Gulgong Bowling & Sporting Club Ltd

ABN: 68 001 068 417

Financial Statements

For the Year Ended 30 June 2013

Gulgong Bowling & Sporting Club Ltd

ABN: 68 001 068 417

Contents

For the Year Ended 30 June 2013

Directors' Report
30 June 2013

The directors present their report on Gulgong Bowling & Sporting Club Ltd for the financial year ended 30 June 2013.

1. General information

Information on directors

The names of each person who has been a director during the year and to the date of this report are:

Allan Gordon Crawley	
Period Served	Appointed on 07/11/2012
Experience	Retired Electrician
Special responsibilities	Chairman
Peter Leon Conroy	
Period Served	07/11/2012 - 17/12/2012
Experience	Engineer Ulan Coal
Special responsibilities	Vice Chairman
Peter Francis Ryan	
Period Served	07/11/2012 - 17/12/2012
Experience	Plant Operator Ulan Coal
Special responsibilities	Director
Robert Norman Woods	
Period Served	Appointed on 07/11/2012
Experience	Retired
Special responsibilities	Treasurer
Christopher David Biffin	
Period Served	07/11/2012 - 29/12/2012
Experience	Electrician Ulan Coal
Special responsibilities	Director
Andrew Martin Cuthel	
Period Served	07/11/2012 - 17/12/2012
Experience	Farmer
Special responsibilities	Director
John Frederick Haberecht	
Period Served	07/11/2012 - 17/12/2012
Experience	Retired Sign Writer
Special responsibilities	Director
Marie Hawkins	
Period Served	29/12/2012 - 08/05/2013
Experience	Retired
Special responsibilities	Director

Directors' Report
30 June 2013

1. General information continued

Information on directors continued

Mark O'Regen

Period Served	Appointed on 17/12/2012
Experience	Businessman
Special responsibilities	Director

Haydn Darryl Clarke

Period Served	Appointed on 29/12/2012
Experience	Businessman
Special responsibilities	Director

Debbie Lithgow

Period Served	Appointed on 27/02/2013
Experience	Retired
Special responsibilities	Director

Graham Germon

Period Served	Appointed on 08/05/2013
Experience	Plant Operator Ulan Coal
Special responsibilities	Director

Dianne Ruth Samuels

Period Served	Appointed on 07/11/2012
Experience	Retired
Special responsibilities	Director

Kenneth John Fuller

Period Served	Appointed on 07/11/2012
Experience	Retired
Special responsibilities	Director

Renee Peta McWhirter

Period Served	03/09/2012 - 25/02/2013
Special responsibilities	Secretary

John Hilton Mobbs

Period Served	25/08/2010 - 03/09/2012
Experience	Mill Supervisor
Special responsibilities	Director

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

Principal activities

The principal activity of Gulgong Bowling & Sporting Club Ltd during the financial year was to provide bowling and club facilities for its members and guests.

Directors' Report
30 June 2013

1. General information continued

Principal activities continued

No significant changes in the nature of the company's activity occurred during the financial year.

Short term objectives

The company's short term objectives are to:

- Improve the consistency and quality of the catering service at the club and reduce annual expense to the club for the catering operations;
- Utilise more effectively and increase revenue streams from the club’s sporting and function facilities;
- Provide for a family friendly club that caters for the needs of all our members including those with children;
- Increase board sub committee activity with frequent formal reviews of operations and financial performance;
- Provide the best package of goods, services, facilities and customer service to our members; and
- Ensure that the club has within 2 years trading with a reported profit to the members.

Long term objectives

The company's long term objectives are to:

- Reduce the club’s dependence on gaming revenue to subsidise catering and the provision of sporting facilities for our members;
- Develop in conjunction with our members and the community land held by the club to provide for diversified income and long term financial stability; and
- Maintain the best bowling greens in the district and continue to promote lawn bowls.

Strategy for achieving the objectives

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

- Building relationship with local sporting organisations to ensure mutually beneficial outcomes and to promote the club’s sporting and function facilities through assisted fundraising and promotion;
- Increased budgetary controls and measures of efficiency for major expenses including utilities;
- Form a club development committee to provide reporting to the board on development and better utilisation of club land; and
- Extensive review off the pricing of all goods and services.

