

Windale Gateshead Bowling Club Co-operative Limited

ABN: 94 060 243 775

Financial Statements

For the Year Ended 31 May 2018

Windale Gateshead Bowling Club Co-operative Limited

ABN: 94 060 243 775

Contents

For the Year Ended 31 May 2018

	Page
Financial Statements	
Directors' Report	1
Auditor's Independence Declaration under Section 307C of the Corporations Act 2001	4
Statement of Profit or Loss and Other Comprehensive Income	5
Statement of Financial Position	6
Statement of Changes in Equity	7
Statement of Cash Flows	8
Notes to the Financial Statements	9
Directors' Declaration	19
Independent Audit Report	20
Schedules	22

Windale Gateshead Bowling Club Co-operative Limited

ABN: 94 060 243 775

Directors' Report

31 May 2018

The directors present their report on Windale Gateshead Bowling Club Co-operative Limited for the financial year ended 31 May 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:

Frank Botham

Experience Director for 14 years

Special responsibilities Chairman

Harry Bulmer

Experience Director for 16 years

Special responsibilities Deputy Chairman

Brian Kilduff

Experience Director for 17 years

Special responsibilities Social Director

Stephen Strudwick

Experience Director for 4 years

Special responsibilities Bowls Director

Keith Bailey

Experience Director for 3 years

Special responsibilities Director

Stewart Bradley

Experience Director for 3 years

Special responsibilities Director

Ken McFarlane

Experience Director for 2 years

Special responsibilities Director

Michael Bourke

Appointed AGM
Experience Director for 1 year

Special responsibilities Director

Frank Jackson

Appointed AGM
Experience Director for 1 year

Special responsibilities Director

Bill Foley

Not elected AGM

Anthony Murphy

Not elected AGM

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

Windale Gateshead Bowling Club Co-operative Limited

ABN: 94 060 243 775

Directors' Report

31 May 2018

1. General information

Principal activities

The principal activity of Windale Gateshead Bowling Club Co-operative Limited during the financial year was operated a registered club, promoting the game of lawn bowls and providing amenities to members and their 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:

- Exceed members and guests needs and expectations on the provision of facilities, products and services.
- Support a safe and friendly environment for staff and customers that encourages the principles of the Responsible Service of Alcohol and the Responsible Conduct of Gaming.

Long term objectives

The Company's long term objectives are to:

- Provide the community a continual level of high quality services and facilities in a safe and friendly environment.
- Generate profits that will be reinvested into improved services and facilities for members and community support.

Strategy for achieving the objectives

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

- The board of directors, management and staff together are committed to achieving the best practice principles which are measurable by the continual support of community partnerships whilst exceeding financial benchmarks.
- Meeting and surpassing our strategic goals is achieved through constant review and evaluation of business practices using the opinions of members and their guests, staff and professional alliances.

2. Other items

Future developments and results

There were no likely developments in the Co-operatives operations that were not finalised at the date of this report.

Windale Gateshead Bowling Club Co-operative Limited

ABN: 94 060 243 775

Directors' Report

31 May 2018

Meetings of directors

During the financial year, 18 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Ordinary Directors' Meetings		Special Directors' Meeting	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Frank Botham	12	12	6	6
Harry Bulmer	12	12	6	6
Brian Kilduff	12	11	6	3
Stephen Strudwick	12	12	6	5
Keith Bailey	12	10	6	4
Stewart Bradley	12	12	6	5
Ken McFarlane	12	9	6	5
Michael Bourke	10	8	4	2
Frank Jackson	10	9	4	3
Bill Foley	2	2	2	1
Anthony Murphy	2	2	2	2

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 31 May 2018 has been received and can be found on page 4 of the financial report.

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

Director: 
.....
Frank Botham

Director: 
.....
Harry Bulmer

Dated 16 July 2018

Windale Gateshead Bowling Club Co-operative Limited

ABN: 94 060 243 775

**Auditor's Independence Declaration under Section 307C of the
Corporations Act 2001 to the Directors of Windale Gateshead Bowling
Club Co-operative Limited**

I declare that, to the best of my knowledge and belief, during the year ended 31 May 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.



