

WEST TAMWORTH SPORTS & BOWLING CLUB LTD

ABN 44 611 465 237

DIRECTORS' REPORT

Your directors present this report on the Company for the financial year ended 30 June 2018.

Directors

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

	Years on Board	Qualifications	Special Responsibilities	Number of Directors Meetings (whilst a director)	
				Held	Attended
M Morris	2	Retired	Director/Chairperson - Resigned 18/6/18	15	14
B Meiforth	1	Retired	Director/Chairperson - Appointed 30/11/17	10	8
R Hennessey	28	Cab Driver	Chairperson - Resigned 30/11/17	6	6
H King	3	Retired	Vice Chairperson - Resigned 30/11/17	6	3
R Schumacher	8	Retired	Director - Resigned 22/2/18	10	8
D Tickle	16	Retired	Treasurer	16	16
J Reid	1	Retired	Director - Appointed 30/11/17 - Resigned 12/2/18	4	4
G Hall	1	Truck Driver	Director - Appointed 1/3/18	6	6
J Coulton	3	Retired	Director - Appointed 1/3/18	6	6
M Hooker	1	Truck Driver	Director - Appointed 22/3/18	5	5

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

Company Secretary:

Mr W Williams held the position of Company Secretary until the 1st of March 2018. Mr J Coulton was appointed Company Secretary on the 1st March 2018 and has held the position at the end of the financial year.

WEST TAMWORTH SPORTS & BOWLING CLUB LTD

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DIRECTORS' REPORT (Cont)

Principal Activities

The principal activities of the company during the financial year were to provide facilities for the game of bowls and to provide facilities to members and their guests.

The entity's short-term objectives are to:

- continue to maintain Clubhouse facilities and bowling greens for the enjoyment of members.

The long-term objectives are to:

- be sustainable by achieving profits from activities and maintaining and improving facilities.

To achieve these objectives, the entity has adopted the following strategies:

- the entity strives to continue attracting members and their guests to support Club activities.

The entity is incorporated under the Corporations Act 2001 and is an entity limited by guarantee.

If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$2 each towards meeting any outstanding obligations of the entity. At 30 June 2018, the total amount that members of the company are liable to contribute if the company is wound up is \$748 (2017: \$1,164).

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2018 has been received and can be found on page 3 of the financial report.

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

Chairperson



Date: 5 September 2018

WEST TAMWORTH SPORTS & BOWLING CLUB LTD
ABN 44 611 465 237

AUDITORS' INDEPENDENCE DECLARATION
UNDER S 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
WEST TAMWORTH SPORTS & BOWLING CLUB LTD

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2018 there have been:

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

Name of Firm: Brosie Martin



Name of Partner: Brian Brosie - Registration 1472

Date: 5 September 2018

Address: 131 Marius Street
TAMWORTH NSW 2340

WEST TAMWORTH SPORTS & BOWLING CLUB LTD
ABN 44 611 465 237

**STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018 \$	2017 \$
Revenue	2	821,852	771,782
Cost of goods sold		(238,090)	(215,959)
Employee benefits expense		(285,114)	(273,741)
Depreciation	3	(42,093)	(44,680)
Other expenses		<u>(239,948)</u>	<u>(263,828)</u>
Profit/(Loss) before income tax		16,607	(26,426)
Income tax expense		<u>-</u>	<u>-</u>
Profit/(Loss) for the year		<u><u>16,607</u></u>	<u><u>(26,426)</u></u>
Other comprehensive income for the year		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u><u>16,607</u></u>	<u><u>(26,426)</u></u>
Total comprehensive income attributable to members of the entity		<u><u>16,607</u></u>	<u><u>(26,426)</u></u>

