

**LARA SPORTING CLUB INC.  
COMMITTEE OF MANAGEMENT REPORT**

Your committee of management present their report on the financial accounts for the year ended 30 September 2023.

**COMMITTEE OF MANAGEMENT**

The names of the Committee Members throughout the year and at the date of this report are:

President	Peter Kelly
Treasurer	Brett Gillett
Secretary	Carol Stone
Member	Andrew Gunther
Member	Brett Ritchie
Member	Carolyn Baum
Member	Louise Goodwin
Member	Reg Cook

**PRINCIPAL ACTIVITIES**

The principal continuing activities during the year consisted of:

Provision of Club facilities, including the operation of a licensed gaming venue, to Club members and their guests.

**SIGNIFICANT CHANGE IN OPERATIONS**

No significant change in the nature of these activities occurred during the year.

**OPERATING RESULT**

	<b>2023</b>	<b>2022</b>
	\$	\$
Net Result for the Period	325,615	398,705

**COMMITTEE OF MANAGEMENT BENEFITS**

Since the end of the previous financial year, no Committee Member has received or become entitled to receive a benefit other than:


- (a) a benefit included in the aggregate amount of emoluments received or due and receivable by Committee Members shown in the accounts; or
- (b) the fixed salary of a full time employee of the entity of a related corporation.

By reason of a contract by the entity or a related corporation with the committee Member or with a firm that has a substantial financial interest.

Signed on behalf of the Committee of Management.

  
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**COMMITTEE MEMBER**

  
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**COMMITTEE MEMBER**

Dated this 22nd day of November 2023

**LARA SPORTING CLUB INC.**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

	Notes	2023 \$	2022 \$
<b>REVENUE</b>			
Revenue from Operating Activities	2	3,559,634	3,089,989
Revenue from Non-Operating Activities	2	663,861	604,552
<b>TOTAL REVENUE</b>		<u>4,223,495</u>	<u>3,694,541</u>
<b>EXPENSES</b>			
Cost of Goods Sold		(594,520)	(454,271)
Employee Expenses	3	(1,051,200)	(798,335)
Operational Expenses	4	(2,059,668)	(1,833,392)
<b>TOTAL EXPENSES</b>		<u>(3,705,388)</u>	<u>(3,085,998)</u>
<b>Net Result Before Capital &amp; Specific Items</b>		<u>518,107</u>	<u>608,543</u>
Depreciation and Amortisation Expense	5	(192,492)	(209,838)
<b>DEFICIT FOR THE YEAR</b>		<u>325,615</u>	<u>398,705</u>
<b>OTHER COMPREHENSIVE INCOME</b>		-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>325,615</u>	<u>398,705</u>

**LARA SPORTING CLUB INC.**

**STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023**

	Notes	2023 \$	2022 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	6	535,135	648,896
Trade and Other Receivables	7	73,085	66,981
Inventories	8	30,248	22,087
Other Assets - TAB Bond		5,000	5,000
<b>Total Current Assets</b>		<u>643,468</u>	<u>742,964</u>
<b>Non-Current Assets</b>			
Property Plant & Equipment	9	2,043,594	1,804,310
Intangible Assets	10	654,616	-
Right of Use Asset	11	19,501	40,776
<b>Total Non-Current Assets</b>		<u>2,717,711</u>	<u>1,845,086</u>
<b>TOTAL ASSETS</b>		<u>3,361,179</u>	<u>2,588,050</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	12	188,558	171,420
Employee Entitlement	13	65,335	47,226
Interest Bearing Liabilities	14	185,441	123,790
Lease Liabilities	15	21,500	22,410
Other Borrowings	16	74,568	74,568
<b>Total Current Liabilities</b>		<u>535,402</u>	<u>439,414</u>
<b>Non-Current Liabilities</b>			
Employee Entitlement	13	9,428	16,896
Interest Bearing Liabilities	14	503,936	48,874
Lease Liabilities	15	-	21,500
Other Borrowings	16	596,547	671,115
<b>Total Non-Current Liabilities</b>		<u>1,109,911</u>	<u>758,385</u>
<b>TOTAL LIABILITIES</b>		<u>1,645,313</u>	<u>1,197,799</u>
<b>NET ASSETS</b>		<u>1,715,866</u>	<u>1,390,251</u>
<b>EQUITY</b>			
Retained Earnings	17	1,715,866	1,390,251
<b>TOTAL EQUITY</b>		<u>1,715,866</u>	<u>1,390,251</u>

