

GULGONG BOWLING & SPORTING CLUB LTD

ABN: 68 001 068 417

Financial Statements Including Audit Report

For the year ended 30 June 2018

Gulgong Bowling & Sporting Club Ltd

ABN:68 001 068 417

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PRESIDENT'S REPORT – GULGONG MEN'S BOWLING CLUB 2018

The year 2017/18 saw a successful year, both on and off the bowling greens for the Gulgong Men's Bowling Club, as displayed in the following areas:

Membership

Membership remains steady at approximately 56 full time and junior members, allowing the club to field three pennant sides in the Zone 4 competition, as well as a small contingent of social bowlers.

Bowling

As stated above, membership remains steady with the men's club being able to field three grades of pennant teams in the Zone 4 pennant competition. If success is measured in bowling performance, then it is fair to say that the club is in a very solid condition, with successes in the following areas:

- Grade 4 Pennants – Zone 4 winners and advancement to State playoffs
- Grade 7 Pennants – District winners for 2nd year running and Zone 4 Runner ups
- Men's Fours - Zone 4 Champions and advancement to State playoffs
- Australian Open – a group of bowlers travelled to the Australian Open Tournament on the Gold coast, with outstanding performances by Mark Gorrie and Chris O'Neill
- Juniors – outstanding successes by junior bowlers at Zone and school level, with special thanks to the coaching efforts of Paul and Mary Woolford

Finance

The two major income streams for the club remain:

- green and competition fees, as well as more regular raffles, etc.

The club only operates out of two accounts, being:

- Commonwealth Bank Cheque Account
- GBSC Clearing account
- Cheque Account – as at 19July18, the cheque account balance stands at **\$13224.23**, not including:
 - 6Jul18 – Deposit of \$3442.12 from GBSC clearing account.
 - 16Jul18 – Deposit Cheque of \$2100. From GBSC for sponsorship of Men's Representative teams (for disbursement)
 - 16Jul18 – Cheque to Pottsville Beach Motel, Pottsville for deposit for representative team accommodation, to be reconciled.
 - NOTE** Deposits of \$1410.00 and \$755.00 being held from respective charity fund raising days, for disbursement to GBSC in relation to purchase of defibrillator and scoreboards.

Interim balance **\$17666.35** (as opposed to **\$5374.83** at 12Jul 17 after the club had cleared a deficit with the GBSC clearing account).

Major Purchases

The club decided to design and purchase a new club bowling shirt for its members and on behalf of the Gulgong Women's Bowling Club, as well as sale stock for travelling bowlers, tourists etc. The shirt design (Original Ten Dollar Note) was intended to draw more attention to the history of the Gulgong township and stand the bowlers 'out from the crowd' and draw attention to the club.

At an initial order price of \$61.00 (excluding GST), the Men's club decided to subsidise the first order shirt for each member by approximately \$30.00 per item, with the ladies paying cost and spares sold at a mark up price. The initial order (and design fee) was subsidised by sleeve sponsorship.

Initial interest was so great, that an additional order of 30 shirts was placed, with sales expected to generate additional income stream.

General

Considering that the Men's Bowling Club does not receive the same amount of club sponsorship as the local major sporting team (and in fact sources most its own sponsorship), I believe the Men's club is in a sound financial and bowling condition. However, participation in minor club and social events needs to improve, to keep income streams healthy as well as strengthening all over bowling skills and general camaraderie.

My main message to the bowling members and the GBSC board would be:

'NO BOWLING... NO CLUB, NO CLUB.... NO BOWLING!!'

Colin Ferguson

President/Secretary

Gulgong Men's Bowling Club

CHAIRMAN'S REPORT

Another year has passed with little evidence that this drought will break anytime soon.

I would like to thank our members new and old for their support of our Club during the past year as without your support we would not be able to do the upgrades to the Club that we have done.

To the staff, Bec, Maddy, Michelle, Darren, Trish and the casuals who help from time to time, thank you for your dedication and support during the past year. To our Manager Colleen, special thanks for all the time spent sorting out and dealing with all Club business along with any other problems that occur.

Also thank you to the Directors for their time which is voluntary and cannot be taken lightly. Also to Debbie Lithgow for all of the work carried in and out of the Club.

Greenkeeper Darrin has settled in very well and the greens are looking very good. Thank you Darrin.

To the members who have given their time to help out around the Club, we cannot do without your support, so thank you very much.

A Special mention to our Bistro staff, Johnny Apple, Jackpot and others thank you for your hard work. Your efforts speak for themselves when you see the dining room so busy.

