

# 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 2017.

### 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 |
| R Hennessey  | 28             | Cab Driver     | Chairperson                    | 19   | 19       |
| H King       | 3              | Retired        | Vice Chairperson               | 19   | 17       |
| R Schumacher | 7              | Retired        | Director                       | 19   | 16       |
| D Tickle     | 15             | Retired        | Treasurer                      | 19   | 16       |
| T Kelly      | 12             | Retired        | Director - resigned 2/6/2017   | 18   | 5        |
| M Morris     | 1              | Retired        | Director -appointed 24/11/2016 | 13   | 10       |

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 at the end of the financial year and has held that position since the 20th March 2012.

# WEST TAMWORTH SPORTS & BOWLING CLUB LTD

ABN 44 611 465 237

## 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.

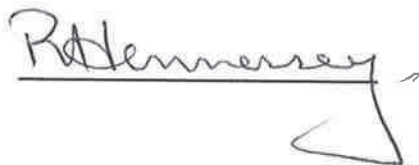
If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$2 each towards meeting any outstanding obligations of the entity. At 30 June 2017, the total amount that members of the company are liable to contribute if the company is wound up is \$1,164 (2016: \$1,144).

### Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2017 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

A handwritten signature in black ink, appearing to read 'R. Hennessy', is written over a horizontal line. The signature is cursive and includes a large, stylized flourish at the end.

Date:

19 October 2017

**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 2017 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

A black rectangular box containing a handwritten signature in white ink. The signature appears to read "Brosie Martin" followed by a smaller signature below it.

Name of Partner: Brian Brosie - Registration 1472

Date: 19 October 2017

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 2017**

|   | Note | 2017<br>\$             | 2016<br>\$           |
|---|------|------------------------|----------------------|
| Revenue   | 2    | 771,782                | 818,313              |
| Cost of goods sold  |      | (215,959)              | (221,474)            |
| Employee benefits expense   |      | (273,741)              | (268,248)            |
| Depreciation  | 3    | (44,680)               | (38,869)             |
| Other expenses  |      | <u>(263,828)</u>       | <u>(219,777)</u>     |
| <b>Profit/(Loss) before income tax</b>                                  |      | (26,426)               | 69,945               |
| Income tax expense  |      | <u>-</u>               | <u>-</u>             |
| <b>Profit/(Loss) for the year</b>                                       |      | <u><u>(26,426)</u></u> | <u><u>69,945</u></u> |
| <b>Other comprehensive income for the year</b>                          |      | <u>-</u>               | <u>-</u>             |
| <b>Total comprehensive income for the year</b>                          |      | <u><u>(26,426)</u></u> | <u><u>69,945</u></u> |
| <b>Total comprehensive income attributable to members of the entity</b> |      | <u><u>(26,426)</u></u> | <u><u>69,945</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 2017**

|                                      | <b>Note</b> | <b>2017</b>      | <b>2016</b>      |
|--------------------------------------|-------------|------------------|------------------|
|                                      |             | <b>\$</b>        | <b>\$</b>        |
| <b>ASSETS</b>                        |             |                  |                  |
| <b>CURRENT ASSETS</b>                |             |                  |                  |
| Cash and cash equivalents            | 6           | 405,579          | 433,285          |
| Trade and other receivables          | 7           | 1,328            | 596              |
| Inventories                          | 8           | 23,156           | 32,028           |
| Other assets                         | 9           | 19,256           | 9,000            |
| <b>TOTAL CURRENT ASSETS</b>          |             | <u>449,319</u>   | <u>474,909</u>   |
| <b>NON-CURRENT ASSETS</b>            |             |                  |                  |
| Property, plant and equipment        | 10          | 1,120,432        | 1,122,692        |
| <b>TOTAL NON-CURRENT ASSETS</b>      |             | <u>1,120,432</u> | <u>1,122,692</u> |
| <b>TOTAL ASSETS</b>                  |             | <u>1,569,751</u> | <u>1,597,601</u> |
| <b>LIABILITIES</b>                   |             |                  |                  |
| <b>CURRENT LIABILITIES</b>           |             |                  |                  |
| Payables                             | 11          | 38,956           | 45,499           |
| Provisions                           | 12          | 9,758            | 12,236           |
| <b>TOTAL CURRENT LIABILITIES</b>     |             | <u>48,714</u>    | <u>57,735</u>    |
| <b>NON-CURRENT LIABILITIES</b>       |             |                  |                  |
| Provisions                           | 12          | 15,276           | 7,679            |
| <b>TOTAL NON-CURRENT LIABILITIES</b> |             | <u>15,276</u>    | <u>7,679</u>     |
| <b>TOTAL LIABILITIES</b>             |             | <u>63,990</u>    | <u>65,414</u>    |
| <b>NET ASSETS</b>                    |             | <u>1,505,761</u> | <u>1,532,187</u> |
| <b>EQUITY</b>                        |             |                  |                  |
| Reserves                             | 4           | 825,565          | 825,565          |
| Retained earnings                    | 5           | 680,196          | 706,622          |
| <b>TOTAL EQUITY</b>                  |             | <u>1,505,761</u> | <u>1,532,187</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 2017**