**LARA SPORTING CLUB INC.**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

	Notes	Retained Earnings \$	Total \$
<b>Balance at 1 October 2021</b>		<u>991,546</u>	<u>991,546</u>
Total comprehensive income		398,705	398,705
<b>Balance at 30 September 2022</b>	17	<u>1,390,251</u>	<u>1,390,251</u>
Total comprehensive income		325,615	325,615
<b>Balance at 30 September 2023</b>	17	<u>1,715,866</u>	<u>1,715,866</u>

**LARA SPORTING CLUB INC.**

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 SEPTEMBER 2023**

	Notes	2023 \$	2022 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Customers & Members		2,418,888	2,027,390
Receipts from Gaming		1,482,637	2,041,318
Borrowing Costs		(16,557)	(16,338)
Payments for Suppliers		(3,046,078)	(2,563,149)
Payments for Employees		(1,040,559)	(824,479)
Net GST (Paid to)/Received from the ATO		(4,313)	6,546
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	22b	<u>(205,982)</u>	<u>671,288</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for property, plant and equipment		(327,514)	(712,553)
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>		<u>(327,514)</u>	<u>(712,553)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Net Proceeds from/(Repayment of) borrowings		430,419	(47,927)
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>		<u>430,419</u>	<u>(47,927)</u>
<b>NET INCREASE/DECREASE IN CASH HELD</b>		(103,077)	(89,192)
<b>CASH AT BEGINNING OF FINANCIAL YEAR</b>		644,464	733,656
<b>CASH AT END OF FINANCIAL YEAR</b>	22a	<u>541,387</u>	<u>644,464</u>

## LARA SPORTING CLUB INC.

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

#### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

##### Basis of preparation

The financial statements are general purpose financial statements which has been prepared in accordance with Australian Accounting Standards, Accounting Interpretations and the *Associations Incorporation Reform Act 2012 (Vic)*. The Association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report 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.

a)

As at 30 September 2023, the Club had equity, represented by Retained Earnings of \$1,715,866 (2022: \$1,390,251). The Club has working capital surplus of \$160,459 (2022: \$303,550). The Club recorded a net profit of \$325,615 (2022: 398,705).

The Club has undertaken to refurbish its facilities with the financial support of its major gaming supplier and has taken action to reduce operating expenditure. The club is therefore expecting improved daily takings from its gaming and bar operations to ensure future financial viability. Accordingly, the continuing viability of the Club and its ability to continue as a going concern and meet its debts and commitments as they fall due are dependent upon the Club being successful in:

- continuing to achieve improved future cash flows from its operations
- obtaining further additional funding, capital raising or donations.

The Committee believes that the Club will be successful in achieving the above objectives and accordingly have prepared the financial report on a going concern basis.

At this time, the directors are of the opinion that no asset is likely to be realised for an amount less than the amount at which it is recorded in the financial report as at 30 September 2023. Accordingly, no adjustments have been made to the financial report relating classifications of liabilities that to the recoverability and the classification of the asset carrying amounts or the amounts and might be necessary should the Club not continue as a going concern.

b) Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, deposits at call and highly liquid investments with an original maturity of 3 months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of change in value.

For the Statement of Cash Flows presentation purposes, cash and cash equivalent includes bank overdrafts, which are included as current borrowings in the Statement of Financial Position.

c) Receivables

Receivables and other debtors include amounts due from members as well as receivables from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of reporting period are classified as current assets. All other receivables are classified as non-current assets.

d) Inventories

Inventories include goods and other property held either for sale or distribution at no or nominal cost in the ordinary course of business operations. It includes land held for sale and excludes depreciable assets.

Inventories held for distribution are measured at cost, adjusted for any loss of service potential. All other inventories, including land held for sale, are measured at the lower of cost and net realisable value.

The basis used in assessing loss of service potential for inventories held for distribution include current replacement cost and technical or functional obsolescence. Technical obsolescence occurs when an item still functions for some or all of the tasks it was originally acquired to do, but no longer matches existing technologies. Functional obsolescence occurs when an item no longer functions the way it did when it was first acquired.

