

**Victorian Bridge Association Limited**  
ACN 004 595 993

**Financial Report**

**For the Year Ended 31 August 2022**

**Victorian Bridge Association Limited**  
**ACN 004 595 993**

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**Victorian Bridge Association Limited**  
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**DIRECTORS' REPORT**

Your directors present their report on the Victorian Bridge Association Limited (the Association) for the year ended 31 August 2022.

**Directors**

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

- Mr C.W. Leach (President)
- Mr C.F.T Hoff (Treasurer)
- Mr D. Morgan (Vice President)
- Mrs J. Thompson (Vice President) (Company Sec till 13 Dec 2021)
- Mr C J Jasper (Company Secretary) – Appointed 13 December 2021
- Mr R Giles
- Mr A Krolkowski
- Ms B Lindsay
- Mr D Poulton
- Ms J. van Riel
- Mr G Morris – appointed 13th December 2021
- Ms A Gedge – appointed 13th December 2021
- Ms R O'Reilly – appointed 13th December 2021
- Mr M Phillips – resigned 13th December 2021

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

**Review of Operations**

The VBA is a not-for-profit organisation. The objectives of the company, both short and long term, are to promote and foster interest in the game of bridge throughout Victoria.

The VBA has achieved those objectives by organising and conducting championships, other tournaments, and other bridge events, courses and meetings. The VBA co-operates with the Australian Bridge Federation and other bridge Associations to achieve national agreement in matters of laws, regulations, ethics and procedures.

**Principal Activities**

The principal activities of the Company during the financial year were fulfilling its role as the accredited body responsible for the administration of bridge in Victoria; conducting competition and duplicate bridge sessions and events on a regular basis; holding bridge teaching classes and promoting and fostering bridge generally.

Additionally the Company provided Victorian bridge clubs with thorough rulings and advice on bridge laws, regulations, ethics, procedures and teaching. The VBA in achieving those objectives works with all interested parties to ensure the effective and efficient administration and promotion of bridge

The VBA measures its performance both financially and in terms of bridge participation and player performance. The VBA regularly considers the total number of registered bridge players in Victoria as well as the number of registered bridge players per unit population. The VBA also considers the performance of Victorian players in national and international competitions, particularly the Interstate Teams championships.

The loss of the company for the year ended 31 August 2022 was \$2,777 compared with a profit in the previous year of \$33,522.

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**DIRECTORS' REPORT (continued)**

**Significant Changes in the State of Affairs**

**COVID19 Pandemic impact and projections**

The VBA recommenced full face to face operations in November 2021. The pandemic, however, has had a major impact on bridge throughout Australia with people participating suffering a severe decline. This has resulted in much lower ongoing income for the VBA.

**Events Subsequent to the End of the Reporting Period**

The VBA entered into an agreement on 8 August 2022 to purchase the business known as the Dendy Park Bridge Club (DPBC), which is conditional on the agreement of a sub-lease from the Brighton Bowls and Sporting Club Incorporated (BBSCI) and a Service Agreement with G & J Gaspar Pty Ltd.

While not yet satisfied, the conditions are expected to be met by the end of 2022.

**Likely Developments and Expected Results of Operations**

Successful purchase of the DPBC would be followed by the move of all VBA operations to clubrooms leased from BBSCI at Dendy Park, an increase in membership, a reduction in operation costs, the sale of the VBA property at 121 Poath Road, Murrumbena and the establishment of a Future Fund to support future objectives of the VBA.

**Environmental Regulation**

The company is not materially affected by any environmental regulation in respect of its activities.

The Association is registered as a company limited by guarantee and has no share capital. The Memorandum of Association does not permit distributions to members.