Neil Watson
Partner
KLM Accountants

16 July 2018

Charlestown, NSW

Windale Gateshead Bowling Club Co-operative Limited

ABN: 94 060 243 775

Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 31 May 2018

		2018	2017
	Note	\$	\$
Revenue	4	2,585,261	2,571,604
Other income	4	103,284	173,200
Raw materials and consumables used		(413,850)	(379,245)
Bar Expenses		(253,444)	(218,882)
Poker Machine Expenses		(515,228)	(523,008)
Keno Expenses		(40,010)	(41,125)
TAB Expenses		(44,637)	(47,989)
Social Expenses		(254,525)	(243,716)
Bowling Expenses		(186,077)	(173,449)
Other expenses		(961,315)	(1,014,286)
Profit before income tax		19,459	103,104
Income tax expense		-	-
Profit from continuing operations		19,459	103,104
Total comprehensive income for the year		19,459	103,104

The accompanying notes form part of these financial statements.

Windale Gateshead Bowling Club Co-operative Limited

ABN: 94 060 243 775

Statement of Financial Position

As At 31 May 2018

	Note	2018 \$	2017 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	647,207	446,268
Trade and other receivables	7	22,382	11,705
Inventories	8	31,681	22,493
Other assets	10	51,362	40,063
TOTAL CURRENT ASSETS		752,632	520,529
NON-CURRENT ASSETS			
Property, plant and equipment	9	2,825,486	3,009,439
TOTAL NON-CURRENT ASSETS		2,825,486	3,009,439
TOTAL ASSETS		3,578,118	3,529,968
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	166,907	147,061
Borrowings	12	83,889	53,975
Employee benefits	15	52,505	41,456
Other financial liabilities	13	13,677	12,202
Other liabilities	14	18,746	5,435
TOTAL CURRENT LIABILITIES		335,724	260,129
NON-CURRENT LIABILITIES			
Borrowings	12	19,771	67,359
Employee benefits	15	10,530	8,678
Other financial liabilities	13	3,914	5,081
TOTAL NON-CURRENT LIABILITIES		34,215	81,118
TOTAL LIABILITIES		369,939	341,247
NET ASSETS		3,208,179	3,188,721
EQUITY			
Reserves		2,659	2,659
Retained earnings		3,205,520	3,186,062
TOTAL EQUITY		3,208,179	3,188,721

The accompanying notes form part of these financial statements.

Windale Gateshead Bowling Club Co-operative Limited

ABN: 94 060 243 775

Statement of Changes in Equity
For the Year Ended 31 May 2018

2018

Balance at 1 June 2017

Profit attributable to members of the parent entity

Balance at 31 May 2018

Note	Retained Earnings	General Reserve	Total
	\$	\$	\$
	3,186,062	2,659	3,188,721
	19,458	-	19,458
	<u>3,205,520</u>	<u>2,659</u>	<u>3,208,179</u>

2017

Balance at 1 June 2016

Profit attributable to members of the parent entity

Balance at 31 May 2017

Note	Retained Earnings	General Reserve	Total
	\$	\$	\$
	3,082,959	2,659	3,085,618
	103,103	-	103,103
	<u>3,186,062</u>	<u>2,659</u>	<u>3,188,721</u>

The accompanying notes form part of these financial statements.

Windale Gateshead Bowling Club Co-operative Limited

ABN: 94 060 243 775

Statement of Cash Flows For the Year Ended 31 May 2018

	2018	2017
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	2,937,181	3,015,076
Payments to suppliers and employees	(2,556,096)	(2,705,589)
Interest received	8,390	9,513
Net cash provided by/(used in) operating activities	21 <u>389,475</u>	<u>319,000</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(170,862)	(110,215)
Net cash provided by/(used in) investing activities	<u>(170,862)</u>	<u>(110,215)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from borrowings	73,226	-
Repayment of borrowings	(90,900)	(230,286)
Net cash provided by/(used in) financing activities	<u>(17,674)</u>	<u>(230,286)</u>
Net increase/(decrease) in cash and cash equivalents held	200,939	(21,501)
Cash and cash equivalents at beginning of year	446,268	467,769
Cash and cash equivalents at end of financial year	6 <u>647,207</u>	<u>446,268</u>

The accompanying notes form part of these financial statements.