# LARA SPORTING CLUB INC.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

#### e) Financial Instruments

##### **Initial recognition and measurement**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e., trade date accounting is adopted). Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified "at fair value through profit or loss" in which case transaction costs are expensed to profit or loss immediately.

##### **Classification and subsequent measurement**

###### Financial assets and liabilities at amortised cost

Financial assets and liabilities are measured at amortised cost if both of the following criteria are met:

- the assets are held to collect the contractual cash flows, and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interests.

These assets and liabilities are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method less any impairment.

###### Financial assets at fair value through other comprehensive income

Debt investments are measured at fair value through other comprehensive income if both of the following criteria are met and the assets are not designated as fair value through net result:

- the assets are held to achieve its objective both by collecting the contractual cash flows and by selling the financial assets, and;
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interests.

###### Financial assets at fair value through profit or loss

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

##### **Impairment**

At the end of each reporting period, the entity assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

##### **Derecognition**

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying value of the financial liability, which is extinguished or transferred to another party, and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

#### f) Property, Plant and Equipment

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

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present.

The cost of fixed assets constructed by the association includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the association and the cost of the item can be measured reliably. All other repairs and maintenance are recognised in the profit or loss during the financial period in which they are incurred.

#### g) Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is available for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

## LARA SPORTING CLUB INC.

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

#### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

g) Depreciation (cont.)

The following table indicates the expected useful lives of non-current assets on which the depreciation charges are based.

Asset Class	2023	2022
Property	Up to 10 years	Up to 10 years
Buildings	Up to 40 years	Up to 40 years
Plant & Equipment	Up to 10 years	Up to 10 years
Furniture & Fittings	Up to 10 years	Up to 10 years
Electronic Gaming Machines (EGMs)	Up to 6 years	Up to 6 years
Bar & Kitchen Equipment	Up to 10 years	Up to 10 years

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

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.

h) Net Gain/(Loss) on Non-Financial Assets

Apart from Intangible Assets with indefinite useful lives, all other non-financial assets are assessed annually for indications of impairment, except for:

- inventories;
- assets arising from employee benefits;
- financial instrument assets;
- investment property that is measured at fair value; and
- non-current assets held for sale.

If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their possible recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written-off as an expense except to the extent that the write-down can be debited to an asset revaluation reserve amount applicable to that class of asset.

i) Comparative Figures

Where necessary comparative figures have been reclassified to facilitate comparisons.

j) Payables

Payables represent the liability outstanding at the end of the reporting period for goods and services received by the Association during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

k) Goods & 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 Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the Statement of Financial Position. Cash flows are represented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

Commitments and contingent assets and liabilities are presented on a gross basis.



## LARA SPORTING CLUB INC.

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

#### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

##### l) Employee Benefits

Provision is made for the Association'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. 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 any vesting requirements. Those cash outflows are discounted using market yields on national Government bonds with terms of maturity that match the expected timing of cash flows.

##### Superannuation

Contribution to employee superannuation plans are expensed when incurred.

##### On-Costs

Employee benefit on-costs are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities.

##### m) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the Association are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amount equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the Association will obtain ownership of the asset or ownership over the term of the lease.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

##### n) Income Tax

Lara Sporting Club Inc. is exempt from income tax under *section 50.45* of the *Income Tax Assessment Act 1997* as amended, as the Club was established to encourage a game or sport.

##### o) Income Recognition

Revenue is recognised in accordance with AASB 15 *Revenue*. Income is recognised as revenue to the extent it is earned. Unearned income at reporting date is reported as income in advance. Amount disclosed as revenue are, where applicable, net of returns, allowances and duties and taxes.

##### Gaming

Income derived from Electronic Gaming Machines is recognised when the cash is received.

##### Food

Income derived for the provision of meals is recognised when the cash is received.

##### Memberships

Membership income is recognised when the cash is received.

##### Interest

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

##### Other Income

Other income is recognised as revenue when the cash is received.

**LARA SPORTING CLUB INC.**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

- p) New Accounting Standards for Application during the current period.

No new accounting standards for the current year.

- q) Loans provided by PVS

Funds were provided in the prior and current years to assist with payment of gaming licence instalments and refurbishments. The balance payable as at 30 September 2022 is \$671,115 and was provided on the basis that the club will remain with PVS as gaming service provider until March 2032.