The accompanying notes form part of these financial statements

WEST TAMWORTH SPORTS & BOWLING CLUB LTD

ABN 44 611 465 237

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018

	Note	2018	2017
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	350,734	405,579
Trade and other receivables	7	57,690	1,328
Inventories	8	20,720	23,156
Other assets	9	28,753	19,256
TOTAL CURRENT ASSETS		<u>457,897</u>	<u>449,319</u>
NON-CURRENT ASSETS			
Property, plant and equipment	10	1,148,590	1,120,432
TOTAL NON-CURRENT ASSETS		<u>1,148,590</u>	<u>1,120,432</u>
TOTAL ASSETS		<u>1,606,487</u>	<u>1,569,751</u>
LIABILITIES			
CURRENT LIABILITIES			
Payables	11	52,495	38,956
Provisions	12	22,352	14,270
TOTAL CURRENT LIABILITIES		<u>74,847</u>	<u>53,226</u>
NON-CURRENT LIABILITIES			
Provisions	12	9,272	10,764
TOTAL NON-CURRENT LIABILITIES		<u>9,272</u>	<u>10,764</u>
TOTAL LIABILITIES		<u>84,119</u>	<u>63,990</u>
NET ASSETS		<u>1,522,368</u>	<u>1,505,761</u>
EQUITY			
Reserves	4	825,565	825,565
Retained earnings	5	696,803	680,196
TOTAL EQUITY		<u>1,522,368</u>	<u>1,505,761</u>

The accompanying notes form part of these financial statements

WEST TAMWORTH SPORTS & BOWLING CLUB LTD
ABN 44 611 465 237

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018

	Retained Earnings	Asset Revaluation Reserve	Total
Balance at 1 July 2016	706,622	825,565	1,532,187
Total comprehensive income attributable to members of the entity for the year			
Loss for the year	(26,426)	-	(26,426)
Balance at 30 June 2017	680,196	825,565	1,505,761
Total comprehensive income attributable to members of the entity for the year			
Profit for the year	16,607	-	16,607
Balance at 30 June 2018	696,803	825,565	1,522,368

The asset revaluation reserve records revaluations of non-current assets.

The accompanying notes form part of these financial statements

WEST TAMWORTH SPORTS & BOWLING CLUB LTD

ABN 44 611 465 237

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018 \$	2017 \$
Cash Flows from Operating Activities			
Receipts from customers		826,354	774,882
Interest received		6,419	7,463
Payments to suppliers & employees		(832,079)	(767,631)
Net cash generated by Operating Activities		<u>694</u>	<u>14,714</u>
Cash Flows from Investing Activities			
Proceeds from sale of poker machines		16,000	-
Payment for clubhouse & greens improvements		(10,519)	(17,024)
Payment for plant & equipment		(16,926)	(11,396)
Payment for poker machine upgrades		(44,094)	-
Payment for motor vehicles		-	(14,000)
Net cash used in Investing Activities		<u>(55,539)</u>	<u>(42,420)</u>
Net increase (decrease) in Cash held		(54,845)	(27,706)
Cash and Cash Equivalents at beginning of Financial Year		405,579	433,285
Cash and Cash Equivalents at end of Financial Year	6	<u>350,734</u>	<u>405,579</u>

The accompanying notes form part of these financial statements

WEST TAMWORTH SPORTS & BOWLING CLUB LTD

ABN 44 611 465 237

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

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

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

West Tamworth Sports & Bowling Club Ltd applies Australian Accounting Standards - Reduced Disclosure Requirements as set out in AASB 1053: *Application of Tiers of Australian Accounting Standards*.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The company 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 financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for cashflow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on 30 August 2018 by the directors of the company.

Accounting Policies

(a) Revenue

Trading revenue represents revenue earned from the club's trading activities. It includes poker machine takings, bar sales, catering takings, member subscriptions and commission received etc. It is recognised as the income is earned.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

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

WEST TAMWORTH SPORTS & BOWLING CLUB LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018 (Continued)

(b) Inventories

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

Inventories acquired at no cost or for nominal consideration are valued at the current replacement cost as at the date of acquisition.

(c) Property, Plant and Equipment

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

Property

The Clubhouse building and site improvements were independently valued by Mr B.C. Sharrock on 3 May 2006 at a fair value of \$850,000. All building and site improvements held by the Company are core property.

