is depreciated on a straight line basis over the assets useful life to the company, commencing when the asset is ready for use.

BONDI WAVERLEY SQUASH CLUB LIMITED
ABN 20 000 434 355

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019

Impairment of Non-Financial Assets

At the end of each reporting period the company determines whether there is an evidence of an impairment indicator for non-financial assets.

Where this indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss , except for goodwill.

Cash and Cash Equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

BONDI WAVERLEY SQUASH CLUB LIMITED
ABN 20 000 434 355

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019

Revenue and Other Income

Revenue is recognised when the business is entitled to it.

Sale of goods

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest revenue

Interest revenue is recognised using the effective interest rate method.

Rendering of services

Revenue in relation to rendering of services is recognised depends on whether the outcome of the services can be measured reliably. If this is the case then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period. If the outcome cannot be reliably measured then revenue is recognised to the extent of expenses recognised that are recoverable.

Other income

Other income is recognised on an accruals basis when the company is entitled to it.

BONDI WAVERLEY SQUASH CLUB LIMITED
ABN 20 000 434 355

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019

	2019	2018
	\$	\$
3 Cash and Cash Equivalents		
Cash on Hand	6,000	6,000
Commonwealth Bank	70,896	71,071
Commonwealth Bank - Business Online	100,386	35,264
	<u>177,282</u>	<u>112,335</u>
4 Inventories		
Current		
Stock on Hand - Bar	5,959	7,620
Stock on Hand - Squash Goods	19,112	30,442
	<u>25,071</u>	<u>38,062</u>
5 Property, Plant and Equipment		
Land and Buildings		
Freehold Land & Improvements	143,332	143,332
Squash Court Improvements	14,794	14,794
Building Improvements	163,416	163,416
Less: Accumulated Depreciation	(152,919)	(146,382)
	<u>25,291</u>	<u>31,828</u>
Total Land and Buildings	<u>188,623</u>	<u>175,160</u>
Plant & Equipment	402,291	418,021
Less: Accumulated Depreciation	(362,481)	(368,673)
	<u>39,810</u>	<u>49,348</u>
Glassware & Kitchenware	3,250	3,250
Squash Equipment & Towels	1,750	1,750
Total Plant and Equipment	<u>44,810</u>	<u>54,348</u>
Total Property, Plant and Equipment	<u>213,433</u>	<u>229,508</u>
6 Trade and Other Payables		
Current		
Sundry Creditors	37,557	31,073
Subscriptions in Advance	2,010	1,500
	<u>39,567</u>	<u>32,573</u>

BONDI WAVERLEY SQUASH CLUB LIMITED
ABN 20 000 434 355

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019

	2019 \$	2018 \$
7 Borrowings		
Current		
Prepaid Competition Fees	<u>1,975</u>	<u>2,068</u>
Total borrowings	<u>1,975</u>	<u>2,068</u>
8 Retained Earnings		
Retained earnings at the beginning of the financial year	346,834	332,158
Net profit attributable to members of the company	28,809	14,677
Retained earnings at the end of the financial year	<u>375,643</u>	<u>346,835</u>

BONDI WAVERLEY SQUASH CLUB LIMITED
ABN 20 000 434 355

DIRECTORS' DECLARATION

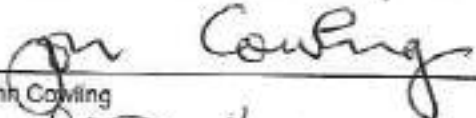
The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 1 to 7, present fairly the Company's financial position as at 30 September 2019 and its performance for the year ended on that date in accordance with the accounting policies described in Note 2 to the financial statements; and
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director:



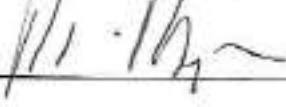
John Cowling

Director:



Patrick Harms

Director:



Michael Mazzone

Dated this 21st day of December 2019

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF BONDI WAVERLEY SQUASH CLUB LIMITED
ABN 20 000 434 355**

Report on the Audit of the Financial Report

Opinion

I have audited the accompanying financial report, being a special purpose financial report, of Bondi Waverley Squash Club Limited, (the company) which comprises the balance sheet as at 30 September 2019, and the income statement and other comprehensive income for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In my opinion, the accompanying financial report of the company is in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the company's financial position as at 30 September 2019 and of its financial performance for the year ended; and

(ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am 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 (the code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the code.