The amounts provided are being amortised against the gaming machine payments to PVS over that period. Other amounts provided by PVS will be subject to a loan and repayment schedule in future periods.

LARA SPORTING CLUB INC.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

NOTE 2: REVENUE

	2023	2022
	\$	\$
<b>Revenue from Operating Activities</b>		
Bar Revenue - Lara Club	656,476	616,103
Bistro Revenue	638,449	372,837
Gaming Revenue	2,018,402	1,855,743
TAB Commission	66,899	33,861
Other Commission & Rebates	46,668	33,459
Other Revenue	113,633	153,814
Membership	19,107	24,172
<b>Total Revenue from Operating Activities</b>	<u>3,559,634</u>	<u>3,089,989</u>
<b>Revenue from Non Operating Activities</b>		
Sport Club Revenue	663,861	604,552
<b>Total Revenue from Non Operating Activities</b>	<u>663,861</u>	<u>604,552</u>
<b>Total Revenue</b>	<u>4,223,495</u>	<u>3,694,541</u>

NOTE 3: EMPLOYEE EXPENSES

Salary & Wages	929,164	738,275
Superannuation	68,193	50,979
Payroll Tax	683	4,351
Workcover	11,260	13,834
Training	1,742	4,027
Uniform	3,214	4,832
Other Staff Costs	36,944	(17,963)
<b>Total Employee Expenses</b>	<u>1,051,200</u>	<u>798,335</u>

LARA SPORTING CLUB INC.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

NOTE 4: OPERATIONAL EXPENSES

	2023 \$	2022 \$
<b>Sporting Expenses</b>	641,815	553,555
<b>Other Operational Expenses</b>		
<b>Administration Expenses</b>		
Advertising & Club Promotions	136,922	182,308
Bank Charges	16,557	16,338
Donations	13,307	18,848
Printing, Postage & Stationery	16,152	10,507
Licences & Golf Cart Rentals	13,476	10,285
Computer Expenses	20,266	22,608
Other Expenses	157,248	44,801
	<u>373,928</u>	<u>305,695</u>
<b>Occupancy Expenses</b>		
Light, Heat & Power	63,004	54,425
Cleaning	143,654	86,860
Insurance	39,864	33,176
Rates (including water)	21,283	21,079
Rent (including grounds)	(14,380)	(2,000)
Interest on ROU Asset	1,590	2,680
Telephone & Internet	13,830	18,502
Repair & Maintenance	50,608	35,131
Security	12,741	1,399
	<u>332,194</u>	<u>251,252</u>
<b>Direct Expenses</b>		
Gaming Expenses	628,384	661,251
Other Bar Expenses	4,666	3,301
TAB Terminal & Consumable Charges	41,884	26,850
Sky channel	20,988	16,068
Entertainment	15,809	15,290
	<u>711,731</u>	<u>722,760</u>
<b>Sundry Expenses</b>	<u>-</u>	<u>130</u>
<b>Total Other Operational Expenses</b>	<u>1,417,853</u>	<u>1,279,837</u>
<b>TOTAL OPERATIONAL EXPENSES</b>	<u>2,059,668</u>	<u>1,833,392</u>
<b>NOTE 5: DEPRECIATION &amp; AMORTISATION</b>		
Depreciation Expenses	88,229	64,119
Amortisation Expenses	104,263	145,719
<b>TOTAL DEPRECIATION &amp; AMORTISATION</b>	<u>192,492</u>	<u>209,838</u>

LARA SPORTING CLUB INC.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

**NOTE 6: CASH & CASH EQUIVALENTS**

	2023 \$	2022 \$
Cash at Bank	419,497	519,519
Cash on Hand	115,638	129,377
<b>TOTAL CASH &amp; CASH EQUIVALENTS</b>	<u>535,135</u>	<u>648,896</u>

**NOTE 7: TRADE & OTHER RECEIVABLES**

Trade Debtors	45,290	16,821
Other Debtors	205	36,880
ATM Reimbursements Due	27,590	13,280
<b>TOTAL TRADE &amp; OTHER RECEIVABLES</b>	<u>73,085</u>	<u>66,981</u>

**NOTE 8: INVENTORIES**

Lara Club Bar Stock on Hand	16,996	16,389
Bistro Stock on Hand	13,252	5,698
<b>TOTAL INVENTORIES</b>	<u>30,248</u>	<u>22,087</u>