Directors' Report
30 June 2013

1. General information continued

Performance measures

The following measures are used within the company to monitor performance:

- the company made a loss of ($38,482) for the 2013 financial year (2012: $77,920). Industry has experienced a decline over the past year.
- membership for the financial year was 1148 (2012: 1399)
- the company has complied with all Workplace Health and Safety, Employment and Environmental reviews conducted by external regulatory bodies.

Members guarantee

Gulgong Bowling & Sporting Club Ltd is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each members and any person or association who ceased to be a member in the year prior to the winding up, is limited to $ 11 for members that are playing members, life members, junior members and social members and $ 6 for all other members, subject to the provisions of the company's constitution.

At 30 June 2013 the collective liability of members was $ 10,337 (2012: $ 10,727).

Meetings of directors

During the financial year, 20 board meetings of directors (including 3 special board meeting) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Allan Gordon Crawley	20	20
Peter Leon Conroy	1	1
Peter Francis Ryan	3	3
Robert Norman Woods	17	17
Christopher David Biffin	1	1
Andrew Martin Cuthel	3	3
John Frederick Haberecht	2	2
Marie Hawkins	6	6
Mark O'Regen	15	7
Haydn Darryl Clarke	14	13
Debbie Lithgow	12	12
Graham Germon	7	7
Dianne Ruth Samuels	8	8
Kenneth John Fuller	5	5
Renee Peta McWhirter	15	15
John Hilton Mobbs	8	8

Directors' Report
30 June 2013

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2013 has been received and can be found on page 6 of the financial report.

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

Director: .... Director: ....

Dated: 25 September 2013

Gulgong Bowling & Sporting Club Ltd
ABN: 68 001 068 417

Auditors Independence Declaration under Section 307C of the Corporations Act 2001 To the Directors of Gulgong Bowling & Sporting Club Ltd

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2013, 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.

Crowe Horwath Central West

Clare Wagner

Audit Partner

30 September 2013

2 Commercial Avenue, Dubbo NSW 2830

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2013

	Note	2013 $	2012 $
Revenue	2	**1,372,873**	1,409,505
Sale of goods		**(428,120)**	(404,482)
Employee benefits expense		**(518,671)**	(465,041)
Depreciation and amortisation expense	3	**(55,278)**	(57,339)
Other expenses	3	**(408,307)**	(402,202)
Finance costs	3	**(978)**	(2,521)
Surplus before income tax		**(38,481)**	77,920
Income tax expense		**-**	-
Surplus for the year		**(38,481)**	77,920
Total comprehensive income for the year		**(38,481)**	77,920

The accompanying notes form part of these financial statements.

Gulgong Bowling & Sporting Club Ltd

ABN: 68 001 068 417

Statement of Financial Position

30 June 2013

	Note	2013 $	2012 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	**220,285**	273,200
Trade and other receivables	5	**11,947**	5,753
Inventories	6	**34,113**	36,440
Other assets	7	**9,529**	4,200
TOTAL CURRENT ASSETS		**275,874**	319,593
NON-CURRENT ASSETS			
Property, plant and equipment	8	**688,818**	702,147
TOTAL NON-CURRENT ASSETS		**688,818**	702,147
TOTAL ASSETS		**964,692**	1,021,740
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	**81,767**	110,044
Borrowings	10	**10,691**	12,199
Short-term provisions	11	**40,063**	29,078
TOTAL CURRENT LIABILITIES		**132,521**	151,321
NON-CURRENT LIABILITIES			
Borrowings	10	**10,278**	9,102
Long-term provisions	11	**14,990**	16,383
TOTAL NON-CURRENT LIABILITIES		**25,268**	25,485
TOTAL LIABILITIES		**157,789**	176,806
NET ASSETS		**806,903**	844,934
EQUITY			
Reserves		**173,136**	173,136
Retained earnings		**633,767**	671,799
		806,903	844,935
TOTAL EQUITY		**806,903**	844,935

The accompanying notes form part of these financial statements.