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**DIRECTORS' REPORT (continued)**

**Information on the Directors and the Secretary**

The information on directors and secretaries is as follows:

Mr C. Leach	Non-Executive Director
Special responsibilities	President
Mr C. Hoff	Non-Executive Director
Special responsibilities	Treasurer
Mr D. Morgan	Non-Executive Director
Special responsibilities	Vice President
Ms J. Thompson	Non-Executive Director
Special responsibilities	Vice President
	Company Secretary up to 13 <sup>th</sup> Dec 2021
Mr C Jasper	Company Secretary (Appointed 13 <sup>th</sup> December 2021)
Mr R. Giles	Non-Executive Director
Mr A. Krolikowski	Non-Executive Director
Ms B. Lindsay	Non-Executive Director
Mr D Poulton	Non-Executive Director
Ms J van Riel	Non-Executive Director
Mr G Morris	Non-Executive Director (Appointed 13 <sup>th</sup> December 2021)
Ms A Gedge	Non-Executive Director (Appointed 13 <sup>th</sup> December 2021)
Ms R O'Reilly	Non-Executive Director (Appointed 13 <sup>th</sup> December 2021)
Mr M Phillips	Non-Executive Director (Resigned 13 <sup>th</sup> December 2021)

**Meetings of Directors**

DIRECTORS	DIRECTORS' MEETINGS	
	Number eligible to attend	Number attended
Mr C. Leach (President)	11	11
Mr C Hoff (Treasurer)	11	11
Mrs J. Thompson (Company Secretary & Vice President)	11	9
Mr D. Morgan (Vice President)	11	9
Mr C Jasper (Company Secretary)	8	8
Mr R Giles	11	10
Mr A. Krolikowski	11	11
Ms B. Lindsay	11	11
Mr M Phillips	3	1
Mr D Poulton	11	10
Ms J van Riel	11	10
Mr G Morris	8	7
Ms A Gedge	8	7
Ms R O'Reilly	8	6

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**DIRECTORS' REPORT (continued)**

**Indemnifying Officers or Auditor**

The constitution of the company includes provisions which indemnify directors and other officers out of the assets of the company against liability incurred in defending any proceedings whether civil or criminal in which judgment is given in that person's favour or in which the person is acquitted or in connection with an application under the *Corporations Act 2001* in which relief is granted to that person by the court in respect of negligence, default, breach of duty or breach of trust.

During or since the end of the financial year, the company has given indemnity or entered an agreement to indemnify or paid or agreed to pay insurance premiums as follows.

The company has paid premiums in respect of an insurance contract to indemnify officers against liabilities that may arise from their positions as officers of the company. Officers indemnified include the company secretary, all directors and all executive officers participating in the management of the company.

**Proceedings on Behalf of the Entity**

No person has applied for leave of a Court to bring proceedings on behalf of the entity or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the entity for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

**Members' Guarantee**


The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the articles of association state that each member is required to contribute a maximum of \$2 each towards meeting any outstanding obligations of the company. At 31 August 2022, the amount that members of the company are liable to contribute if the company is wound up is \$570 (2021: \$624).

**Auditor's Independence Declaration**

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 21.

This Directors' report is signed in accordance with a resolution of the Board of Directors

Director

  
Mr C.W. Leach (President)

Director

  
Mr C.F.T Hoff (Treasurer)

