

GULGONG BOWLING & SPORTING CLUB LTD

ABN: 68 001 068 417

Financial Statements Including Audit Report

For the year ended 30 June 2017

Gulgong Bowling & Sporting Club Ltd

ABN:68 001 068 417

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For the Year Ended 30 June 2017

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Gulgong Bowling & Sporting Club Ltd

ABN:68 001 068 417

Directors' Report

30 June 2017

The directors present their report on Gulgong Bowling & Sporting Club Ltd for the financial year ended 30 June 2017.

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:

John Hilton Mobbs

Experience	Over 20 years services as Director/Chairman
Special responsibilities	Chairman
Committees	Finance, Staff, Greens and Building Committee

Graham Germon

Experience	Previous Director/Chairman; 5 years on board.
Special responsibilities	Vice Chairman
Committees	Functions and Entertainment Committee

Alex Lithgow

Experience	Director; 5 years on board.
Special responsibilities	Vice Chairman
Committees	Finance and Building Committee

Julie Wood

Experience	Director; 5 years on board.
Special responsibilities	Treasurer
Committee	Finance Committee

Steven Wood

Experience	Director; 5 years on board.
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Russell Pitt

Experience	Director; 4 years on board. Resigned December 2016.
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Rodger Howard

Experience	Director; 2 years on board.
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Michael Thompson

Experience	Director; 2 years on board.
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Colin Ferguson

Experience	Director; 1 year on board.
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Mary Woolford

Experience	Director; 1 year on board.
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Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Gulgong Bowling & Sporting Club Ltd

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Directors' Report

30 June 2017

1. General information

Principal activities

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

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

Short term objectives

The club's short term objectives are to:

- Improve the consistency and quality of the catering service at the club and reduce annual expenses 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 1 year trading with a reported profit to the members.

Long term objectives

The club'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 club 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 of the pricing of all goods and services.

Gulgong Bowling & Sporting Club Ltd

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Directors' Report

30 June 2017

1. General information

Performance measures

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

- The club made a surplus of \$82,709 for the 2017 financial year (2016: \$72,660).
- Membership for the financial year was 991 (2016: 1,054).
- The club 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 club, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$2 per member towards the club's liabilities subject to the provision of the club constitution.

At 30 June 2017 the collective liability of members was \$1,982 (2016: \$ 1,054).

Meetings of directors

During the financial year, [insert number] meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
John Hilton Mobbs	10	10
Graham Germon	10	8
Alex Lithgow	10	9
Julie Wood	10	10
Steven Wood	10	9
Russell Pitt	10	3
Rodger Howard	10	7
Mary Woolford	10	7
Michael Thompson	10	8
Colin Ferguson	10	5

Gulgong Bowling & Sporting Club Ltd

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Directors' Report

30 June 2017

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 2017 has been received and can be found on page 5 of the financial report.

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

Director: 
John Hilton Mobbs

Director: 
Graham German ALEX LITHGOW.

Dated this 04 day of OCTOBER 2017

Gulgong Bowling & Sporting Club Ltd

ABN:68 001 068 417

**Crowe Horwath
Central West**

ABN 73 139 862 923
Member Crowe Horwath International
Audit and Assurance Services

Dubbo Office

2 Commercial Avenue
Dubbo NSW 2830 Australia
PO Box 654
Dubbo NSW 2830 Australia
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**Auditor's 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 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.



Crowe Horwath Central West



Chang Chow
Audit Partner
Registered Club Auditor No: 486069

Dated at the Dubbo office on the 5th day of October 2017

Gulgong Bowling & Sporting Club Ltd

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Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2017

		2017	2016
	Note	\$	\$
Revenue		1,156,579	1,087,585
Cost of sales	5	(246,499)	(230,339)
Employee benefits expense	5	(370,368)	(368,303)
Depreciation and amortisation expense	5	(65,029)	(57,076)
Other expenses	5	(391,974)	(359,207)
Income tax expense		-	-
Surplus for the year		82,709	72,660

The accompanying notes form part of these financial statements.