Statement of Changes in Equity
For the Year Ended 30 June 2013

2013

	Retained Earnings	Asset Realisation Reserve	Total
	$	$	$
Balance at 1 July 2012	**671,798**	**173,136**	**844,934**
Surplus attributable to members of the entity	**(38,481)**	**-**	**(38,481)**
Prior year adjustment	**450**	**-**	**450**
Balance at 30 June 2013	**633,767**	**173,136**	**806,903**

	Retained Earnings	Asset Realisation Reserve	Total
	$	$	$
Balance at 1 July 2011	593,880	173,136	767,016
Surplus attributable to members of the entity	77,920	-	77,920
Rounding movement	(2)	-	(2)
Balance at 30 June 2012	671,798	173,136	844,934

Statement of Cash Flows
For the Year Ended 30 June 2013

	Note	2013 $	2012 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		**1,364,338**	1,410,894
Payments to suppliers and employees		**(1,376,334)**	(1,309,401)
Interest received		**2,341**	280
Borrowing costs		**(978)**	(2,521)
Net cash provided by (used in) operating activities	12	**(10,633)**	99,252
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sale of plant and equipment		**-**	3,434
Purchase of property, plant and equipment		**(41,950)**	(16,831)
Net cash used by investing activities		**(41,950)**	(13,397)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Repayment of borrowings		**(332)**	(1,354)
Net cash used by financing activities		**(332)**	(1,354)
Net increase (decrease) in cash and cash equivalents held		**(52,915)**	84,501
Cash and cash equivalents at beginning of year		**273,200**	188,699
Cash and cash equivalents at end of financial year	4	**220,285**	273,200

The accompanying notes form part of these financial statements.

Notes to the Financial Statements
For the Year Ended 30 June 2013

The financial statements are for Gulgong Bowling & Sporting Club Ltd as a not-for-profit individual entity.

The functional and presentation currency of Gulgong Bowling & Sporting Club Ltd is Australian dollars.

1 Summary of Significant Accounting Policies

(a) Basis of Preparation

Gulgong Bowling and Sporting Club Limited has elected to early adopt the pronouncements AASB 1053: Application of Tiers of Australian Accounting Standards and ASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements to the annual reporting period beginning 1 July 2011.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statement 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 have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(b) Comparative Amounts

When required by Accounting Standards, comparative figures have been adjusted to confirm to changes in presentation Comparatives are consistent with prior years, unless otherwise stated.

(c) Inventories

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

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the costs necessary to make the sale. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

(d) Property, Plant and Equipment

Classes of property, plant and equipment are measured using the cost of revaluation model as specified below.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of costs of dismantling and restoring the asset, where applicable.

Assets measured using the revaluation models are carried at fair value at the revaluation date less any subsequent accumulated depreciation and impairment losses. Revaluations are performed whenever there is a material movement in the value of an asset under the revaluation model.

1 Summary of Significant Accounting Policies continued

(d) Property, Plant and Equipment continued

Land and buildings

Land and buildings are measured using the cost model.

Freehold land and buildings 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.

Plant and equipment

Plant and equipment are measured using the cost model.

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 property, plant and equipment, except for freehold land is depreciated on a reducing balance method from the date that management determine that the asset is available for use.

Assets held under a finance lease and leasehold improvements are depreciated over the shorter of the term of the lease and the assets useful life.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	**Depreciation rate**
Buildings	2.5 - 5%
Plant and Equipment	10 - 40%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

When an assets is disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to profit or loss.

(e) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is the equivalent to the date that the company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value or amortised cost using the effective

1 Summary of Significant Accounting Policies continued

(e) Financial instruments continued

interest rate method, or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

(a) the amount at which the financial asset or financial liability is measured at initial recognition;

(b) less principal repayments;

(c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and

(d) less any reduction for impairment.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

The classification of financial instruments depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and at the end of each reporting period for held-to-maturity assets.

The company does not designate any interest as being subject to the requirements of accounting standards specifically applicable to financial instruments.

(i) *Financial assets at fair value through profit or loss*

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(ii) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting year.

(iii) *Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are

1 Summary of Significant Accounting Policies continued

(e) Financial instruments continued

subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets, except for those which are expected to be realised within 12 months after the end of the reporting period, which will be classified as current assets.

If during the period the company sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire held-to-maturity investments category would be tainted and reclassified as available-for-sale.

(iv) *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to be sold within 12 months after the end of the reporting period.