Dated this 9<sup>th</sup> day of November 2022



# Victorian Bridge Association Limited

ACN 004 595 993

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022	2021
		\$	\$
<b>Income</b>			
State Fees & Commission		45,533	48,360
Club Membership Fees		8,016	8,461
State Competitions		36,529	23,604
VCC		77,264	-
Duplicate Income		23,124	42,780
Club Competitions		19,869	16,136
Congresses		1,514	18,384
Classes & Courses		25,401	13,647
Bridge Requisites		2,655	25
Clubroom Rent		400	0
Interest		177	551
Café Income		-	145
JobKeeper and Other Government Support		22,400	94,850
Other income		48,339	198
<b>Total Income</b>		<b>311,221</b>	<b>267,141</b>
<b>Expense</b>			
Administrative Expenses		(82,382)	(86,109)
ANC Representation Expenses		(21,463)	(1,389)
State Competitions		(26,144)	(12,829)
Australian National Championships		0	(134)
Victor Champion Cup		(72,990)	(4,408)
Duplicate Expenses		(16,774)	(42,183)
Club Competitions		(9,833)	(9,104)
Congresses		(1,212)	(10,044)
Classes & Courses Expenses		(20,118)	(12,530)
Bridge Requisites Used in Play		(1,178)	-
Clubroom Expenses		(44,786)	(38,934)
Depreciation and Amortisation		(2,288)	(3,363)
Café Expenses		(1,566)	(1,216)
Audit		(4,503)	(3,808)
Bank Fees		(2,799)	(2,451)
Other Expenses		(5,962)	(5,117)
<b>Total Expenses</b>		<b>(313,998)</b>	<b>(233,619)</b>
<b>Profit/(Loss) before Income Tax</b>	<b>2</b>	<b>(2,777)</b>	<b>33,522</b>
Income tax expense		-	-
<b>Profit/(loss) for the year</b>		<b>(2,777)</b>	<b>33,522</b>
Other comprehensive income after income tax		-	-
<b>Total comprehensive income/(loss) for the year</b>		<b>(2,777)</b>	<b>33,522</b>
Total comprehensive income attributable to members of the entity		<b>(2,777)</b>	<b>33,522</b>

The accompanying notes form part of these financial statements.

**Victorian Bridge Association Limited**

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**STATEMENT OF FINANCIAL POSITION  
AS AT 31 AUGUST 2022**

	Notes	2022	2021
		\$	\$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	3	293,325	268,651
Trade and other receivables	4	1,382	31,018
Other current assets	5	31,631	37,124
<b>Total Current Assets</b>		<b>326,338</b>	<b>336,793</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	6	4,804,126	4,806,064
<b>Total Non-Current Assets</b>		<b>4,804,126</b>	<b>4,806,064</b>
<b>TOTAL ASSETS</b>		<b>5,130,464</b>	<b>5,142,857</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	7	132,966	140,235
Provisions	8	4,572	6,919
<b>Total Current Liabilities</b>		<b>137,538</b>	<b>147,154</b>
<b>TOTAL LIABILITIES</b>		<b>137,538</b>	<b>147,154</b>
<b>NET ASSETS</b>		<b>4,992,926</b>	<b>4,995,703</b>
<b>EQUITY</b>			
Asset Revaluation Reserve		3,219,887	3,219,887
Retained profits		1,773,039	1,775,816
<b>TOTAL EQUITY</b>		<b>4,992,926</b>	<b>4,995,703</b>

The accompanying notes form part of these financial statements.



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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 AUGUST 2022**

	Retained Earnings	Asset Revaluation Reserve	Total
	\$	\$	\$
<b>Balance at 01 September 2020</b>	<b>1,742,294</b>	<b>3,219,887</b>	<b>4,962,181</b>
Profit/(Loss) for the year	33,522		33,522
Other comprehensive income for the year	-	-	-
Total comprehensive income	33,522		33,522
<b>Balance at 31 August 2021</b>	<b>1,775,816</b>	<b>3,219,887</b>	<b>4,995,703</b>
Profit/(Loss) for the year	(2,777)		(2,777)
Other comprehensive income for the year	-	-	-
Total comprehensive income	(2,777)	-	(2,777)
<b>Balance at 31 August 2022</b>	<b>1,773,039</b>	<b>3,219,887</b>	<b>4,992,926</b>

The accompanying notes form part of these financial statements.

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

	Notes	2022 \$	2021 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from members and customers		379,084	412,358
Payments to suppliers and employees		(354,273)	(384,157)
Interest received		212	494
Net cash (used in)/generated from operating activities	9(b)	25,023	28,695
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payment for property, plant and equipment		(349)	-
Net cash used in investing activities		(349)	-
Net increase/(decrease) in cash held		24,674	28,695
Cash at the beginning of the financial year		268,651	239,956
Cash at the end of the financial year	9(a)	293,325	268,651

The accompanying notes form part of these financial statements.