|  | <b>Retained<br/>Earnings</b> | <b>Asset<br/>Revaluation<br/>Reserve</b> | <b>Total</b> |
|--|------------------------------|--|--------------|
| <b>Balance at 1 July 2015</b>  | 636,677                      | 825,565                                  | 1,462,242    |
| <b>Total comprehensive income attributable to members of the entity for the year</b> |                              |  |              |
| Profit for the year  | 69,945                       | -  | 69,945       |
| <b>Balance at 30 June 2016</b>   | 706,622                      | 825,565                                  | 1,532,187    |
| <b>Total comprehensive income attributable to members of the entity for the year</b> |                              |  |              |
| Profit for the year  | (26,426)                     | -  | (26,426)     |
| <b>Balance at 30 June 2017</b>   | 680,196                      | 825,565                                  | 1,505,761    |

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 2017**

|   | Note | 2017<br>\$      | 2016<br>\$      |
|---|------|-----------------|-----------------|
| <b>Cash Flows from Operating Activities</b>               |      |                 |                 |
| Receipts from customers                                   |      | 774,882         | 815,406         |
| Interest received   |      | 7,463           | 7,470           |
| Payments to suppliers & employees                         |      | (767,631)       | (752,082)       |
| Net cash generated by Operating Activities                |      | <u>14,714</u>   | <u>70,794</u>   |
| <b>Cash Flows from Investing Activities</b>               |      |                 |                 |
| Payment for clubhouse & greens improvements               |      | (17,024)        | -               |
| Payment for plant & equipment                             |      | (11,396)        | (7,874)         |
| Payment for poker machine upgrades                        |      | -               | (41,990)        |
| Payment for motor vehicles                                |      | (14,000)        | -               |
| Net cash used in Investing Activities                     |      | <u>(42,420)</u> | <u>(49,864)</u> |
| Net increase in Cash held                                 |      | (27,706)        | 20,930          |
| Cash and Cash Equivalents at beginning of Financial Year  |      | 433,285         | 412,355         |
| <b>Cash and Cash Equivalents at end of Financial Year</b> | 6    | <u>405,579</u>  | <u>433,285</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 2017

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* and AASB 2010-2: *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements*.

The financial statements are general purpose financial statements that has 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 otherwise stated.

The financial statements, except for cashflow information, have been prepared on an accruals basis and is based on historical costs, modified, where applicable, by measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The financial statements were authorised for issue on 19 October 2017 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 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.

##### **(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 less, where applicable, any accumulated depreciation and impairment losses.



# WEST TAMWORTH SPORTS & BOWLING CLUB LTD

ABN 44 611 465 237

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017 (Continued)

### 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 a cost basis less depreciation and 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 from these assets. The recoverable amount is assessed on the basis of expected net cash flows which will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

### Depreciation

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

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) |

# WEST TAMWORTH SPORTS & BOWLING CLUB LTD

ABN 44 611 465 237

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017 (Continued)

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

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income. 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 reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being higher of the asset's fair value less costs to sell and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is recognised in profit or loss.

### **(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.

#### **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 and other short-term highly liquid investments with original maturities of twelve months or less.

# WEST TAMWORTH SPORTS & BOWLING CLUB LTD

ABN 44 611 465 237

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017 (Continued)

### **(g) Goods and Services Tax**

Revenues, expenses and assets are recognised net of the amount of GST.

### **(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.

### **(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. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

### **(l) Rounding of Amounts**

Amounts in the financial report and directors report have been rounded off to the nearest \$1.