In periods where the buildings are not subject to an independent valuation, the directors conduct directors' valuations to ensure the carrying value for the land and buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset the previous increases in the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in profit or loss.

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.

Plant and Equipment

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 immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer Note 1(d) for details of impairment).

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated over the useful lives of the assets to the entity commencing from the time the asset is held ready for use.

WEST TAMWORTH SPORTS & BOWLING CLUB LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018 (Continued)

Depreciation rates used for each class of asset are as follows:

Buildings	1% (Prime Cost)
Plant & Equipment	10% (Diminishing Value)
Poker Machines	20% (Diminishing Value)
Furniture & Fittings	5% (Diminishing Value)
Kitchen Equipment	5% (Diminishing Value)
Function Centre Equipment	10% (Diminishing Value)
Motor Vehicles	22.5% (Diminishing Value)

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

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

(d) Impairment of Assets

At the end of each reporting period, the Company assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying value. Any excess of the assets carrying value over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in model in AASB 116: *Property, Plant and Equipment*). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

(e) Employee Benefits

Short-term Employee Benefits

Provision is made for the company's obligation for short term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position.

WEST TAMWORTH SPORTS & BOWLING CLUB LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018 (Continued)

Other long-term employee benefits

The company classifies employees' long service leave and annual leave as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the company's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Upon remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

The company's obligation for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current liabilities.

(f) Cash and Cash Equivalents

Cash and Cash equivalents include cash on hand, deposits held at call with credit unions and other short-term highly liquid investments with original maturities of twelve months or less.

(g) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian 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 presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable 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 company is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

(i) Provisions

Provisions are recognised when the entity has a legal and 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 recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

WEST TAMWORTH SPORTS & BOWLING CLUB LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018 (Continued)

(j) Comparative Figures

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

(k) Trade and Other Payables

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

(l) Critical Accounting Estimates and Judgements

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

Key Estimates

(i) Valuation of Buildings & Site Improvements

The Clubhouse building and site improvements were independently valued by Mr B.C. Sharrock on 3 May 2006 at a fair value of \$850,000.

At 30 June 2018, the directors have performed a directors' valuation on the Clubhouse building and improvements. The directors have reviewed the key assumptions adopted by the valuer in 2006 and do not believe there has been a significant change in the assumptions at 30 June 2018. The directors therefore believe the carrying amount of the buildings correctly reflects the fair value less costs of disposal at 30 June 2018.

Key judgements

(i) Employee Benefits

For the purpose of measurement, AASB 119: *Employee Benefits* defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. As the company expects that most employees will not use all of their annual leave entitlements in the same year in which they are earned or during the 12-month that follows, the directors believe that obligations for annual leave entitlements satisfy the definition of other long-term employee benefits and, therefore, are required to be measured at the present value of the expected value of the expected future payments to be made to employees.

Leased Clubhouse & Greens

Land on which the Clubhouse & Greens are constructed is owned by Tamworth Regional Council.

The Company currently pays an annual lease to Tamworth Regional Council. The term of the lease is to 30 June 2036.

WEST TAMWORTH SPORTS & BOWLING CLUB LTD

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018 (Continued)**

	2018	2017
	\$	\$
2 Revenue		
Operating activities		
Sale of Goods	509,218	494,972
Poker Machine Income (Net)	87,906	158,705
Profit on Sale of Assets	14,712	-
Interest	6,419	7,463
Refund of Council Rates	92,337	-
Other Revenue	111,260	110,642
	<u>821,852</u>	<u>771,782</u>
3 Profit/(Loss) from ordinary activities		
Profit/(loss) from ordinary activities before income tax expense has been determined after:		
Expenses:		
Cost of Sales	238,090	215,959
Depreciation	<u>42,093</u>	<u>44,680</u>
Remuneration of Auditor		
Auditing the Accounts	9,000	9,000
Other Services	25,770	25,650
	<u>34,770</u>	<u>34,650</u>
4 Reserves		
Asset Revaluation Reserve		
Balance at Beginning and End of Year	<u>825,565</u>	<u>825,565</u>
5 Retained Earnings		
Balance at Beginning of the Year	680,196	706,622
Net profit/(loss) from ordinary activities	16,607	(26,426)
Balance at End of Year	<u>696,803</u>	<u>680,196</u>