**Victorian Bridge Association Limited**  
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**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

Victorian Bridge Association Limited is a company limited by guarantee, incorporated and domiciled in Australia. Victorian Bridge Association Limited is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

**Reporting Basis and Conventions**

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependent on general purpose financial reports. This financial report is therefore a special purpose financial report that has been prepared in order to meet the requirements of the *Corporations Act 2001*.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the *Corporations Act 2001* and the significant accounting policies disclosed below which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements are presented in Australian dollars and have been prepared on an accruals basis (except for the cash flow information) and are based on historical costs unless otherwise stated in the notes. The material accounting policies that have been adopted in the preparation of this report are as follows:

**Accounting Policies**

**a. Revenue and Other Income**

Revenue from the rendering of a service is recognised upon the delivery of the service.

Donations and bequests are recognised as revenue when received.

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

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

**b. Inventories**

Inventories are measured at the lower of cost and current replacement cost.

**c. Property, Plant and Equipment**

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

**Property**

Freehold land and buildings are shown at their fair value based on periodic, but at least triennial, valuations by external independent valuers unless the Directors believe that the value shown still represents their fair value.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same class of asset are charged against fair value reserves directly in equity; all other decreases are charged to the statement of comprehensive income.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Plant and Equipment**

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

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount of these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date it is acquired.

**Depreciation**

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

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

<b>Class of Fixed Asset</b>	<b>Depreciation Rate</b>
Plant and equipment	10 – 25%

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised immediately in profit or loss. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

**d. Employee Benefits**

Provision is made for the entity's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits expected to be settled within one year together with benefits arising from wages, salaries and annual leave which may be settled after one year, have been measured at the amounts expected to be paid when the liability is settled plus related on costs. Other employee benefits payable later than one year have been measured at the net present value.

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

**e. Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of one year or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

**f. 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 entity commits itself to either purchase or sell the asset.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction 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. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15 : *Revenue from Contracts with Customers* .

**Classification and subsequent measurement**

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss.

Measurement is on the basis of two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:

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

A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

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.

The entity initially designates a financial instrument as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as an "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance with the documented risk management or investment strategy and information about the groupings is documented appropriately, so the performance of the financial liability that is part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; and
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

The initial measurement of financial instruments at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

**Derecognition**

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

*Derecognition of financial assets*

A financial asset is derecognised when the holder'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 the following criteria need to be satisfied for the derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Entity no longer controls the asset (ie it has no practical ability to make unilateral decisions to sell the asset to a third party).

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.

On derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity that the entity elected to classify as at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings

**Impairment**

The entity recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets (eg amount due from customers under contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The entity uses the following approaches to impairment, as applicable under AASB 9 :

*Financial Instruments :*

- the general approach;
- the simplified approach;



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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

- the purchased or originated credit-impaired approach; and
- low credit risk operational simplification.

*General approach*

Under the general approach, at each reporting period, the entity assesses whether the financial instruments are credit-impaired, and:

- if the credit risk of the financial instrument has increased significantly since initial recognition, the Entity measures the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses; and
- if there has been no significant increase in credit risk since initial recognition, the Entity measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

*Simplified approach*

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times.

This approach is applicable to:

- trade receivable; and
- lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivables is used, taking into consideration various data to get to an expected credit loss (ie diversity of its customer base, appropriate groupings of its historical loss experience, etc).

*Purchased or originated credit-impaired approach*

For financial assets that are considered to be credit-impaired (not on acquisition or originations), the entity measures any change in its lifetime expected credit loss as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

Evidence of credit impairment includes:

- significant financial difficulty of the issuer or borrower;
- a breach of contract (eg default or past due event);
- where a lender has granted to the borrower a concession, due to the borrower's financial difficulty, that the lender would not otherwise consider;
- the likelihood that the borrower will enter bankruptcy or other financial reorganisation; and
- the disappearance of an active market for the financial asset because of financial difficulties.