### **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 which is paid to 31 March 2018.

**WEST TAMWORTH SPORTS & BOWLING CLUB LTD**

ABN 44 611 465 237

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017 (Continued)**

|   | 2017            | 2016           |
|---|-----------------|----------------|
|   | \$              | \$             |
| <b>2 Revenue</b>  |                 |                |
| <b>Operating activities</b>   |                 |                |
| Sale of Goods   | 494,972         | 519,775        |
| Poker Machine Income (Net)  | 158,705         | 150,900        |
| Profit on Sale of Assets  | -               | 23,654         |
| Interest  | 7,463           | 7,470          |
| Other Revenue   | 110,642         | 116,514        |
|   | <u>771,782</u>  | <u>818,313</u> |
| <b>3 Profit/(Loss) from ordinary activities</b>   |                 |                |
| Profit/(loss) from ordinary activities before income tax expense has been determined after: |                 |                |
| Expenses:   |                 |                |
| Cost of Sales   | 215,959         | 221,474        |
| Depreciation  | <u>44,680</u>   | <u>38,869</u>  |
| Remuneration of Auditor   |                 |                |
| Auditing the Accounts   | 9,000           | 9,000          |
| Other Services  | <u>25,650</u>   | <u>25,650</u>  |
|   | <u>34,650</u>   | <u>34,650</u>  |
| <b>4 Reserves</b>   |                 |                |
| Asset Revaluation Reserve   |                 |                |
| Balance at Beginning and End of Year  | <u>825,565</u>  | <u>825,565</u> |
| <b>5 Retained Earnings</b>  |                 |                |
| Balance at Beginning of the Year  | 706,622         | 636,677        |
| Net profit/(loss) from ordinary activities  | <u>(26,426)</u> | <u>69,945</u>  |
| Balance at End of Year  | <u>680,196</u>  | <u>706,622</u> |

**WEST TAMWORTH SPORTS & BOWLING CLUB LTD**

ABN 44 611 465 237

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017 (Continued)**

|  | <b>2017</b>      | <b>2016</b>      |
|--|------------------|------------------|
|  | <b>\$</b>        | <b>\$</b>        |
| <b>6 Cash and Cash Equivalents (Current)</b>   |                  |                  |
| Cash at Credit Union                           | 379,152          | 406,330          |
| Cash on Hand                                   | 26,427           | 26,955           |
|  | <u>405,579</u>   | <u>433,285</u>   |
| <b>7 Trade and Other Receivables (Current)</b> |                  |                  |
| Receivables                                    | <u>1,328</u>     | <u>596</u>       |
| <b>8 Inventories (Current)</b>                 |                  |                  |
| At cost:                                       |                  |                  |
| Trading Stock                                  | 21,706           | 30,578           |
| Green Maintenance                              | 1,450            | 1,450            |
|  | <u>23,156</u>    | <u>32,028</u>    |
| <b>9 Other Assets (Current)</b>                |                  |                  |
| Prepayments                                    | <u>19,256</u>    | <u>9,000</u>     |
| <b>10 Property, Plant and Equipment</b>        |                  |                  |
| Clubhouse and Greens - Core Property           |                  |                  |
| At Independent Valuation 30/6/06               | 850,000          | 850,000          |
| Additions at Cost                              | 155,996          | 138,972          |
| Less: Accumulated Depreciation                 | <u>(131,815)</u> | <u>(118,523)</u> |
|  | <u>874,181</u>   | <u>870,449</u>   |
| Plant & Equipment at Cost                      | 512,760          | 501,364          |
| Less: Accumulated Depreciation                 | <u>(337,441)</u> | <u>(322,719)</u> |
|  | <u>175,319</u>   | <u>178,645</u>   |
| Poker Machines at Cost                         | 195,861          | 195,861          |
| Less: Accumulated Depreciation                 | <u>(137,142)</u> | <u>(122,460)</u> |
|  | <u>58,719</u>    | <u>73,401</u>    |
| Motor Vehicle at Cost                          | 21,273           | 7,273            |
| Less: Accumulated Depreciation                 | <u>(9,060)</u>   | <u>(7,076)</u>   |
|  | <u>12,213</u>    | <u>197</u>       |
| <b>Total Property, Plant and Equipment</b>     | <u>1,120,432</u> | <u>1,122,692</u> |

**WEST TAMWORTH SPORTS & BOWLING CLUB LTD**

ABN 44 611 465 237

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017(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.