We have had mixed results with our pennant players with only grade four winning through to state playoffs at Pottsville, only losing by a couple of shots. A good effort by everyone. In our ladies club Colleen Ryan and Debbie Buckley won the group pairs playoff and progress to state level, with Colleen also competing in the state singles. An outstanding achievement, congratulations ladies.

On the topic of sport Gulgong Terriers Senior League team made it to the Grand Final against Gilgandra losing in the dying seconds by only one point. Congratulations to all on a mighty effort.

We are preparing to have the men's bathroom renovated and solar panels installed on the roof of the Clubhouse and these renovations and improvements could not be carried out without your continued support, thank you all for that support this year.

To the families and friends of loved ones who are no longer with us, our heartfelt condolences go out to you all.

Once again, thank you everyone for all that you have done during the past year.

See you again soon at the Club "where mates meet".

H. John Mobbs

SECRETARY MANAGER'S REPORT 2017/2018

Though this years' financial report has not been finalised as yet, our auditors have predicted a profit which will exceed last years' result. Congratulations to all staff, Directors and volunteers on your contribution to another successful year at 'The Bowlo'.

The 2017/18 year has seen further changes and improvements in the appearance of our club due to the Board's ongoing maintenance program. We are currently awaiting approval from Council for the renovations to the men's bathroom facilities off the TAB area, and we also have plans for upgrades on the electrical system, Bistro and the unisex bathroom facility. We have now completed a renovation of the floorboards in the auditorium and have plans to further improve the flooring in the lounge.

The Club continues its commitment to support local charity, community and sporting organisations by way of sponsorships and offering the use of Club facilities as a venue for meetings and events. We are proud to host many sports and sporting associations within our Club including lawn bowls, football, soccer, squash, golf, pool competitions, cricket euchre and line dancing.

I would like to commend Paul & Mary Woolford who have dedicated their time and experience to coach, free of charge, junior lawn bowlers every week at the Club. Their commitment to the sport and the youngsters who play is evident in the success of their charges over recent years. Three of their junior bowlers have progressed through Zone level and achieved wonderful results through 2017/2018. On behalf of the Club I offer our congratulations to Jordan and Lachlan Thompson and Campbell Bright on their successes during this season, and to Paul and Mary for fostering the talents of these young stars.

Our Senior Men bowlers have had a fantastic year with the Grade 7 and Grade 4 Pennant sides making it to regional playoffs. The grade 4 team making it all the way to the State playoffs in Pottsville. Our Men's fours team will also be competing at state level in the near future.

Our Women's Bowling Club have also had a great year making the regional playoffs in the #3 Pennants, Zone playoffs in singles, pairs, triples and fours and state playoffs in Singles and pairs. This is a massive achievement for a club with less than 20 playing members. We offer our congratulations to all on your outstanding efforts.

Our Annual Rabbit Races were once again well supported by both locals and visitors to our town in 2018 and we offer our sincere gratitude to Staff, Directors and Volunteers for their hard work in making this annual event successful. This is by far the biggest of our fundraising ventures and many of our sporting bodies have seen a much needed financial boost from the funds raised over the last 19 years. The Annual Rabbit races bring many visitors to town and the flow on effect throughout the community is essential so please continue to support this event with your family and friends.

Our sincere thanks to Alex and Debbie Lithgow who arrive twice a week to assist in clearances and generally stay on to attend to other outstanding maintenance and communication issues. We are eternally grateful to them for their ongoing loyalty to the Club.

Johnny, Apple, 'Jackpot' and Leo work tirelessly to provide the highest standard of service and cuisine from the Bistro. Their contribution to the success of the Club is immeasurable.

A special thank you to the local tradesmen who are often called in with little notice to make repairs which enable us to continue to service our members without interruption. They are too many to mention by name however this Club could not run efficiently without their valued support and loyalty.

The members of the Board of Directors deserve recognition and thanks for their many and varied contributions and duties which are all performed free of charge, and go largely unnoticed by the membership. I could not perform my duties without their continued support and I offer my personal thanks to you all and I sincerely hope that you are all able to continue your commitment to the Club into the future.

To Rebecca, Darrin and Trish I offer my heartfelt thanks for your friendship, loyalty and support. Bec is the face of GBSC and her wealth of knowledge of both the industry and her home Club are essential to our ongoing success. We also acknowledge the contributions of our newest staff member Michelle and our casual staff Maddi and Louise and thank them for their efforts. We should all be aware that any success experienced by the Club comes on the backs of these wonderful people.