(v) *Financial liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Fees payable on the establishment of loan facilities are recognised as transaction costs of the loan.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Impairment

Objective evidence that a financial asset is impaired includes default by a debtor, evidence that the debtor is likely to enter bankruptcy or adverse economic conditions in the stock exchange. At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired through the occurrence of a loss event. In the case of available-for-sale financial instruments, a significant or prolonged decline in the value of the instrument is considered to indicate that an impairment has arisen.

Where a subsequent event causes the amount of the impairment loss to decrease (e.g. payment received), the reduction in the allowance account (provision for impairment of receivables) is taken through profit and loss.

However, any reversal in the value of an impaired available for sale asset is taken through other comprehensive income rather than profit and loss.

Impairment losses are recognised through an allowance account for loans and receivables in the statement of comprehensive income.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

1 Summary of Significant Accounting Policies continued

Derecognition

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

(f) Impairment of non-financial assets

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

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

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

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

(g) Cash and cash equivalents

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

(h) Provisions

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

(i) 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*.

(j) Leases

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

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

Notes to the Financial Statements
For the Year Ended 30 June 2013

1 Summary of Significant Accounting Policies continued

(j) Leases continued

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

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

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

(k) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

(l) Critical accounting estimates and judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - impairment

The club assesses impairment at the end of the reporting year by evaluating conditions specific to the club that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value - in - use calculations which incorporate various key assumptions.

Key estimates - fair value of land and buildings

The club carries its land and buildings at fair value with changes in the fair value recognised in revaluation reserve. Independent valuations are obtained at least triennially and at the end of each reporting period, the directors update their assessment of the fair value of each property, taking into account the most recent valuations and movements in the market.

Notes to the Financial Statements
For the Year Ended 30 June 2013

2 Revenue and Other Income

	2013 $	2012 $
Sales revenue		
- Bar sales	**556,309**	531,098
- Bistro & catering sales	**250,011**	230,783
- Poker machines revenue	**375,927**	466,902
	1,182,247	1,228,783
Finance income		
- Interest received	**2,341**	280
Other revenue		
- GST rebate	**17,180**	17,180
- Raffles	**57,778**	67,462
- Subscriptions	**11,679**	10,602
- Competition revenue	**4,975**	7,712
- Commission received	**37,304**	30,735
- Other revenue	**59,369**	46,751
	190,626	180,722
Total Revenue	**1,372,873**	1,409,505

3 Result for the Year

Expenses

	2013 $	2012 $
Depreciation and amortisation	**55,278**	57,339
Total Depreciation and Amortisation	**55,278**	57,339
Interest expense	**978**	2,521
Employee benefits expense	**518,671**	465,041
Other expenses		
Advertising & promotions	**133,592**	132,241
Insurance	**13,248**	11,749
Entertainment and membership	**61,622**	64,230
Repairs and maintenance	**24,333**	27,252
Utilities	**64,710**	54,533
Other expenses	**110,803**	112,197
Total other expenses	**408,308**	402,202

4 Cash and cash equivalents

	2013 $	2012 $
Cash at bank and in hand	**220,285**	273,200

Notes to the Financial Statements
For the Year Ended 30 June 2013

5 Trade and other receivables

	2013	2012
	$	$
CURRENT		
Trade receivables	**-**	2,481
Other receivables	**11,947**	3,272
Total current trade and other receivables	**11,947**	5,753

6 Inventories

	2013	2012
	$	$
CURRENT		
At cost:		
Stock on hand	**34,113**	36,440
	34,113	36,440

7 Other assets

	2013	2012
	$	$
CURRENT		
Prepayments	**4,529**	4,200
Tabcorp deposit	**5,000**	-
	9,529	4,200

8 Property, plant and equipment

Leasehold land		
At directors' valuation	**229,000**	229,000
Total Land	**229,000**	229,000
Buildings		
At valuation	**371,000**	371,000
Accumulated depreciation	**(38,205)**	(23,740)
Total buildings	**332,795**	347,260
Total land and buildings	**561,795**	576,260
Plant and equipment		
At cost	**729,869**	681,413
Accumulated depreciation	**(602,846)**	(555,526)
Total plant and equipment	**127,023**	125,887

Notes to the Financial Statements
For the Year Ended 30 June 2013

8 Property, plant and equipment continued

Total plant and equipment	**127,023**	125,887
Total property, plant and equipment	**688,818**	702,147