*Low credit risk operational simplification approach*

If a financial asset is determined to have low credit risk at the initial reporting date, the entity assumes that the credit risk has not increased significantly since initial recognition and, accordingly, it can continue to recognise a loss allowance of 12-month expected credit loss. In order to make such a determination that the financial asset has low credit risk, the entity applies its internal credit risk ratings or other methodologies using a globally comparable definition of low credit risk.

A financial asset is considered to have low credit risk if:

- there is a low risk of default by the borrower;
- the borrower has strong capacity to meet its contractual cash flow obligations in the near term; and
- adverse changes in economic and business conditions in the longer term, may, but not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

A financial asset is not considered to carry low credit risk merely due to existence of collateral, or because a borrower has a lower risk of default than the risk inherent in the financial assets, or lower than the credit risk of the jurisdiction in which it operates.

*Recognition of expected credit losses in financial statements*

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

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

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. The amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (eg loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

**g. Goods and Services Tax (GST)**

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. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the statement of financial position are shown inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables in the statement of financial position.

Cash flows are presented in the statement of cash flows 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.

**h. Income Tax**

No provision for income tax has been raised, as the entity has self-assessed as being exempt from income tax.

**i. Provisions**

Provisions are recognised when the entity 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 at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

**j. Comparative figures**

Where required comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Where an entity applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statement a statement of financial position as at the beginning of the earliest comparative period must be disclosed.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**k. Critical Accounting Estimates and Judgments**

The directors evaluate estimates and judgments 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.

**l. Economic Dependence**

Victorian Bridge Association Limited is not dependent on any other entity

**2 Profit for the year**

Profit from ordinary activities has been determined after:

	<b>2022</b>	2021
	<b>\$</b>	\$
Expenses		
Depreciation of property, plant and equipment	<b>2,288</b>	3,363
Remuneration of the auditor for Audit or review services	<b>4,503</b>	3,808

**3 Cash and Cash Equivalents**

	<b>2022</b>	2021
	<b>\$</b>	\$
Petty Cash	<b>100</b>	275
Cash at bank		
ANZ Cheque Account VBA Foundation	<b>12,036</b>	12,038
ANZ Cheque Account	<b>89,490</b>	64,834
ANZ V2 Plus Account		
ANZ Term Deposit VBA Foundation	<b>21,141</b>	21,120
ANZ Term Deposit	<b>170,558</b>	170,387
	<b>293,325</b>	268,654

**4 Trade and Other Receivables**

	<b>2022</b>	2021
	<b>\$</b>	\$
Current		
Trade Debtors	<b>1,382</b>	<b>31,018</b>
Other Debtors	<b>-</b>	<b>-</b>
	<b>1,382</b>	<b>31,018</b>

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

**5 Other Current Assets**

	2022	2021
	\$	\$
Current		
Prepayments	30,875	35,909
Accrued Income	756	231
GST Refund	-	984
	<u>31,631</u>	<u>37,124</u>

**6 Property, Plant and Equipment**

	2022	2021
	\$	\$
Land and Buildings		
Freehold land and buildings	2,500,000	2,500,000
Revaluation at 31 <sup>st</sup> August 2018 (a)	2,300,000	2,300,000
Total Land and Buildings	<u>4,800,000</u>	<u>4,800,000</u>
Furniture and Fittings		
At cost	83,541	83,541
Less accumulated depreciation	(83,476)	(83,394)
Total Furniture and Fittings	<u>65</u>	<u>147</u>
Café Equipment and Furniture		
At cost	23,418	23,418
Less accumulated depreciation	(21,000)	(20,151)
Total Café Equipment and Furniture	<u>2,418</u>	<u>3,267</u>
Computer & Other Equipment		
At cost	94,913	94,564
Less accumulated depreciation	(93,270)	(91,914)
Total Equipment	<u>1,643</u>	<u>2,650</u>
Total Property, Plant and Equipment	<u>4,804,126</u>	<u>4,806,064</u>

- (a) The property at 131 Poath Road Murrumbena, Vic 3136 was revalued to market value on 31<sup>st</sup> August 2018 based upon a valuation provided by Savills (Vic) Pty Ltd. The revaluation surplus was credited to the Asset revaluation reserve in Equity.