Mark Willis continues his association and support as our accountant and I cannot thank him enough for his patience and willingness to share his knowledge and experience in the best interest of the Club.

In closing I would like to commend all of our members for their continued support and loyalty, the Club obviously can not function without you. *I once again remind you that your opinions are valued and the venue to air them is at the AGM, please come along and have your say via the voting process.*

On behalf of the Board and Staff of the Club I offer our condolences to the families and friends of our departed members.

I look forward to seeing you all soon "where mates meet".

Colleen Ryan

Gulgong Bowling & Sporting Club Ltd

ABN:68 001 068 417

Directors' Report

30 June 2018

The directors present their report on Gulgong Bowling & Sporting Club Ltd for the financial year ended 30 June 2018.

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 and Greens Committee

Graham Germon

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

Alex Lithgow

Experience	Director; 5 years on board
Committees	Finance, Staff and Technology Committee

Julie Wood

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

Steven Wood

Experience	Director; 5 years on board
Special responsibilities	Finance Committee

Roger Howard

Experience	Director; 3 years on board
Special responsibilities	Raffles Committee

Michael Thompson

Experience	Director; 3 years on board
Special responsibilities	Junior development squad

Mary Woolford

Experience	Director; 2 years on board
Special responsibilities	Junior development squad and Women's bowls

Colin Ferguson

Experience	Director; 2 years on board
Special responsibilities	Men's bowls and Entertainment Committee

Gulgong Bowling & Sporting Club Ltd

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Directors' Report

30 June 2018

1. General information

Information on directors

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 club facilities for its members and guests.

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:

- To continue to provide financial assistance to local sporting and charitable bodies;
- To support the objectives of the company in accordance with its constitution;
- Increase revenue streams from the Club's sporting and function facilities;
- Continue a program of maintenance and renovation for the comfort of members and guests; and
- Ensure that the Club continues to trade with reported profit to the members.

Long term objectives

The company's long term objectives are to:

- Reduce the Club's dependence on gaming revenue;
- 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
- Continue to promote lawn bowls and maintain the best bowling greens in the District.

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 of the pricing of all goods and services.

Gulgong Bowling & Sporting Club Ltd

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Directors' Report

30 June 2018

1. General information

Performance measures

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

- Monthly board meetings are held with review of financial information including monthly and year to date trading results with comparisons to previous year.
- Review of reports on revenue trends including gaming analysis, profitability measures, wage and overhead costs.
- Membership for the financial year was 995 (2017: 991).
- 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 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 company's liabilities subject to the provision of the company's constitution.

At 30 June 2018 the collective liability of members was \$1,990 (2017: \$1,982).

Meetings of directors

During the financial year, 11 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	11	11
Graham Germon	11	9
Alex Lithgow	11	9
Julie Wood	11	11
Steven Wood	10	8
Roger Howard	11	8
Mary Woolford	11	9
Michael Thompson	11	9
Colin Ferguson	11	10

Gulgong Bowling & Sporting Club Ltd

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Directors' Report

30 June 2018

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 2018 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 Gorman~~
A. LITHGOW.

Dated this 10/10/18 day of 2018

Gulgong Bowling & Sporting Club Ltd

ABN: 68 001 068 417

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Central West**

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**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 2018, there have been:

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



CROWE HORWATH CENTRAL WEST



**John Thompson
Audit Partner
Registered Company Auditor No. 302046**

Dated at Dubbo on the 10th day of October 2018

Gulgong Bowling & Sporting Club Ltd

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Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2018

		2018	2017
	Note	\$	\$
Revenue		1,234,518	1,156,579
Cost of sales		(260,349)	(246,499)
Employee benefits expense	5	(386,290)	(370,368)
Depreciation and amortisation expense	5	(99,021)	(65,029)
Other expenses	5	(421,460)	(391,974)
Income tax expense		-	-
Surplus for the year		67,398	82,709
Total comprehensive income for the year		67,398	82,709