Windale Gateshead Bowling Club Co-operative Limited

ABN: 94 060 243 775

Notes to the Financial Statements For the Year Ended 31 May 2018

The financial report covers Windale Gateshead Bowling Club Co-operative Limited as an individual entity. Windale Gateshead Bowling Club Co-operative Limited is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Windale Gateshead Bowling Club Co-operative Limited 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, the Co-operatives (Adoption of National Law) Act 2012 and the *Corporations Act 2001*.

2 Summary of Significant Accounting Policies

(a) Income Tax

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.

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, 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.

(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 at the point of sale.

Gaming machine revenue is recognised at the point of sale and represents the difference between the amounts earned through gaming wagers less the payouts from those wagers. Liabilities are recognised for anticipated payouts for progressive jackpots.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

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

Windale Gateshead Bowling Club Co-operative Limited

ABN: 94 060 243 775

Notes to the Financial Statements For the Year Ended 31 May 2018

2 Summary of Significant Accounting Policies

(c) Revenue and other income

Donations

Donations and bequests are recognised as revenue when received.

Subscriptions

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

(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.

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 are net of any rebates and discounts received.

(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.

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

Freehold land and buildings

Freehold land and buildings are measured using the cost model. The carrying amount of freehold land and buildings is reviewed to ensure it is not in excess of the recoverable amount based on valuations by external independent valuers, less subsequent depreciation for buildings, undertaken every 3 to 5 years

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

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Revaluation decreases that offset previous increases of the same class of assets shall be charged against fair value reserves directly in equity. All other decreases are recognised in the profit and loss.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the

Windale Gateshead Bowling Club Co-operative Limited

ABN: 94 060 243 775

Notes to the Financial Statements For the Year Ended 31 May 2018

2 Summary of Significant Accounting Policies

(g) Financial instruments

(i) Impairment of Financial Assets

asset and the net amount is restated to the revalued amount of the asset.

Freehold land and buildings that have contributed at no costs, or for nominal cost, are initially recognised and measured 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. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present.

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	20-40 years
Plant and Equipment	1-20 years

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) Financial instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

(i) Impairment of Financial Assets

Impairment of financial assets

At the end of the reporting period the Company assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets at amortised cost

Windale Gateshead Bowling Club Co-operative Limited

ABN: 94 060 243 775

Notes to the Financial Statements

For the Year Ended 31 May 2018

2 Summary of Significant Accounting Policies

(g) Financial instruments

(i) Impairment of Financial Assets

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

Impairment on loans and receivables is reduced through the use of an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset. Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

Available-for-sale financial assets

A significant or prolonged decline in value of an available-for-sale asset below its cost is objective evidence of impairment, in this case, the cumulative loss that has been recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Any subsequent increase in the value of the asset is taken directly to other comprehensive income.

(h) Intangibles

Poker machine entitlements

Poker machine entitlements are recognised at cost of acquisition. Directors have assessed that poker machine entitlements have an indefinite useful life. These assets are tested annually for impairment and carried at cost less accumulated depreciation.

(i) 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.

Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the statement of financial position.

(j) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

Windale Gateshead Bowling Club Co-operative Limited

ABN: 94 060 243 775

Notes to the Financial Statements

For the Year Ended 31 May 2018

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 - impairment of property, plant and equipment

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

The freehold land and buildings were independently valued at 22 September 2014 by Preston Rowe Paterson. The valuation was based on the fair value less cost of disposal. The critical assumption adopted in determining the valuation included the location of the land and buildings, the current demand for land and buildings in the area and recent sales data for similar properties. The freehold land and buildings were valued at \$3.9 million.

At 31 May 2018, the directors have performed a directors' valuation on the freehold land and buildings. The directors have reviewed the key assumptions made by the valuers at 22 September 2014 and do not believe there has been a significant change in the assumptions as at 31 May 2018. The directors therefore believe the carrying amount of the land correctly reflects the fair value less cost of disposal at 31 May 2018.

Key estimates - depreciation and amortisation rates

The Company estimates the useful life of fixed assets from the acquisition date and depreciates the amount on a straight line basis. Key assumptions are made about the useful life of the fixed assets based on similar assets they have held previously and their knowledge of each type of fixed asset.