WEST TAMWORTH SPORTS & BOWLING CLUB LTD

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018 (Continued)**

	2018	2017
	\$	\$
6 Cash and Cash Equivalents (Current)		
Cash at Credit Union	324,317	379,152
Cash on Hand	26,417	26,427
	<u>350,734</u>	<u>405,579</u>
7 Trade and Other Receivables (Current)		
Receivables	<u>57,690</u>	<u>1,328</u>
8 Inventories (Current)		
At cost:		
Trading Stock	19,270	21,706
Green Maintenance	1,450	1,450
	<u>20,720</u>	<u>23,156</u>
9 Other Assets (Current)		
Prepayments	<u>28,753</u>	<u>19,256</u>
10 Property, Plant and Equipment		
Clubhouse and Greens - Core Property		
At Independent Valuation 3/5/06	850,000	850,000
Additions at Cost	166,515	155,996
Less: Accumulated Depreciation	(145,310)	(131,815)
	<u>871,205</u>	<u>874,181</u>
Plant & Equipment at Cost	529,686	512,760
Less: Accumulated Depreciation	(350,111)	(337,441)
	<u>179,575</u>	<u>175,319</u>
Poker Machines at Cost	208,978	195,861
Less: Accumulated Depreciation	(120,633)	(137,142)
	<u>88,345</u>	<u>58,719</u>
Motor Vehicle at Cost	21,273	21,273
Less: Accumulated Depreciation	(11,808)	(9,060)
	<u>9,465</u>	<u>12,213</u>
Total Property, Plant and Equipment	<u>1,148,590</u>	<u>1,120,432</u>

WEST TAMWORTH SPORTS & BOWLING CLUB LTD

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018 (Continued)**

Movements in Carrying Amounts

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

	Motor Vehicles	Buildings	Plant and Equipment	Poker Machines	Total
Balance at beginning of year	12,213	874,181	175,319	58,719	1,120,432
Additions at cost	-	10,519	16,926	44,094	71,539
Disposals	-	-	-	(1,288)	(1,288)
Depreciation expense	(2,748)	(13,495)	(12,670)	(13,180)	(42,093)
Carrying amount at end of year	9,465	871,205	179,575	88,345	1,148,590

	2018	2017
	\$	\$
11 Trade and Other Payables (Current)		
Trade Creditors and Accruals	46,988	28,077
Deferred income	2,804	4,568
Other current payables - GST	2,703	6,311
	<u>52,495</u>	<u>38,956</u>

Financial liabilities at amortised cost classified as trade and other payables

Trade and other payables:

- total current	52,495	38,956
- total non-current	-	-
	<u>52,495</u>	<u>38,956</u>
Less deferred income	<u>(2,804)</u>	<u>(4,568)</u>
	<u>49,691</u>	<u>34,388</u>

12 Provisions

CURRENT

Provision for Employee Benefits : Annual Leave	17,269	9,758
Provision for Employee Benefits : Long Service Leave	5,083	4,512
	<u>22,352</u>	<u>14,270</u>

WEST TAMWORTH SPORTS & BOWLING CLUB LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018 (Continued)

	2018	2017
	\$	\$
NON-CURRENT		
Provision for Employee Benefits : Long Service Leave	<u>9,272</u>	<u>10,764</u>
	Employee	Total
	Benefits	\$
	\$	\$
Analysis of total provisions:		
Opening Balance as at 1 July 2017	25,034	25,034
Additional provisions raised during year	10,771	10,771
Amounts used	<u>4,181</u>	<u>4,181</u>
Balance as at 30 June 2018	<u>31,624</u>	<u>31,624</u>

Provision for Employee Benefits

Provision for employee benefits represents amount accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlement that have vested due to employees having completed the required period of service. Based on past experience, the company does not expect the full annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

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

13 Financial Risk Management

The company's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2018	2017
		\$	\$
Financial Assets			
Cash and Cash Equivalents	6	350,734	405,579
Receivables	7	<u>57,690</u>	<u>1,328</u>
Total Financial Assets		<u>408,424</u>	<u>406,907</u>
Financial Liabilities			
Trade and other payables	11	<u>49,691</u>	<u>34,388</u>
Total Financial Liabilities		<u>49,691</u>	<u>34,388</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018 (Cont)

14 Events after the Reporting Period

The directors are not aware of any significant events since the end of the reporting period.