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 2018

	Note	2018 \$	2017 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	374,931	301,196
Trade and other receivables	7	6,390	5,717
Inventories	8	24,383	22,658
Other assets	9	9,956	18,312
TOTAL CURRENT ASSETS		<u>415,660</u>	<u>347,883</u>
NON-CURRENT ASSETS			
Property, plant and equipment	10	1,095,599	1,062,957
TOTAL NON-CURRENT ASSETS		<u>1,095,599</u>	<u>1,062,957</u>
TOTAL ASSETS		<u>1,511,259</u>	<u>1,410,840</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	70,030	58,819
Short-term provisions	13	64,611	51,403
Financial Liabilities	12	7,847	1,314
TOTAL CURRENT LIABILITIES		<u>142,488</u>	<u>111,536</u>
NON-CURRENT LIABILITIES			
Long-term provisions	13	5,956	3,887
TOTAL NON-CURRENT LIABILITIES		<u>5,956</u>	<u>3,887</u>
TOTAL LIABILITIES		<u>148,444</u>	<u>115,423</u>
NET ASSETS		<u>1,362,815</u>	<u>1,295,417</u>
EQUITY			
Reserves		510,806	510,806
Retained earnings		852,009	784,611
TOTAL EQUITY		<u>1,362,815</u>	<u>1,295,417</u>

The accompanying notes form part of these financial statements.

Statement of Changes in Equity
For the Year Ended 30 June 2018

2018

	Retained Earnings	Asset Realisation Reserve	Total
	\$	\$	\$
Balance at 1 July 2017	784,611	510,806	1,295,417
Surplus for the year	67,398	-	67,398
Balance at 30 June 2018	852,009	510,806	1,362,815

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

Gulgong Bowling & Sporting Club Ltd

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Statement of Cash Flows For the Year Ended 30 June 2018

	2018	2017
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	1,347,426	1,263,853
Payments to suppliers and employees	(1,138,085)	(1,116,084)
Interest received	1,757	1,795
Finance costs	-	(1,227)
Net cash provided by/(used in) operating activities	15 <u>211,098</u>	<u>148,337</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of non-current assets	<u>(143,896)</u>	(103,034)
Net cash used by investing activities	<u>(143,896)</u>	<u>(103,034)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from borrowings	31,390	-
Repayment of borrowings	(24,857)	-
Repayment of finance lease commitments	-	(12,421)
Net cash used by financing activities	<u>6,533</u>	<u>(12,421)</u>
Net increase/(decrease) in cash and cash equivalents held	73,735	32,882
Cash and cash equivalents at beginning of year	<u>301,196</u>	268,314
Cash and cash equivalents at end of financial year	6 <u><u>374,931</u></u>	<u><u>301,196</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 2018

The financial report covers Gulgong Bowling & Sporting Club Ltd as an individual entity. Gulgong Bowling & Sporting Club Ltd is a not-for-profit company 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 company 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 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 the period.

Leased assets are depreciated on a straight-line basis over the estimated useful lives where it is likely that the company 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 company 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 2018

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 2018

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 company, 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 company determines whether there is any 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 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.

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.

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.

Gulgong Bowling & Sporting Club Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2018

3 Critical Accounting Estimates and Judgments

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.

4 Revenue and other income

	2018	2017
	\$	\$
Sales revenue		
- Bar sales	521,167	492,203
- Poker machine revenue	506,924	490,785
	<u>1,028,091</u>	<u>982,988</u>
Finance income		
- Interest income	1,757	1,795
	<u>1,757</u>	<u>1,795</u>
Other revenue		
- GST rebate	15,618	15,618
- Other revenue	89,622	70,039
- Competition revenue	3,434	4,034
- Raffles	44,438	36,430
- Subscriptions	13,400	9,267
- Commissions received	38,158	36,408
	<u>204,670</u>	<u>171,796</u>
Total Revenue	<u><u>1,234,518</u></u>	<u><u>1,156,579</u></u>

5 Result for the Year

	2018	2017
	\$	\$
- Benefits expense	386,290	370,368
- Depreciation and amortisation expense	99,021	65,029
	<u>485,311</u>	<u>435,397</u>

Gulgong Bowling & Sporting Club Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2018

5 Result for the Year

The result for the year includes the following specific expenses:

	2018	2017
	\$	\$
Other expenses:		
- Advertising & promotions	114,606	106,347
- Repairs and maintenance	16,287	40,528
- Insurance	17,434	18,805
- Other operating expenses	148,972	128,626
- Loss on disposal of assets	12,233	-
- Entertainment & membership	57,466	48,574
- Utilities	54,462	49,093
Total Other Expenses	421,460	391,973

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:

	2018	2017
	\$	\$
Cash at bank and in hand	374,931	301,196
Cash at bank and in hand	374,931	301,196

7 Trade and Other Receivables

	2018	2017
	\$	\$
CURRENT		
Trade receivables	1,550	-
	1,550	-
Other receivables	4,840	5,717
Total current trade and other receivables	6,390	5,717

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.