4 Revenue and Other Income

Revenue from continuing operations

	2018	2017
	\$	\$
Sales revenue		
- sale of goods	951,266	887,198
- provision of services	1,633,995	1,684,406
	<u>2,585,261</u>	<u>2,571,604</u>
Other revenue		
- Insurance claims	24,344	3,565
- Interest received	8,390	9,513
- Sale of poker machine entitlements	70,550	160,122
	<u>103,284</u>	<u>173,200</u>
Total Revenue	<u>2,688,545</u>	<u>2,744,804</u>

Windale Gateshead Bowling Club Co-operative Limited

ABN: 94 060 243 775

Notes to the Financial Statements For the Year Ended 31 May 2018

5 Result for the Year

The result for the year includes the following specific expenses:

	2018	2017
	\$	\$
Cost of sales	413,850	379,245
Other expenses:		
Depreciation and amortisation expenses	294,772	287,550
Net loss on disposal of fixed assets	58,467	34,579

6 Cash and Cash Equivalents

Cash at bank and in hand	318,476	123,749
Deposits at call	328,731	322,519
	<u>647,207</u>	<u>446,268</u>

(a) Deposits at call

The deposits were bearing floating interest rates between 2.40% and 2.80% (2017: 2.60% and 3.05%).

7 Trade and Other Receivables

CURRENT		
Trade receivables	14,297	5,069
Accrued income	3,198	1,567
Other receivables	4,887	5,069
Total current trade and other receivables	<u>22,382</u>	<u>11,705</u>

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

Other receivables generally arise from transactions outside the usual operating activities of the Co-operative. Interest is not normally charged. Collateral is not normally obtained.

8 Inventories

CURRENT		
At cost:		
Bar stock on hand	26,910	20,589
Pennant bowls uniform	4,422	1,475
Vending machine stock	349	429
	<u>31,681</u>	<u>22,493</u>

Windale Gateshead Bowling Club Co-operative Limited

ABN: 94 060 243 775

Notes to the Financial Statements
For the Year Ended 31 May 2018

9 Property, plant and equipment

	2018	2017
	\$	\$
LAND AND BUILDINGS		
Freehold land		
At cost	279,850	279,850
Buildings		
At cost	4,290,994	4,239,344
Accumulated depreciation	(2,647,359)	(2,561,319)
Total buildings	1,643,635	1,678,025
Total land and buildings	1,923,485	1,957,875
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	3,028,732	3,032,918
Accumulated depreciation	(2,126,731)	(1,981,354)
Total plant and equipment	902,001	1,051,564
Total property, plant and equipment	2,825,486	3,009,439

(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:

	Freehold Land	Buildings and Improvement	Plant and Equipment	Total
	\$	\$	\$	\$
Year ended 31 May 2018				
Balance at the beginning of the year	279,850	1,678,025	1,051,564	3,009,439
Additions	-	51,650	119,212	170,862
Disposals	-	-	(60,043)	(60,043)
Depreciation expense	-	(86,040)	(208,732)	(294,772)
Balance at the end of the year	279,850	1,643,635	902,001	2,825,486

10 Other Assets

	2018	2017
	\$	\$
CURRENT		
Prepayments	51,362	40,063

Windale Gateshead Bowling Club Co-operative Limited

ABN: 94 060 243 775

Notes to the Financial Statements

For the Year Ended 31 May 2018

11 Trade and Other Payables

	2018	2017
Note	\$	\$
Current		
Trade payables	114,077	106,732
GST payable	19,546	15,776
Employee benefits	9,960	9,472
Sundry payables and accrued expenses	23,324	15,081
	<u>166,907</u>	<u>147,061</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

12 Borrowings

CURRENT

Credit card and bank overdrafts	5,116	20
Lease liability secured	78,773	53,955
Total current borrowings	<u>83,889</u>	<u>53,975</u>

NON-CURRENT

Lease liability secured	19,771	67,359
Total non-current borrowings	<u>19,771</u>	<u>67,359</u>
Total borrowings	<u>103,660</u>	<u>121,334</u>

13 Other Financial Liabilities

CURRENT

Subscriptions received in advance	13,677	12,202
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NON-CURRENT

Subscriptions received in advance	3,914	5,081
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14 Other Liabilities

CURRENT

Members bonus points liability	13,496	-
Poker machine cashless liability	5,250	5,435
	<u>18,746</u>	<u>5,435</u>

Windale Gateshead Bowling Club Co-operative Limited

ABN: 94 060 243 775

Notes to the Financial Statements For the Year Ended 31 May 2018

15 Employee Benefits

	2018	2017
	\$	\$
Current liabilities		
Long service leave	21,877	20,168
Provision for employee benefits	30,628	21,288
	<u>52,505</u>	<u>41,456</u>
Non-current liabilities		
Long service leave	10,530	8,678

16 Reserves

(a) General reserve

The general reserve records funds set aside for future expansion of Windale Gateshead Bowling Club Co-operative Limited.