15 Other Related Party Transactions

Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel individually or collectively with their close family members.

There have been no other related party transactions during the financial year.

16 Entity Details

The registered office and principal place of business of the Company is:
West Tamworth Sports & Bowling Club Ltd
Belmore Street
West Tamworth NSW 2340

17 Members' Guarantee

The entity is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute to a maximum of \$2 each towards meeting any outstanding obligations of the entity.
At 30 June 2018 the number of members was 374.

WEST TAMWORTH SPORTS & BOWLING CLUB LTD

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DIRECTORS' DECLARATION

The directors of the company declare that:

- 1 The financial statements and notes, as set out on pages 4 to 17, are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Accounting Standards - Reduced Disclosure Requirements; and
 - (b) give a true and fair view of the financial position as at the 30 June 2018 and of the performance for the year ended on that date.
- 2 In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

Chairperson



Date: 5 September 2018

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
WEST TAMWORTH SPORTS & BOWLING CLUB LTD
ABN 44 611 465 237

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of West Tamworth Sports & Bowling Club Limited, which comprises the statement of financial position as at 30 June 2018, 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, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of West Tamworth Sports & Bowling Club Ltd is in accordance with the *Corporations Act 2001*, including:

- a. giving a true and fair view of the company's financial position as at 30 June 2018 and of its performance for the year then ended; and
- b. complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

Basis of 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 in our report. We are independent of the company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: Code of Ethics for Professional Accountants (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*, as set out on page 3 of the financial statements would be in the same terms if provided to the directors as at the date 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.

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

The directors are responsible for the other information. The other information comprises the information included in the company's annual report for the year ended 30 June 2018, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover 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 the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Act 2001 and for such internal control as the directors determine necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australia Accounting 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 of our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on audit evidence obtained up to date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events that achieves fair presentation.

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

Name of Firm: BROSIE MARTIN



Name of Partner: Brian J Brosie (Registration No: 1472)

Address: 131 Marius Street, Tamworth NSW 2340

Date: 5 September 2018

WEST TAMWORTH SPORTS & BOWLING CLUB LTD

ABN 44 611 465 237

COMPILATION REPORT

Scope

On the basis of information provided by the directors of West Tamworth Sports & Bowling Club Ltd, we have compiled in accordance with APES 315: *Compilation of Financial Information* the following special purpose financial report of West Tamworth Sports & Bowling Club Ltd comprising Trading and Profit and Loss Account for the year ended 30 June 2018.

The specific purpose for which the special purpose financial report has been prepared is for the confidential use of the directors and members. Accounting Standards and other mandatory professional reporting requirements have not been adopted in the preparation of the special purpose financial report.

The directors are solely responsible for the information contained in the special purpose financial report and have determined that the accounting policies used are consistent with the financial reporting requirements of West Tamworth Sports & Bowling Club Ltd's constitution and are appropriate to meet the needs of the directors and members of the company.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the directors provided into a financial report. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

To the extent permitted by law, we do not accept liability for any loss or damage which any person, other than the company, may suffer arising from any negligence on our part. No person should rely on the special purpose financial report without having an audit or review conducted.

The special purpose financial report was compiled exclusively for the benefit of the directors and members of the company and the purpose identified above. We do not accept responsibility to any other person for the contents of the special purpose financial report.