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Notes to the Financial Statements For the Year Ended 30 June 2018

8 Inventories

	2018	2017
	\$	\$
CURRENT		
At cost:		
Stock on hand	24,383	22,658
Total inventories	24,383	22,658

9 Other Assets

	2018	2017
	\$	\$
CURRENT		
Prepayments	4,956	13,312
Tabcorp deposit	5,000	5,000
Total Assets	9,956	18,312

10 Property, plant and equipment

	2018	2017
	\$	\$
Freehold land		
At independent valuation	250,000	250,000
Total Land	250,000	250,000
Buildings		
At independent valuation	664,948	664,948
Accumulated depreciation	(65,955)	(47,645)
Total buildings	598,993	617,303
Total land and buildings	848,993	867,303
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	1,077,611	984,085
Accumulated depreciation	(831,005)	(788,431)
Total plant and equipment	246,606	195,654
Total plant and equipment	246,606	195,654
Total property, plant and equipment	1,095,599	1,062,957

(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:

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Notes to the Financial Statements For the Year Ended 30 June 2018

10 Property, plant and equipment

(a) Movements in Carrying Amounts

	Land \$	Buildings \$	Plant & Equipment \$	Total \$
Year ended 30 June 2018				
Balance at the beginning of the year	250,000	617,303	195,654	1,062,957
Additions	-	-	143,896	143,896
Disposals	-	-	(12,233)	(12,233)
Depreciation expense	-	(18,310)	(80,711)	(99,021)
Balance at the end of the year	250,000	598,993	246,606	1,095,599

	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	250,000	617,303	195,654	1,062,957

11 Trade and Other Payables

	2018 \$	2017 \$
Current		
Trade payables	39,921	45,217
Sundry payables and Accrued Expenses	30,109	13,602
Total trade and other payables	70,030	58,819

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

	2018 \$	2017 \$
CURRENT		
Unsecured liabilities:		
Other Financial liabilities	7,847	-
Hire Purchase liabilities	-	1,314
Total current borrowings	7,847	1,314

Gulgong Bowling & Sporting Club Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2018

13 Employee Benefit Provisions

	2018	2017
	\$	\$
CURRENT		
Current Provisions	64,611	51,403
NON-CURRENT		
Long-term provisions	5,956	3,887
Total employee benefit provisions	70,567	55,290

14 Contingencies

In the opinion of the directors, the company did not have any contingencies at 30 June 2018 (30 June 2017:None).

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:

	2018	2017
	\$	\$
Surplus for the year	67,398	82,710
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	99,021	65,029
- net gain on disposal of property, plant and equipment	12,233	-
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(673)	705
- (increase)/decrease in other assets	8,357	(8,410)
- (increase)/decrease in inventories	(1,725)	3,890
- increase/(decrease) in other creditors	16,357	306
- increase/(decrease) in trade and other payables	(5,296)	12,411
- increase/(decrease) in accruals	149	740
- increase/(decrease) in provisions	15,277	(9,044)
Cashflows from operations	211,098	148,337

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 company, the results of those operations or the state of affairs of the company in future financial years.

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Notes to the Financial Statements For the Year Ended 30 June 2018

17 Company Details

The registered office of the company 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 company 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 2018 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

John Hilton Mobbs

Director

Graham Gernon
A. LITTON

Dated this 10 day of 10 2018

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GULGONG BOWLING & SPORTING CLUB LTD

ABN: 68 001 068 417

Opinion

We have audited the financial report of Gulgong Bowling & Sporting Club Ltd (the Entity), which comprises the balance sheet as at 30 June 2018, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration by those charged with governance.

In our opinion, the accompanying financial report of the Entity is prepared, in all material respects, in accordance with Corporations Act 2001.

- (a) giving a true and fair view of the registered entity's financial position as at 30 June 2018 and of its financial performance for the year ended that date; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and Corporation *Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Entity in accordance with the 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 responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in the Entity's annual report for the year ended 30 June 2018, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation of the financial report in accordance with Australian Accounting Standards – (Reduced Disclosure Requirement) and Corporations Act 2001 and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

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.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, 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 registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by responsible entities.
- Conclude on the appropriateness of the responsible entity's 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 registered entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

Crowe Horwath Central West

CROWE HORWATH CENTRAL WEST



John Thompson
Audit Partner
Registered Company Auditor No. 302046

Dated at Dubbo on the 10th day of October 2018