17 Leasing Commitments

(a) Finance leases

Finance leases are in place for poker machines, beer taps and normally have a term between 1 and 3 years.

(b) Operating leases

	2018	2017
	\$	\$
Minimum lease payments under non-cancellable operating leases:		
- not later than one year	25,604	27,447
- between one year and five years	30,611	49,222
	<u>56,215</u>	<u>76,669</u>

18 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 1 \$ each towards meeting any outstandings and obligations of the Company. At 31 May 2018 the number of members was 617.

19 Directors' Remuneration

The totals of remuneration paid to the directors of Windale Gateshead Bowling Club Co-operative Limited during the year were in connection with the management of affairs of the Co-operative.

	2018	2017
	\$	\$
Honorariums	18,155	19,575

Windale Gateshead Bowling Club Co-operative Limited

ABN: 94 060 243 775

Notes to the Financial Statements For the Year Ended 31 May 2018

20 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 May 2018 (31 May 2017:None).

21 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
	\$	\$
Profit for the year	19,458	103,104
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation and amortisation	294,772	287,550
- net gain/(loss) on disposal of property, plant and equipment	58,467	34,579
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(10,677)	(10,314)
- (increase)/decrease in other assets	(11,299)	(12,776)
- (increase)/decrease in inventories	(9,188)	(5,034)
- increase/(decrease) in trade and other payables	19,846	(50,982)
- increase/(decrease) in other liabilities	12,901	4,202
- increase/(decrease) in employee benefits	15,195	(31,329)
Cashflows from operations	<u>389,475</u>	<u>319,000</u>

22 Events after the end of the Reporting Period

The financial report was authorised for issue on 11 July 2018 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.

23 Statutory Information

Core property - The registered office and principal place of business of the company is:

Windale Gateshead Bowling Club Co-operative Limited
2A Lake Street
Windale NSW 2306

Non- Core Property - Nil

Windale Gateshead Bowling Club Co-operative Limited

ABN: 94 060 243 775

Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 5 to 18, are in accordance with the *Co-operatives (Adoption and National Law) Act 2012*, the *Co-operatives (New South Wales) Regulation 2014*, 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 31 May 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 
Frank Botham

Director 
Harry Bulmer

Dated 16 July 2018

Windale Gateshead Bowling Club Co-operative Limited

Independent Audit Report to the members of Windale Gateshead Bowling Club Co-operative Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Windale Gateshead Bowling Club Co-operative Limited (the Company), which comprises the statement of financial position as at 31 May 2018, 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 Company is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the Company's financial position as at 31 May 2018 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the Co-operatives (Adoption and National Law) Act 2012, the Co-operatives (New South Wales) Regulation 2014 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 Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, 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.

Windale Gateshead Bowling Club Co-operative Limited

**Independent Audit Report to the members of Windale Gateshead Bowling
Club Co-operative Limited**

Responsibilities of Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine 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 Company'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 Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.



Neil Watson
Partner

Charlestown, NSW
16 July 2018

Windale Gateshead Bowling Club Co-operative Limited


ABN: 94 060 243 775

For the Year Ended 31 May 2018

Disclaimer

The additional financial data presented on page 22 is in accordance with the books and records of the Company which have been subjected to the auditing procedures applied in our statutory audit of the Company for the year ended 31 May 2018. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Windale Gateshead Bowling Club Co-operative Limited) in respect of such data, including any errors or omissions therein however caused.