**NOTE 9: PROPERTY, PLANT & EQUIPMENT**

Leasehold Improvement at Cost	220,000	220,000
less Accumulated Depreciation	<u>(220,000)</u>	<u>(220,000)</u>
	-	-
Building at Cost	895,916	895,916
less Accumulated Depreciation	<u>(388,973)</u>	<u>(366,569)</u>
	506,943	529,347
Plant & Equipment at Cost	673,037	606,462
less Accumulated Depreciation	<u>(289,725)</u>	<u>(252,255)</u>
	383,312	354,207
Fixtures & Fittings at Cost	433,809	433,809
less Accumulated Depreciation	<u>(366,699)</u>	<u>(364,152)</u>
	67,110	69,657
Venue Renovations at Cost	1,151,733	890,794
less Accumulated Depreciation	<u>(65,504)</u>	<u>(39,695)</u>
	1,086,229	851,099
<b>TOTAL PROPERTY, PLANT &amp; EQUIPMENT</b>	<u>2,043,594</u>	<u>1,804,310</u>

LARA SPORTING CLUB INC.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

NOTE 9: PROPERTY, PLANT & EQUIPMENT (CONT)

Reconciliations of the carrying amounts of each class of property, plant & equipment at the beginning and end of the current financial year is set out below:

	Venue Renovations	Buildings	Plant & Equipment	Furniture & Fittings	Total
	\$	\$	\$	\$	\$
<b>Balance at 30 September 2021</b>	213,455	551,751	318,467	72,204	1,155,877
Additions	649,110	-	63,443	-	712,553
Disposals at WDV	-	-	-	-	-
Depreciation Expense (Note 5)	(11,466)	(22,404)	(27,703)	(2,547)	(64,120)
Transfers Out	-	-	-	-	-
<b>Balance at 30 September 2022</b>	851,099	529,347	354,207	69,657	1,804,310
Additions	260,939	-	66,575	-	327,514
Disposals at WDV	-	-	-	-	-
Depreciation Expense (Note 5)	(25,809)	(22,404)	(37,470)	(2,547)	(88,230)
Transfers Out	-	-	-	-	-
<b>Balance at 30 September 2023</b>	1,086,229	506,943	383,312	67,110	2,043,594

NOTE 10: INTANGIBLE ASSETS

	2023	2022
	\$	\$
Gaming Machine Entitlements	737,605	1,419,587
Less Accumulated Amortisation	(82,989)	(1,419,587)
<b>TOTAL INTANGIBLE ASSETS</b>	654,616	-

The Club purchased gaming machine entitlements for 50 machines in 2009/10, via the Victoria State Government's pre auction club offer and a subsequent auction process. The initial entitlements took effect from 16 August 2012 and were for a ten year period, they were renewed in August 2022 for a further ten year period.

Reconciliations of the carrying amounts of Intangible Assets at the beginning and end of the current year is set out below:

<b>Carrying Amount at Start of Year</b>	-	124,445
Plus Additions	737,605	-
Less Disposals	-	-
Less Amortisation	(82,989)	(124,445)
<b>Carrying amount at End of Year</b>	654,616	-

NOTE 11: RIGHT OF USE ASSET

At Cost	104,598	104,598
Less: accumulated depreciation	(85,097)	(63,822)
<b>TOTAL RIGHT OF USE ASSET</b>	19,501	40,776

The Organisation's lease portfolio relates to Land and buildings only. Lease terms are for just under 10 years.

Options to extend or terminate are contained in the property leases of the Association. These clauses provide the Association opportunities to manage leases in order to align with its strategies.

All of the extension or termination options are only exercisable by the Association.

The extension or termination options which were probable to be exercised have been included in the calculation of the Right of Use Asset.