**Victorian Bridge Association Limited**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

**7 Trade and Other Payables**

	2022 \$	2021 \$
Current		
Trade Creditors	12,485	9,085
Marketing Fund	39,050	39,050
Accrued expenses	14,802	13,826
Income received in Advance	17,026	28,979
GST	1,150	-
Grand National Open Teams	365	-
Future Bridge Fund	5,406	5,406
Lilli Allgood Bequest	36,061	38,120
Youth Fundraising	3,464	2,612
Youth Bridge Group	3,157	3,157
	<b>132,966</b>	<b>140,235</b>

**8 Provisions**

	2022 \$	2021 \$
Current		
Employee benefits	4,572	6,919
	<b>4,572</b>	<b>6,919</b>

**9 Cash Flow Information**

	2022 \$	2021 \$
<b>(a) Reconciliation of cash</b>		
Cash at the end of the financial year as shown in the Cash Flow Statement is reconciled to the related items in the statement of financial position as follows:		
Cash on hand	100	275
Cash at bank	293,225	368,379
	<b>293,325</b>	<b>268,654</b>

**(b) Reconciliation of cash flows from operating activities with profit after income tax**

Profit/(Loss) after income tax	(2,777)	33,522
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**Non-cash flows in profit**

Depreciation	2,288	3,363
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**Changes in assets and liabilities**

(Increase)/decrease in trade and other receivables	29,635	7,739
(Increase)/decrease in other assets	5,493	(25,316)
(Increase)/decrease in inventories	-	380
Increase/(decrease) in trade and other payables	(7,269)	6,110
Increase/(decrease) in provisions	(2,347)	2,897

<b>Cash flows (used in)/provided by operating activities</b>	<b>25,023</b>	<b>28,695</b>
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**10 Events occurring after the reporting date**

No events have occurred since the reporting date that would materially affect the financial statements.

**11 Related Party Transactions**

All directors of the company give of their time freely and are not remunerated in any way in respect of services provided to the company.

Apart from the details disclosed in this note, no director has entered into a material contract with the company since the end of the previous financial year and there were no material contracts involving directors' interests subsisting at the year end.

From time to time and through competitive selection criteria, directors of the company and/ or a person related to them can be and have been selected to represent Victoria in the Australian National Championships and the Grand National Open Teams. All state representatives are entitled to receive subsidies for airfares, attendance at official functions and a nominal per diem allowance. Subsidies payable to directors, which are significantly less than the actual costs of participating in the aforementioned competitions, are on terms and conditions no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-director related persons on an arm's length basis.

From time to time, for the sake of convenience, directors of the company procure and pay for goods and services on behalf of the company. Such expenditure is reimbursed in the ordinary course of business on terms and conditions no more favourable than those available, or which might reasonable be expected to be available, on similar transactions to non-director related persons on an arm's length basis.

**12 Members' Guarantee**

The company is limited by guarantee. If the company is wound up, the articles of association state that each member is required to contribute a maximum of \$2 each towards meeting any outstanding obligations of the company. At 31 August 2022 the number of members was 285 (2021: 312).

**13 Entity Details**

The registered office of the company is:

Victorian Bridge Association Limited  
131 Poath Road  
Murrumbeena VIC 3163

The principal place of business is:

Victorian Bridge Association Limited  
131 Poath Road  
Murrumbeena VIC 3163



**Victorian Bridge Association Limited**  
**ACN 004 595 993**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**14 Subsequent Events**

The VBA entered into an agreement on 8 August 2022 to purchase the business known as the Dendy Park Bridge Club (DPBC), which is conditional on the agreement of a sub-lease from the Brighton Bowls and Sporting Club Incorporated (BBSCI) and a Service Agreement with G & J Gaspar Pty Ltd.