KLM Accountants



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Charlestown
16 July 2018

Windale Gateshead Bowling Club Co-operative Limited

ABN: 94 060 243 775

Detailed Trading Statements

For the Year Ended 31 May 2018

	2018	2017
	\$	\$
BAR TRADING STATEMENT		
Sales	951,266	887,198
Cost of sales	(413,850)	(379,245)
Gross profit	537,416	507,953
Gross Profit %	56.5%	57.3%
Direct expenses		
Cleaning	(945)	(980)
Laundry	(13)	(17)
Overs/Unders – Bar	(1,155)	(593)
Promotions	(3,843)	(4,530)
Replacements	(3,430)	(4,124)
Repairs and maintenance	(17,077)	(12,504)
Wages	(223,282)	(196,134)
Wastage	(3,699)	-
TRADING SURPLUS	283,972	289,071
Profit / (loss) to sales %	29.8%	36.2%
Wages to sales %	23.5%	22.1%

Windale Gateshead Bowling Club Co-operative Limited

ABN: 94 060 243 775

Detailed Trading Statements

For the Year Ended 31 May 2018

	2018	2017
	\$	\$
POKER MACHINE TRADING STATEMENT		
Net clearances	1,301,650	1,383,090
Unclaimed payouts	185	(2,041)
Poker machine GST rebate	17,180	17,180
	1,319,015	1,398,229
Direct expenses		
Bonus points	(50,496)	(23,016)
Data monitoring	(30,285)	(33,847)
Depreciation	(174,772)	(175,994)
Duty tax	(120,949)	(145,482)
Promotions	(16,150)	(16,187)
Repairs and maintenance	(45,638)	(61,421)
Wages	(76,938)	(67,061)
	(515,228)	(523,008)
TRADING SURPLUS	803,787	875,221
Profit/(loss) to total income	60.9%	68.2%

Windale Gateshead Bowling Club Co-operative Limited

ABN: 94 060 243 775

Detailed Trading Statements

For the Year Ended 31 May 2018

	2018	2017
	\$	\$
KENO TRADING STATEMENT		
Keno Commissions	54,087	46,277
	54,087	46,277
Direct expenses		
Overs/Unders	(199)	20
Promotions	-	(1,817)
Repairs and maintenance	(2,286)	(3,131)
Stationery	(845)	(1,281)
Wages	(36,680)	(34,916)
	(40,010)	(41,125)
TRADING SURPLUS	14,077	5,152

Windale Gateshead Bowling Club Co-operative Limited

ABN: 94 060 243 775

Detailed Trading Statements

For the Year Ended 31 May 2018

	2018	2017
	\$	\$
TAB TRADING STATEMENT		
TAB Commissions	15,213	14,666
	15,213	14,666
Direct expenses		
Overs/Unders	(203)	(185)
Promotions	(1,956)	(2,531)
Repairs and maintenance	(5,092)	(7,342)
Sky Channel	(19,465)	(19,577)
Stationery	-	(989)
Wages	(17,921)	(17,365)
	(44,637)	(47,989)
TRADING SURPLUS / (DEFICIT)	(29,424)	(33,323)

Windale Gateshead Bowling Club Co-operative Limited

ABN: 94 060 243 775

Detailed Trading Statements

For the Year Ended 31 May 2018

	2018	2017
	\$	\$
SOCIAL TRADING STATEMENT		
Bingo	16,329	18,058
Bus Income	8,755	9,118
Coffee Machine	-	135
Friday Raffle	54,683	53,565
Sunday Raffle	38,143	40,708
Special Raffle	1,643	3,383
Homewares Raffle	1,661	2,450
Meat and Seafood Raffle	4,854	1,234
Vending Machine	5,025	7,930
Other Social Income	691	222
	131,784	136,803
Direct expenses		
Bingo	(25,406)	(24,694)
Coffee Machine	-	(200)
Courtesy Bus Fuel	(8,273)	(7,424)
Courtesy Bus Repairs and Maintenance	(11,802)	(5,147)
Courtesy Bus Wages	(15,973)	(17,580)
Foxtel	(26,601)	(19,951)
General	(9,650)	(407)
Kids Club	(2,413)	(1,835)
Musical entertainment	(54,835)	(54,381)
Friday Raffle	(52,181)	(59,212)
Sunday Raffle	(38,162)	(40,798)
Special Raffle	(2,007)	(3,339)
Homewares Raffle	(1,424)	(2,482)
Meat and Seafood Raffle	(2,640)	(1,500)
Vending Machine	(3,158)	(4,766)
	(254,525)	(243,716)
TRADING SURPLUS / (DEFICIT)	(122,741)	(106,913)