|                                | <b>Motor<br/>Vehicles</b> | <b>Buildings</b> | <b>Plant and<br/>Equipment</b> | <b>Poker<br/>Machines</b> | <b>Total</b> |
|--------------------------------|---------------------------|------------------|--------------------------------|---------------------------|--------------|
| Balance at beginning of year   | 197                       | 870,449          | 178,645                        | 73,401                    | 1,122,692    |
| Additions at cost              | 14,000                    | 17,024           | 11,396                         | -                         | 42,420       |
| Disposals                      | -                         | -                | -                              | -                         | -            |
| Depreciation expense           | (1,984)                   | (13,292)         | (14,722)                       | (14,682)                  | (44,680)     |
| Carrying amount at end of year | 12,213                    | 874,181          | 175,319                        | 58,719                    | 1,120,432    |

|  | <b>2017</b>   | <b>2016</b>   |
|--|---------------|---------------|
|  | <b>\$</b>     | <b>\$</b>     |
| <b>11 Trade and Other Payables (Current)</b> |               |               |
| Trade Creditors and Accruals                 | 28,077        | 22,012        |
| Deferred income                              | 4,568         | 12,736        |
| Other current payables - GST                 | 6,311         | 10,751        |
|  | <u>38,956</u> | <u>45,499</u> |

**Financial liabilities at amortised cost classified as trade and other payables**

Trade and other payables:

|                      |                |                 |
|----------------------|----------------|-----------------|
| - total current      | 38,956         | 45,499          |
| - total non-current  | -              | -               |
|                      | <u>38,956</u>  | <u>45,499</u>   |
| Less deferred income | <u>(4,568)</u> | <u>(12,736)</u> |
|                      | <u>34,388</u>  | <u>32,763</u>   |

**12 Provisions**

CURRENT

|  |              |               |
|--|--------------|---------------|
| Provision for Employee Benefits : Annual Leave | <u>9,758</u> | <u>12,236</u> |
|--|--------------|---------------|

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2017 (Cont)**

|  | <b>2017</b>              | <b>2016</b>   |
|--|--------------------------|---------------|
|  | <b>\$</b>                | <b>\$</b>     |
| <b>NON-CURRENT</b>                                   |                          |               |
| Provision for Employee Benefits : Long Service Leave | <u>15,276</u>            | <u>7,679</u>  |
|  | <b>Employee Benefits</b> | <b>Total</b>  |
|  | <b>\$</b>                | <b>\$</b>     |
| Analysis of total provisions:                        |                          |               |
| Opening Balance as at 1 July 2016                    | 19,915                   | 19,915        |
| Additional provisions raised during year             | 14,654                   | 14,654        |
| Amounts used   | <u>9,535</u>             | <u>9,535</u>  |
| Balance as at 30 June 2017                           | <u>25,034</u>            | <u>25,034</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:

|                                    | <b>Note</b> | <b>2017</b>           | <b>2016</b>           |
|------------------------------------|-------------|-----------------------|-----------------------|
|                                    |             | <b>\$</b>             | <b>\$</b>             |
| <b>Financial Assets</b>            |             |                       |                       |
| Cash and Cash Equivalents          | 6           | 405,579               | 433,285               |
| Receivables                        | 7           | <u>1,328</u>          | <u>596</u>            |
| <b>Total Financial Assets</b>      |             | <u><u>406,907</u></u> | <u><u>433,881</u></u> |
| <b>Financial Liabilities</b>       |             |                       |                       |
| Trade and other payables           | 11          | <u>34,388</u>         | <u>32,763</u>         |
| <b>Total Financial Liabilities</b> |             | <u><u>34,388</u></u>  | <u><u>32,763</u></u>  |

# WEST TAMWORTH SPORTS & BOWLING CLUB LTD

ABN 44 611 465 237

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017 (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 2017 the number of members was 582.



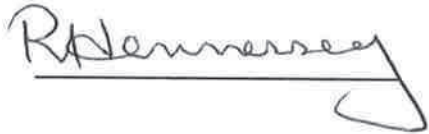
**DIRECTORS' DECLARATION**

The directors of the company declare that:

- 1 The financial statements and notes, as set out on pages 4 to 16, 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 2017 and of the performance for the year ended on that date of the company;
- 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

A handwritten signature in black ink, appearing to read 'R. Hemmery', is written over a horizontal line. The signature is cursive and includes a large loop at the end.

Date: 19 October 2017

**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 2017, 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 2017 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 2017, 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: 19 October 2017