Gulgong Bowling & Sporting Club Ltd

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Statement of Financial Position As At 30 June 2017

	Note	2017 \$	2016 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	301,196	268,314
Trade and other receivables	7	5,717	2,228
Inventories	8	22,658	26,548
Other assets	9	18,312	9,902
TOTAL CURRENT ASSETS		<u>347,883</u>	<u>306,992</u>
NON-CURRENT ASSETS			
Property, plant and equipment	10	1,062,957	1,024,952
TOTAL NON-CURRENT ASSETS		<u>1,062,957</u>	<u>1,024,952</u>
TOTAL ASSETS		<u>1,410,840</u>	<u>1,331,944</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	58,819	41,167
Short-term provisions	13	51,403	48,096
Financial Liabilities	12	1,314	12,421
TOTAL CURRENT LIABILITIES		<u>111,536</u>	<u>101,684</u>
NON-CURRENT LIABILITIES			
Long-term provisions	13	3,887	16,239
Financial liabilities	12	-	1,314
TOTAL NON-CURRENT LIABILITIES		<u>3,887</u>	<u>17,553</u>
TOTAL LIABILITIES		<u>115,423</u>	<u>119,237</u>
NET ASSETS		<u>1,295,417</u>	<u>1,212,707</u>
EQUITY			
Reserves		510,806	510,806
Retained earnings		784,611	701,901
TOTAL EQUITY		<u>1,295,417</u>	<u>1,212,707</u>

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 30 June 2017

2017

	Retained Earnings	Asset Realisation Reserve	Total
	\$	\$	\$
Balance at 1 July 2016	701,901	510,806	1,212,707
Surplus for the year	82,710	-	82,710
Balance at 30 June 2017	784,611	510,806	1,295,417

2016

	Retained Earnings	Asset Realisation Reserve	Total
	\$	\$	\$
Balance at 1 July 2015	629,241	510,806	1,140,047
Surplus for the year	72,660	-	72,660
Balance at 30 June 2016	701,901	510,806	1,212,707

Gulgong Bowling & Sporting Club Ltd

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Statement of Cash Flows For the Year Ended 30 June 2017

	2017	2016
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	1,263,853	1,187,372
Payments to suppliers and employees	(1,116,084)	(1,070,793)
Interest received	1,795	4,623
Finance costs	(1,227)	-
Net cash provided by/(used in) operating activities	15 <u>148,337</u>	<u>121,202</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	-	(69,441)
Purchase of non-current assets	<u>(103,034)</u>	<u>-</u>
Net cash used by investing activities	<u>(103,034)</u>	<u>(69,441)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of borrowings	-	(28,543)
Repayment of financing	<u>(12,421)</u>	<u>-</u>
Net cash used by financing activities	<u>(12,421)</u>	<u>(28,543)</u>
Net increase/(decrease) in cash and cash equivalents held	32,882	23,218
Cash and cash equivalents at beginning of year	<u>268,314</u>	<u>245,096</u>
Cash and cash equivalents at end of financial year	6 <u><u>301,196</u></u>	<u><u>268,314</u></u>

The accompanying notes form part of these financial statements.

Gulgong Bowling & Sporting Club Ltd

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Notes to the Financial Statements

For the Year Ended 30 June 2017

The financial report covers Gulgong Bowling & Sporting Club Ltd as an individual entity. Gulgong Bowling & Sporting Club Ltd is a not-for-profit club limited by guarantee, incorporated and domiciled in Australia.

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

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

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

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.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Summary of Significant Accounting Policies

(a) Income Tax

No provision for income tax has been raised as the club is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) 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 club 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 the period.

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

(c) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the club and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue from the sale of goods is recognised upon delivery of goods to customers.

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year.

Sale of goods

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

Notes to the Financial Statements

For the Year Ended 30 June 2017

2 Summary of Significant Accounting Policies

(c) Revenue and other income

Interest revenue

Interest is recognised using the effective interest method.

(d) 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.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(e) 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 is net of any rebates and discount 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

(f) 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 of losses.

Assets measured using the revaluation model 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.

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 the costs of dismantling and restoring the asset, where applicable.