Windale Gateshead Bowling Club Co-operative Limited

ABN: 94 060 243 775

Detailed Trading Statements

For the Year Ended 31 May 2018

	2018	2017
	\$	\$
BOWLING TRADING STATEMENT		
Gala and green fees	4,521	4,854
Raffles	9,637	9,416
Sponsorship	34,150	25,959
Tournament fees	5,567	4,936
Uniform sales	3,682	891
	57,557	46,056
Direct expenses		
Catering	(7,438)	(11,428)
Club champ. Prizes and trophies	(6,572)	(6,072)
Gala and green	(7,365)	(7,557)
Repairs and maintenance	(10,584)	(16,378)
Mens pennant expenses	(12,808)	(13,808)
Junior bowls	-	(450)
Other	(14,039)	(5,200)
Bowls uniform	(7,640)	(4,087)
Presentation night	(3,560)	(421)
Raffles	(9,360)	(9,315)
RNSWBA, NDBA affiliation fees	(8,723)	(9,762)
Womens Bowling Association fees	(655)	(565)
Womens Pennants fees and expense	(1,759)	(351)
Tournament prizes	(16,450)	(16,663)
Wages	(79,124)	(71,392)
	(186,077)	(173,449)
TRADING SURPLUS / (DEFICIT)	128,520	(127,393)

Windale Gateshead Bowling Club Co-operative Limited

ABN: 94 060 243 775

Detailed Trading Statements

For the Year Ended 31 May 2018

ADMINISTRATION STATEMENT	2018	2017
	\$	\$
Insurance Claims	24,344	3,565
Interest Received	8,390	9,513
Members Subscriptions	21,673	18,973
Sundry	83,400	160,121
Telephone Receipts	1,206	1,391
Vending Commissions	20,608	20,456
Function Room Hire	-	355
Rent - Bistro	-	1,200
	159,621	215,574
Direct expenses		
Advertising	(19,161)	(26,668)
Annual leave	(32,630)	(34,836)
Audit fee	(11,750)	(12,000)
Bank charges	(2,692)	(3,617)
Cleaning - general	(9,299)	(9,371)
Cleaning contract	(72,727)	(82,517)
Cleaning materials	(7,597)	(5,829)
Computer software/support	(10,650)	(12,881)
Council rates	(6,278)	(7,044)
Depreciation	(120,000)	(111,556)
Directors' honorariums	(18,155)	(19,575)
Directors' out-of-pocket expenses	(1,421)	(1,045)
Donations	(24,694)	(8,064)
Electricity	(72,608)	(70,500)
Garbage and refuse disposal	(9,495)	(280)
General expenses	(3,497)	(10,454)
Insurance - general	(64,195)	(60,326)
Insurance – workers compensation	(14,224)	(17,821)
Interest	(6,219)	(7,153)
Joker Draw	-	(4,000)
Kiosk promotions	(11,697)	(13,625)
Long service leave	(3,562)	(12,091)
Loss on disposal fixed asset	(58,467)	(34,579)
Overs and Unders Safe	58	46
Payroll Tax	(137)	-
Pest Control	(2,369)	(2,655)
Printing, stationery & stamps	(11,480)	(11,428)
Professional fees	(4,817)	(20,097)
Promotions	(28,244)	(27,418)
Rentals	(26,795)	(26,273)
Repairs and maintenance	(47,641)	(37,636)

Windale Gateshead Bowling Club Co-operative Limited

ABN: 94 060 243 775

Detailed Trading Statements

For the Year Ended 31 May 2018

	2018	2017
	\$	\$
Repairs and maintenance - wages	(5,643)	(1,629)
Restructure costs	-	(9,754)
Security	(15,173)	(13,759)
Sick leave	(6,808)	(11,061)
Staff training	(1,157)	(16,233)
Subscriptions and licenses	(9,409)	(9,608)
Sundry costs	(3,079)	-
Superannuation	(57,684)	(56,810)
Telephone	(14,165)	(15,649)
Uniforms	(3,376)	(3,129)
Wages	(130,419)	(162,639)
Water rates	(11,958)	(17,632)
	<u>(961,314)</u>	<u>(1,014,286)</u>
Net surplus / (deficit)	<u>(801,693)</u>	<u>(798,712)</u>
NET SURPLUS FOR THE YEAR	<u>19,458</u>	<u>103,104</u>