**Related amounts recognised in the Statement of Comprehensive Income**

Depreciation charge related to right-of-use asset	21,274	21,247
Interest expense on lease liabilities	1,590	2,680
Short-term leases expense	22,410	24,000

NOTE 12: TRADE & OTHER CREDITORS

Trade Creditors	67,813	79,921
Accrued Expenses	43,975	24,060
Amount Payable to ATO	70,217	63,111
Other Creditors	6,553	4,328
<b>TOTAL TRADE &amp; OTHER CREDITORS</b>	188,558	171,420

LARA SPORTING CLUB INC.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

**NOTE 13: EMPLOYEE ENTITLEMENTS**

	2023 \$	2022 \$
Current Employee Entitlement Provisions		
Annual Leave Provisions	45,448	42,135
Long Service Leave Provisions	19,887	5,091
Total Current Employee Entitlement Provisions	<u>65,335</u>	<u>47,226</u>
Non Current Employee Entitlement Provisions		
Long Service Leave Provisions	9,428	16,896
Total Non Current Employee Entitlement Provisions	<u>9,428</u>	<u>16,896</u>
<b>TOTAL EMPLOYEE ENTITLEMENTS</b>	<u><u>74,763</u></u>	<u><u>64,122</u></u>

**NOTE 14: INTEREST BEARING LIABILITIES**

Current

Bank Overdraft	(6,252)	4,432
Leases	13,257	11,811
Other Loans	78,328	107,547
Gaming Machine Entitlement Loan	100,108	-
	<u>185,441</u>	<u>123,790</u>

Non Current

Bendigo Bank Loan	-	31,469
Leases	3,427	17,405
Gaming Machine Entitlement Loan	500,509	-
	<u>503,936</u>	<u>48,874</u>

**TOTAL INTEREST BEARING LIABILITIES**

689,377      172,664

**NOTE 15: LEASE LIABILITY**

Current	21,500	22,410
Non Current	-	21,500

**TOTAL LEASE LIABILITY**

21,500      43,910

**NOTE 16: OTHER BORROWINGS**

Current

PVS Loan - unsecured	74,568	74,568
	<u>74,568</u>	<u>74,568</u>

Non Current

PVS Loan - unsecured	596,547	671,115
	<u>596,547</u>	<u>671,115</u>

**TOTAL OTHER BORROWINGS**

671,115      745,683

Included within the Other Borrowings is the following PVS Loan:

\$671,115 which is being repaid at a rate of \$6,214 per month and had a relief period of 6 months during 2020 due to COVID-19 preventing the use of Gaming Machines. Loan will be repaid by March 2032.

LARA SPORTING CLUB INC.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

**NOTE 17: EQUITY & CONTRIBUTED CAPITAL**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Retained Earnings		
Retained Earnings at the Beginning of the Reporting Period	1,390,251	991,546
Net Result for the Year	325,615	398,705
Retained Earnings at the End of Reporting Period	<u>1,715,866</u>	<u>1,390,251</u>

**NOTE 18: CONTINGENT ASSETS & CONTINGENT LIABILITIES**

There are no known contingent assets and liabilities for the organisation.

**NOTE 19: CAPITAL & LEASING COMMITMENTS**

a) Operating Lease Commitments

All lease commitments are recorded under the AASB 16 Leasing Standards.

b) Capital Commitments - Property, Plant & Equipment

There are no finance capital commitments for the organisation.

**NOTES 20: EVENTS OCCURRING AFTER BALANCE DATE**

No significant transactions or activities have occurred since 30 September 2023.

**NOTE 21: AUDITORS REMUNERATION**

Remuneration of the auditor of the association for:  
- Auditing and reviewing the financial report

9,819	9,330
<u>9,819</u>	<u>9,330</u>

**NOTE 22: RECONCILIATION OF CASH**

a) *For the purpose of the Statement of Cash Flows, cash assets include cash on hand and in banks. Cash at the end of the year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:*

	<b>Note</b>		
Cash & Cash Equivalents - Operational Funds of the Club	<b>6</b>	535,135	648,896
Less Bank Overdraft	<b>14</b>	6,252	(4,432)
		<u>541,387</u>	<u>644,464</u>



**LARA SPORTING CLUB INC.**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**NOTE 22: RECONCILIATION OF CASH (Cont.)**

b) Reconciliation of Net Result for the year to Net Cash Inflow/(Outflow) from Operating Activities:

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Net Result for the Period</b>	325,615	398,705
Depreciation & Amortisation	192,492	209,838
(Gain)/Loss on Disposal of Assets	-	-
(Increase)/decrease in Trade & Other Receivables	(6,104)	4,284
(Increase)/decrease in Inventories	(8,159)	(6,568)
(Increase)/decrease in Gaming Machine Entitlements	(737,605)	-
Increase/(decrease) in Trade & Other Payables	17,138	91,173
Increase/(decrease) in Employee Entitlements	10,641	(26,144)
<b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES</b>	<b>(205,982)</b>	<b>671,288</b>

**NOTE 23: RELATED PARTY TRANSACTIONS**

a) No Board Members received remuneration during the year

b) Key management personnel compensation:

- short term employee benefits	125,311	103,952
- post-employment benefits	15,958	13,501
	141,269	117,453

c) Related Party Transactions

There were no transactions with related parties during the year.