Land and buildings

Land and buildings are measured using the revaluation model.

Plant and equipment

Plant and equipment are measured using the cost model.

Notes to the Financial Statements

For the Year Ended 30 June 2017

2 Summary of Significant Accounting Policies

(f) Property, plant and equipment

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the club, commencing when the asset is ready for use.

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

Fixed asset class	Depreciation rate
Buildings	2.5%
Plant & 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.

(g) Impairment of non-financial assets

Impairment of financial assets

At the end of the reporting period the club determines whether there is an evidence of an impairment indicator for non-financial assets.

(h) 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.

(i) Employee Benefits

Provisions are recognised when the club 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.

Employee Benefit Provisions are measured at the present value of management's best estimate of the outflow required to settle the obligation at the end of the reporting period

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

Notes to the Financial Statements

For the Year Ended 30 June 2017

2 Summary of Significant Accounting Policies

(j) New accounting standards for application in future periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The directors have decided against early adoption of these Standards. The following summarises those future requirements and their impact on the club where the standard is relevant:

(i) AASB 16 Leases

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right of use' asset will be capitalised in the statement of financial position, measured as the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short term leases of 12 months or less and leases of low value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right of use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117.

3 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 - employee benefits

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Gulgong Bowling & Sporting Club Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2017

4 Revenue and other income

	2017	2016
	\$	\$
Sales revenue		
- Bar sales	492,203	466,691
- Poker machine revenue	490,785	453,560
	982,988	920,251
Finance income		
- Interest income	1,795	4,623
	1,795	4,623
Other revenue		
- GST rebate	15,618	17,180
- Kitchen lease	-	281
- Other revenue	70,039	62,362
- Competition revenue	4,034	5,249
- Raffles	36,430	34,444
- Subscriptions	9,267	10,663
- Commissions recieved	36,408	32,532
	171,796	162,711
Total Revenue and Other Income	1,156,579	1,087,585

5 Result for the Year

	2017	2016
	\$	\$
- Benefits Expense	370,368	368,303
- Depreciation and amortisation expense	65,029	57,076
Total finance costs	435,397	425,379

The result for the year includes the following specific expenses:

	2017	2016
	\$	\$
Other expenses:		
Advertising	106,347	118,239
Repairs and maintenance	40,528	21,493
Insurance	18,805	14,747
Other operating expenses	128,626	130,014
Catering expenses	-	1,219
Entertainment and Membership	48,574	34,197
Utilities	49,093	39,298
Total Other Expenses	391,973	359,207

Gulgong Bowling & Sporting Club Ltd

ABN:68 001 068 417

Notes to the Financial Statements

For the Year Ended 30 June 2017

6 Cash and Cash Equivalents

Reconciliation of cash

Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:

	2017	2016
	\$	\$
Cash at bank and in hand	301,196	268,314
Cash at bank and in hand	301,196	268,314

7 Trade and Other Receivables

	2017	2016
	\$	\$
CURRENT		
Other receivables	5,717	2,228
Total current trade and other receivables	5,717	2,228

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

8 Inventories

	2017	2016
	\$	\$
CURRENT		
At cost:		
Stock on hand	22,658	26,548
	22,658	26,548

9 Other Assets

	2017	2016
	\$	\$
CURRENT		
Prepayments	13,312	4,902
Tabcorp Deposit	5,000	5,000
	18,312	9,902

Gulgong Bowling & Sporting Club Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2017

10 Property, plant and equipment

	2017	2016
	\$	\$
Leasehold land		
At independent valuation	250,000	250,000
Total land	<u>250,000</u>	<u>250,000</u>
Buildings		
At independent valuation	664,948	647,536
Accumulated depreciation	(47,645)	(29,576)
Total buildings	<u>617,303</u>	<u>617,960</u>
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	984,085	898,463
Accumulated depreciation	(788,431)	(741,471)
Total plant and equipment	<u>195,654</u>	<u>156,992</u>
Total property, plant and equipment	<u><u>1,062,957</u></u>	<u><u>1,024,952</u></u>