(a) 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:

	Land	Buildings	Plant and Equipment	Total
Parent	**$**	**$**	**$**	**$**
Year ended 30 June 2013				
Balance at the beginning of year	**229,000**	**347,260**	**125,887**	**702,147**
Additions	**-**	**-**	**41,950**	**41,950**
Depreciation expense	**-**	**(14,465)**	**(40,813)**	**(55,278)**
Balance at the end of the year	**229,000**	**332,795**	**127,023**	**688,818**

The revaluation of land and buildings were based on the assessment of their current market value as at 14th September 2010. The independent revaluations were carried out by Mr Hugh G Bateman, F.R.E.A.V, F.R.E.I, T.A.A.P.I. Registered value number 123.

9 Trade and other payables

	2013	2012
	$	**$**
CURRENT		
Sundry payables and accrued expenses	**21,188**	29,696
Trade payables	**60,579**	80,348
	81,767	110,044

10 Borrowings

	2013	2012
	$	**$**
CURRENT		
Hire purchase liabilities	**8,486**	10,032
Other financial liabilities	**2,205**	2,167
	10,691	12,199
Total current borrowings	**10,691**	12,199

10 Borrowings continued

	2013 $	2012 $
NON-CURRENT		
Hire purchase liabilities	**9,195**	5,852
Other financial liabilities	**1,083**	3,250
Total non-current borrowings	**10,278**	9,102
Total borrowings	**20,969**	21,301

11 Provisions

	2013 $	2012 $
Current	**40,063**	29,078
Non-current	**14,990**	16,383
	44,068	45,461

12 Cash Flow Information

(a) Reconciliation of cash

	2013 $	2012 $
Cash at the end of the financial year as shown in the is reconciled to items in the statement of financial position as follows:		
Cash and cash equivalents	**220,285**	273,200

Reconciliation of net income to net cash provided by operating activities:

	2013 $	2012 $
Profit for the year	**(38,481)**	77,920
Cash flows excluded from profit attributable to operating activities		
- Prior year adjustment	**403**	-
Non-cash flows in profit:		
- depreciation	**55,278**	57,339
- net gain on disposal of property, plant and equipment	**-**	(3,436)
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	**(6,194)**	1,670
- (increase)/decrease in other assets	**(5,329)**	1,366
- (increase)/decrease in inventories	**2,327**	(1,321)
- increase/(decrease) in trade and other payables	**(28,229)**	654
- increase/(decrease) in provisions	**9,592**	(30,598)
Cashflow from operations	**(10,633)**	103,594

Notes to the Financial Statements

For the Year Ended 30 June 2013

13 Events Occurring After the Reporting Date

The financial report was authorised for issue on 25 September 2013 by the Board of Directors.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in future financial years.

14 Company Details

The registered office of the company is:
Gulgong Bowling & Sporting Club Ltd
Tallawang Road
Gulgong NSW 2852

15 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 constitution states that each member is required to contribute a maximum of $ 11 each towards meeting any outstandings and obligations of the company. At 30 June 2013 the number of members was 1,148 (2012: 1,399).

Directors' Declaration

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 8 to 21, 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 30 June 2013 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.

Director .... Director ....

Dated 25 September 2013

Gulgong Bowling & Sporting Club Ltd

ABN: 68 001 068 417

Independent Audit Report to the members of Gulgong Bowling & Sporting Club Ltd

Report on the Financial Report

We have audited the accompanying financial report of Gulgong Bowling & Sporting Club Ltd, which comprises the statement of financial position as at 30 June 2013, 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.

Directors' Responsibility 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 and the *Corporations Act 2001* and for such internal control as the directors 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Gulgong Bowling & Sporting Club Ltd, would be in the same terms if given to the directors as at the time of this auditor's report.

Gulgong Bowling & Sporting Club Ltd
ABN: 68 001 068 417

Independent Audit Report to the members of Gulgong Bowling & Sporting Club Ltd

Opinion

In our opinion:

(a) giving a true and fair view of the company's financial position as at 30 June 2013 and of its performance for the year ended on that date; and

(b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*;

Crowe Horwath Central West

Clare Wagner

Audit Partner

2 Commercial Avenue, Dubbo NSW 2830

25 September 2013