**NOTE 24: FINANCIAL INSTRUMENTS**

**Financial Risk Management Objectives and Policies**

Lara Sporting Club's principal financial instruments comprise of deposits with banks, accounts receivable and payable and interest bearing liabilities and other financial liabilities.

The totals 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:

	<b>Note</b>	<b>Carrying Amount 2023</b>	<b>Carrying Amount 2022</b>
		<b>\$</b>	<b>\$</b>
<b>Financial Assets</b>			
Cash at Bank	<b>6</b>	419,497	519,519
Trade & Other Receivables	<b>7</b>	73,085	66,981
<b>Total Financial Assets</b>		<b>492,582</b>	<b>586,500</b>
<b>Financial Liabilities</b>			
<b>At amortised cost</b>			
Trade & Other Payables	<b>12</b>	188,558	171,420
Interest Bearing Liabilities	<b>14</b>	689,377	172,664
Lease Liability	<b>15</b>	21,500	43,910
Other Borrowings	<b>16</b>	671,115	745,683
<b>Total Financial Liabilities</b>		<b>1,570,550</b>	<b>1,133,677</b>

LARA SPORTING CLUB INC.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

NOTE 24: FINANCIAL INSTRUMENTS (Cont.)

Specific Financial Risk Exposures and Management

a) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to Lara Sporting Club.

The Association does not have any material credit risk exposures.

Credit risk exposures

The maximum exposure to credit risk, by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of Financial Position.

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality.

The Association has no significant concentration of credit risk exposure to any single counterparty or group of counterparties.

b) Liquidity Risk

Liquidity risk arises from the possibility that Lara Sporting Club might encounter difficulty in settling its debts or otherwise its obligations related to financial liabilities. Lara Sporting Club manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operations
- investing and financing activities; and
- only investing surplus cash with major financial institutions.

The table below discloses the contractual maturity analysis for Lara Sporting Club's financial liabilities.

Financial liability and financial assets maturity analysis

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Financial Liabilities Due for Payment</b>								
Trade & Other Payables	188,558	171,420	-	-	-	-	188,558	171,420
Interest Bearing Liabilities	133,048	123,790	556,329	48,874	-	-	689,377	172,664
Lease Liabilities	21,500	22,410	-	21,500	-	-	21,500	43,910
Other Borrowings	74,568	74,568	298,272	298,273	298,275	372,842	671,115	745,683
<b>Total contractual outflows</b>	<b>417,674</b>	<b>392,188</b>	<b>854,601</b>	<b>368,647</b>	<b>298,275</b>	<b>372,842</b>	<b>1,570,550</b>	<b>1,133,677</b>
<b>Total expected outflows</b>	<b>417,674</b>	<b>392,188</b>	<b>854,601</b>	<b>368,647</b>	<b>298,275</b>	<b>372,842</b>	<b>1,570,550</b>	<b>1,133,677</b>
<b>Financial Assets - Cash Flow Realisable</b>								
Cash at Bank	419,497	519,519	-	-	-	-	419,497	519,519
Trade & Other Receivables	73,085	66,981	-	-	-	-	73,085	66,981
<b>Total anticipated inflows</b>	<b>492,582</b>	<b>586,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>492,582</b>	<b>586,500</b>
<b>Net (outflow)/inflow on financial instruments</b>	<b>74,908</b>	<b>194,312</b>	<b>(854,601)</b>	<b>(368,647)</b>	<b>(298,275)</b>	<b>(372,842)</b>	<b>(1,077,968)</b>	<b>(547,177)</b>

c) Market Risk

i) Interest rate risk

The financial assets of Lara Sporting Club are not exposed to any significant interest rate risk since cash balances are maintained at various fixed interest rates.