(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 & Equipment	Total
	\$	\$	\$	\$
Year ended 30 June 2017				
Balance at the beginning of the year	250,000	617,960	156,992	1,024,952
Additions	-	17,412	85,622	103,034
Depreciation expense	-	(18,069)	(46,960)	(65,029)
Balance at the end of the year	<u>250,000</u>	<u>617,303</u>	<u>195,654</u>	<u>1,062,957</u>

	Land	Buildings	Plant & Equipment	Total
	\$	\$	\$	\$
Year ended 30 June 2016				
Balance at the beginning of the year	250,000	623,337	140,468	1,013,805
Additions	-	12,536	56,905	69,441
Disposals				
Disposals - Written down value	-	-	(1,218)	(1,218)
Depreciation Expense	-	(17,913)	(39,163)	(57,076)
Balance at the end of the year	<u>250,000</u>	<u>617,960</u>	<u>156,992</u>	<u>1,024,952</u>

Gulgong Bowling & Sporting Club Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2017

11 Trade and Other Payables

	2017	2016
	\$	\$
Current		
Trade payables	45,217	32,805
Sundry payables and Accrued Expenses	13,602	8,362
	<u>58,819</u>	<u>41,167</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying amounts are considered to be a reasonable approximation of fair value.

12 Borrowings

	2017	2016
	\$	\$
CURRENT		
Unsecured liabilities:		
Other Financial liabilities	-	9,792
Hire Purchase liabilities	1,314	2,629
	<u>1,314</u>	<u>12,421</u>
NON CURRENT		
Hire Purchase Liability	-	1,314
	<u>-</u>	<u>1,314</u>
Total current borrowings	<u>1,314</u>	<u>13,735</u>

13 Employee Benefit Provisions

	2017	2016
	\$	\$
CURRENT		
Current Provision	51,403	48,096
Long-term provisions	3,887	16,239
	<u>55,290</u>	<u>64,335</u>

14 Contingencies

In the opinion of the directors, the club did not have any contingencies at 30 June 2017 (30 June 2016:None).

Gulgong Bowling & Sporting Club Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2017

15 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

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

	2017	2016
	\$	\$
Surplus for the year	82,710	72,660
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	65,029	57,076
- net gain on disposal of property, plant and equipment	-	1,219
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	705	1,561
- (increase)/decrease in other assets	(8,410)	40
- (increase)/decrease in inventories	3,890	(4,502)
- increase/(decrease) in other creditors	306	-
- increase/(decrease) in trade and other payables	12,411	(3,192)
- increase/(decrease) in accruals	740	(1,559)
- increase/(decrease) in provisions	(9,044)	(2,101)
Cashflows from operations	<u>148,337</u>	<u>121,202</u>

16 Events after the end of the Reporting Period

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

17 Club Details

The registered office of the club is:

Gulgong Bowling & Sporting Club Ltd
Tallawang Road
GULGONG NSW 2852

Gulgong Bowling & Sporting Club Ltd

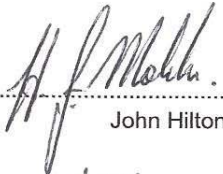
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Directors' Declaration

The directors of the club declare that:

1. The financial statements and notes, as set out on pages 6 to 18, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
 - b. give a true and fair view of the financial position as at 30 June 2017 and of the performance for the year ended on that date of the club.
2. In the directors' opinion, there are reasonable grounds to believe that the club will be able to pay its debts as and when they become due and payable.

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

Director 
John Hilton Mobbs

Director 
~~Graham German~~ ALEX LITHGOW

Dated this 11th day of OCTOBER, 2017

Gulgong Bowling & Sporting Club Ltd

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

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Gulgong Bowling & Sporting Club Ltd (the club), which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the club is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the club's financial position as at 30 June 2017 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Club in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

Responsibilities of Directors for the Financial Report

The directors of the Club 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.

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

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Auditor's Responsibilities for the Audit of the Financial Report

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

Crowe Horwath Central West

Crowe Horwath Central West

Chang Chow

Chang Chow
Audit Partner
Registered Club Auditor No: 486069

Dated at the Dubbo office on the 5th day of October 2017