# 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 2017.

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:** 19 October 2017

**WEST TAMWORTH SPORTS & BOWLING CLUB LTD**

ABN 44 611 465 237

**DETAILED INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2017**

|                                       | <u>2017</u>    | <u>2016</u>    |
|---------------------------------------|----------------|----------------|
| <b><u>Income</u></b>                  |                |                |
| Poker Machine Revenue                 | 154,030        | 152,033        |
| GST Assistance                        | 18,824         | 12,266         |
|                                       | <u>172,854</u> | <u>164,299</u> |
| Less Expenses                         | 14,149         | 13,399         |
| Net Poker Machine Income              | 158,705        | 150,900        |
| Gross Profit from Trading             | 279,013        | 298,301        |
| Members' Subscriptions                | 18,536         | 18,151         |
| Commissions Received                  | 21,581         | 19,934         |
| Competition & Green Fees              | 31,681         | 32,628         |
| Function Centre                       | 10,682         | 5,345          |
| Grants Received                       | 4,560          | -              |
| Hire - Club                           | 4,650          | 1,545          |
| Insurance Proceeds                    | -              | 19,850         |
| Interest Received                     | 7,463          | 7,470          |
| Sponsorship, Donations, Raffles       | 16,781         | 13,618         |
| Sundry Income                         | 2,171          | 5,443          |
| <b>Total Income</b>                   | <u>555,823</u> | <u>573,185</u> |
| <b><u>Expenses</u></b>                |                |                |
| Advertising                           | 2,384          | 3,270          |
| Accounting Fees                       | 25,650         | 25,650         |
| Affiliation Fees                      | 12,858         | 12,326         |
| Auditor's Remuneration                | 9,000          | 9,000          |
| Catering Expenses                     | 8,575          | 10,377         |
| Cleaning                              | 17,910         | 14,761         |
| Computer Software, Support & Internet | -              | 493            |
| Electricity & Heating Oil             | 29,663         | 26,448         |
| Entertainment                         | 6,081          | 3,208          |
| General Expenses                      | 11,235         | 8,443          |
| Hire of Bus                           | 3,140          | -              |
| Insurance                             | 20,650         | 20,960         |
| Keno Promotions & Expenses            | 1,920          | 1,813          |
| Lease-Grounds                         | 1,400          | 1,400          |
| Motor Vehicle Expenses                | 5,846          | 1,298          |
| Printing, Stationery & Postage        | 3,756          | 4,766          |
| Promotions                            | 3,962          | 5,134          |
| Rates                                 | 19,461         | 19,112         |
| Repairs & Maintenance                 | 44,472         | 32,214         |
| Security Costs                        | 1,389          | 1,701          |
| Sponsorship & Donations               | 8,157          | 4,041          |
| Telephone                             | 3,969          | 4,662          |

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 2017**

|  | <u>2017</u>     | <u>2016</u>    |
|--|-----------------|----------------|
| Trophies   | 11,311          | 8,568          |
| Uniforms   | 133             | 317            |
| Wages - Bar                                      | 146,631         | 140,643        |
| - Greens   | 53,916          | 55,793         |
| - Cleaning                                       | 34,985          | 34,622         |
| - Administration                                 | 10,485          | 9,630          |
| Superannuation                                   | 22,604          | 22,539         |
| Water, Sewerage & Garbage Charges                | 10,906          | (185)          |
| <b>Total Expenses</b>                            | <u>532,449</u>  | <u>483,004</u> |
| <br>   |                 |                |
| <b>Profit Before Provisions and Depreciation</b> | <u>23,374</u>   | <u>90,181</u>  |
| <br>   |                 |                |
| Profit on Sale of Assets                         | -               | 23,654         |
| Employee Leave Provision                         | (5,120)         | (5,021)        |
| Depreciation                                     | (44,680)        | (38,869)       |
| <b>Net Profit for Year</b>                       | <u>(26,426)</u> | <u>69,945</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 2017**

|                                    | <u>2017</u>    | <u>2016</u>    |
|------------------------------------|----------------|----------------|
| <b><u>Sales</u></b>                | <u>494,972</u> | <u>519,775</u> |
| <b><u>Less: Cost of Sales</u></b>  |                |                |
| Opening Stock                      | 30,578         | 25,288         |
| Purchases                          | <u>207,087</u> | <u>226,764</u> |
|                                    | 237,665        | 252,052        |
| Closing Stock                      | <u>21,706</u>  | <u>30,578</u>  |
|                                    | <u>215,959</u> | <u>221,474</u> |
| <b><u>Gross Profit</u></b>         | <u>279,013</u> | <u>298,301</u> |
| <b><u>Less:</u></b>                |                |                |
| Bar Wages                          | 146,631        | 140,643        |
| Superannuation                     | <u>13,930</u>  | <u>13,361</u>  |
|                                    | <u>160,561</u> | <u>154,004</u> |
| Contribution to Operating Costs    | <u>118,452</u> | <u>144,297</u> |
| <b><u>Gross Profit %</u></b>       | <u>56.4%</u>   | <u>57.4%</u>   |
| <b><u>Average Weekly Sales</u></b> | <u>\$9,519</u> | <u>\$9,996</u> |

Subject to compilation report attached