**LARA SPORTING CLUB INC.**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**NOTE 24: FINANCIAL INSTRUMENTS (Cont.)**

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instruments will fluctuate due to changes in market interest rates. Interest rate risk arises from interest bearing financial assets and liabilities that are used.

The interest rate exposure on the debt portfolio is managed by appropriate budgeting strategies and by managing in accordance with target maturity profiles.

ii) Price risk

Price risk relates to the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices.

Lara Sporting Club is exposed to insignificant foreign currency risk and other price risks.

**Sensitivity analysis**

The following table illustrates sensitivities to the Association's exposure to changes in interest rates.

The table indicates the impact on how profit at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables

- a parallel shift of + 1% and -2% in market interest rates (AUD).

	2023	Interest rate risk			
		-2% - 200 basis points		1% + 100 basis points	
		Profit	Equity	Profit	Equity
	\$	\$	\$	\$	\$
<b>Financial Assets:</b>					
Cash at Bank	419,497	(8,390)	(8,390)	4,195	4,195
Trade & Other Receivables	73,085	-	-	-	-
<b>Financial Liabilities:</b>					
Trade & Other Payables	188,558	-	-	-	-
Interest Bearing Liabilities	689,377	(13,788)	(13,788)	6,894	6,894
Other Financial Liabilities	21,500	(430)	(430)	215	215
Other Borrowings	671,115	(13,422)	(13,422)	6,711	6,711

No sensitivity analysis has been performed on foreign exchange risk as the Association is not exposed to foreign currency fluctuations.

**Net Fair Values**

Fair value estimation

The fair values of financial assets and liabilities are presented in the following table and can be compared to their carrying values as presented in the Statement of Financial Position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Differences between fair values and carrying values of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the Association. Most of these instruments which are carried at amortised cost (i.e. trade receivables, loan liabilities) are to be held until maturity and therefore the net fair value figures calculated bear little relevance to the Association.

Net Fair Value	Carrying Amount 2023 \$	Net Fair Value 2023 \$	Carrying Amount 2022 \$	Net Fair Value 2022 \$
<b>Financial Assets</b>				
Cash at Bank	419,497	419,497	519,519	519,519
Trade & Other Receivables	73,085	73,085	66,981	66,981
<b>Total financial Assets</b>	<u>492,582</u>	<u>492,582</u>	<u>586,500</u>	<u>586,500</u>

LARA SPORTING CLUB INC.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

NOTE 24: FINANCIAL INSTRUMENTS (Cont.)

Net Fair Value	Carrying Amount 2023 \$	Net Fair Value 2023 \$	Carrying Amount 2022 \$	Net Fair Value 2022 \$
<b>Financial Liabilities</b>				
Trade & Other Payables	188,558	188,558	171,420	171,420
Interest Bearing Liabilities	689,377	689,377	172,664	172,664
Other Financial Liabilities	21,500	21,500	43,910	43,910
Other Borrowings	671,115	671,115	745,683	745,683
<b>Total Financial Liabilities</b>	<u>1,570,550</u>	<u>1,570,550</u>	<u>1,133,677</u>	<u>1,133,677</u>

**LARA SPORTING CLUB INC.**

**DECLARATION BY THE COMMITTEE**

The Committee of Management declare that:

1. The financial statements and notes of the Club set out on pages 1 to 19:
  - (a) present fairly the organisation's financial position as at 30 September 2023 and its performance and cash flows for the year ended on that date in accordance with Australian Accounting Standards;
2. In the committee's opinion there are reasonable grounds to believe that the Club 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 Committee of Management and is signed on behalf of the Committee by:



Committee Member



Committee Member

Dated this 24<sup>th</sup> day of November. 2023

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF LARA SPORTING CLUB INC.**

**Opinion**

We have audited the financial report of Lara Sporting Club Inc (the association), which comprises the statement of financial position as at 30 September 2023, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration by those charged with governance.

In our opinion, the accompanying financial report gives a true and fair view of the financial position of the Association as at 30 September 2023, and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards.

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Association in accordance with the 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 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.

**Responsibilities of Management and Those Charged with Governance for the Financial Report**

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

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**/ DIRECTORS**

Stephen Wight CA  
Stephen Kirtley CA

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GMN International is an association of  
legally independent accounting firms





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

Stephen Kirtley  
*Director*

Dated this 27<sup>th</sup> day of November, 2023

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