I 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 auditor's report.

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

Emphasis of Matter- Basis of Accounting

I draw attention to note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the Corporations Act 2001. As a result, the financial report may not be suitable for another purpose. My opinion is not modified in respect to this matter.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF BONDI WAVERLEY SQUASH CLUB LIMITED
ABN 20 000 434 355**

Responsibilities of 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 and have determined that the basis of preparation described in note 1 to the financial report is appropriate to meet the requirements of the Corporations Act 2001 and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine 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 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 Responsibility for the Audit of the Financial Report

My 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.

Name of Firm: David J Hoggett
CPA

Name of Principal: _____
David J Hoggett



Address: PO Box 342 Waverley NSW 2024

Dated this 21st day of December 2019

BONDI WAVERLEY SQUASH CLUB LIMITED
ABN 20 000 434 355

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2019

	2019	2018
	\$	\$
INCOME		
Court Hire Fees	151,088	156,780
Squash Goods Trading	10,018	12,806
Competition, Pennant & Tournament Fees	23,863	29,730
Poker Machine Duty - Rebate	670	882
Players Subscription Plan	47,314	-
Hire of Club Premises	2,391	239
	<u>235,324</u>	<u>200,437</u>
OTHER INCOME		
Poker Machine Revenue	3,484	10,058
Interest Received	184	192
Subscriptions	7,455	9,590
Sundry Income	59,037	17,513
Gross profit from trading	40,570	48,274
	<u>110,730</u>	<u>85,627</u>
	<u>346,054</u>	<u>286,064</u>

The accompanying notes form part of these financial statements.

BONDI WAVERLEY SQUASH CLUB LIMITED
ABN 20 000 434 355

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2019

	2019	2018
	\$	\$
EXPENSES		
Accountancy Fees	1,860	1,860
Advertising	4,022	-
Auditor's Remuneration	3,090	3,090
Bank Charges	609	4,347
Bookkeeping	5,210	3,593
Cleaning	22,607	8,770
Competition & Championship Fees	7,491	5,593
Computer Software & Maintenance	6,753	2,372
Depreciation	20,074	21,364
Electricity & Gas	8,605	15,855
Fire Safety & Alarms	495	295
Glassware & Stores	5,803	1,887
Insurance	14,698	11,251
Members Amenities	2,483	1,694
Printing Postage & Stationery	578	223
Rates	13,324	16,452
Repairs & Maintenance	42,594	13,414
Salaries & Wages	128,737	137,874
Security Costs	735	985
Staff Training	350	-
Staff Uniforms	1,283	-
Subscriptions & Licences	2,424	2,955
Sundry Expenses	2,100	377
Superannuation Contributions	13,694	11,520
Telephone, Website & Internet	1,895	1,758
Trade Waste	4,141	1,142
T Shirts - Competition	1,590	2,716
	317,245	271,387
Profit before income tax	28,809	14,677

The accompanying notes form part of these financial statements.

BONDI WAVERLEY SQUASH CLUB LTD

ABN: 20 000 434 355

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER, 2019

SQUASH GOODS TRADING FOR YEAR ENDED -	30.9.19	30.9.18
	\$	\$
SQUASH GOODS SALES	49,066	31,763
Less: COST OF SALES		
Opening Stock	30,442	16,520
Squash Accessories Purchase	26,966	25,316
Squash Equipment Hire	782	3,553
Squash Mechanics	-	<u>5,949</u>
	<u>58,160</u>	<u>51,338</u>
Less:		
Closing Stock	<u>19,112</u>	<u>30,442</u>
	<u>39,048</u>	<u>20,896</u>
	<hr/>	<hr/>
NET PROFIT FOR YEAR:	\$10,018	\$10,867
	=====	=====