Name of Firm: Brosie Martin Barnett

Name of Partner:


Robert Taggart

Address: 131 Marius Street,
TAMWORTH NSW 2340

Date: 5 September 2018

WEST TAMWORTH SPORTS & BOWLING CLUB LTD

ABN 44 611 465 237

DETAILED INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2018

	<u>2018</u>	<u>2017</u>
	\$	\$
<u>Income</u>		
Poker Machine Revenue	95,501	154,030
GST Assistance	6,233	18,824
	<u>101,734</u>	<u>172,854</u>
Less Expenses	13,828	14,149
Net Poker Machine Income	87,906	158,705
Gross Profit from Trading	271,128	279,013
Members' Subscriptions	15,114	18,536
Commissions Received	27,372	21,581
Competition & Green Fees	38,669	31,681
Function Centre	9,827	10,682
Grants Received	-	4,560
Hire - Club	1,864	4,650
Interest Received	6,419	7,463
Rebates Received	4,277	-
Sponsorship, Donations, Raffles	13,632	16,781
Sundry Income	505	2,171
Total Income	<u>476,713</u>	<u>555,823</u>
<u>Expenses</u>		
Advertising	4,583	2,384
Accounting Fees	25,770	25,650
Affiliation Fees	12,779	12,858
Auditor's Remuneration	9,000	9,000
Catering Expenses	10,196	8,575
Cleaning	15,797	17,910
Computer Software, Support & Internet	381	-
Electricity & Gas	25,602	29,663
Entertainment	4,770	6,081
Foxtel	1,864	-
General Expenses	6,825	11,235
Hire of Bus	-	3,140
Insurance	18,966	20,650
Keno Promotions & Expenses	1,710	1,920
Lease-Grounds	1,400	1,400
Motor Vehicle Expenses	5,740	5,846
Printing, Stationery & Postage	4,443	3,756
Promotions	7,019	3,962
Rates	19,874	19,461
Repairs & Maintenance	27,195	44,472
Security Costs	1,951	1,389
Sponsorship & Donations	4,928	8,157
Telephone	4,014	3,969

Subject to compilation report attached

WEST TAMWORTH SPORTS & BOWLING CLUB LTD

ABN 44 611 465 237

DETAILED INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2018

	<u>2018</u>	<u>2017</u>
	\$	\$
Trophies	11,408	11,311
Uniforms	486	133
Wages - Bar	157,158	146,631
- Greens	54,510	53,916
- Cleaning	35,275	34,985
- Administration	7,565	10,485
Superannuation	24,016	22,604
Water Charges	13,247	10,906
Total Expenses	<u>518,472</u>	<u>532,449</u>
Profit(Loss) Before Provisions, Depreciation and Abnormal Items	<u>(41,759)</u>	<u>23,374</u>
Refund of Council Rates	92,337	-
Profit on Sale of Assets	14,712	-
Employee Leave Provision	(6,590)	(5,120)
Depreciation	(42,093)	(44,680)
Net Profit(Loss) for Year	<u>16,607</u>	<u>(26,426)</u>

Subject to compilation report attached

WEST TAMWORTH SPORTS & BOWLING CLUB LTD

ABN 44 611 465 237

**TRADING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018**

	<u>2018</u>	<u>2017</u>
<u>Sales</u>	<u>509,218</u>	<u>494,972</u>
<u>Less: Cost of Sales</u>		
Opening Stock	21,706	30,578
Purchases	<u>235,654</u>	<u>207,087</u>
	257,360	237,665
Closing Stock	<u>19,270</u>	<u>21,706</u>
	<u>238,090</u>	<u>215,959</u>
<u>Gross Profit</u>	<u>271,128</u>	<u>279,013</u>
<u>Less:</u>		
Bar Wages	157,158	146,631
Superannuation	<u>14,930</u>	<u>13,930</u>
	<u>172,088</u>	<u>160,561</u>
Contribution to Operating Costs	<u>99,040</u>	<u>118,452</u>
<u>Gross Profit %</u>	<u>53.2%</u>	<u>56.4%</u>
<u>Average Weekly Sales</u>	<u>\$9,793</u>	<u>\$9,519</u>

Subject to compilation report attached