While not yet satisfied, the conditions are expected to be met by the end of 2022.

Successful purchase of the DPBC would be followed by the move of all VBA operations to clubrooms leased from BBSCI at Dendy Park, an increase in membership, a reduction in operation costs, the sale of the VBA property at 121 Poath Road, Murrumbeena and the establishment of a Future Fund support future objectives of the VBA."

**Victorian Bridge Association Limited**  
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**DIRECTORS' DECLARATION  
FOR THE YEAR ENDED 31 AUGUST 2022**


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 outlined in Note 1 to the financial statements.

The directors of the company declare that:

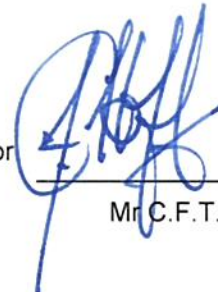
1. In the directors' opinion the financial statements and notes, as set out on pages 5 to 19, are in accordance with the *Corporations Act 2001* and;
  - i. comply with Australian Accounting Standards as described in Note 1 to the financial statements and the Corporations Regulations 2001; and
  - ii. give a true and fair view of the company's financial position as at 31 August 2022 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
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

  
Mr C.W. Leach (President)

Director

  
Mr C.F.T. Hoff (Treasurer)

Dated this

9<sup>th</sup> day of November

2022



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
VICTORIAN BRIDGE ASSOCIATION LIMITED  
ACN 004 595 993**

**Opinion**

We have audited the financial report, being a special purpose financial report, of Victorian Bridge Association Limited (the Entity), which comprises the statement of financial position as at 31 August 2022, the statement of profit or loss and other 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 directors' declaration.

In our opinion, the accompanying financial report of Victorian Bridge Association Limited is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Entity's financial position as at 31 August 2022 and of its financial performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1 and the *Corporations Regulations 2001*.

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Entity 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 our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Entity, would be in the same terms if given to the directors as at the time of this auditor's report.

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

**Emphasis of Matter**

**Basis of Accounting**

Without modifying our opinion, we 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.





### **Subsequent Events**

We draw attention to Note 15 of the financial report, which describes the non-adjusting subsequent event on the impact of the COVID-19 outbreak on the registered entity. This includes management's assessment of the ability of the Company to continue as a going concern, including the mitigating factors. Our opinion is not modified with respect to this matter.

### **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 Entity's annual report for the year ended 31 August 2022 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.

### **Responsibilities of the Directors for the Financial Report**

The directors of Victorian Bridge Association Limited 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 statements is appropriate to meet the requirements of the *Corporations Act 2001* and is appropriate to meet the needs of the members. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Entity'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 Entity or to cease operations, or have no realistic alternative but to do so.

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

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



As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by those charged with governance.
- 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 Entity'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 Entity 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Entity audit. We remain solely responsible for our audit opinion.

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

A handwritten signature in blue ink that reads 'LZR'.

**LZR Audit & Assurance Pty Ltd**  
Suite 1, Level 1, 615 Dandenong Road  
Armada VIC 3143

A handwritten signature in blue ink that appears to read 'M. Zylberman'.

**Michael Zylberman OAM CA**

Dated: 10/11/22



**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C  
OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF VICTORIAN BRIDGE ASSOCIATION LIMITED  
ACN 004 595 993**

I declare that, to the best of my knowledge and belief, during the year ended 31 August 2022 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.

A handwritten signature in blue ink that reads 'LZR'.

LZR Audit & Assurance Pty Ltd  
Level 1, Suite 1, 615 Dandenong Road  
Armada VIC 3143

A handwritten signature in blue ink, appearing to read 'M. Zylberman'.

Michael Zylberman OAM CA

Date: 9 / 11 / 2022