

**Windale Gateshead Bowling Club Co-operative Limited**  
ABN 94 060 243 775

# **Financial Report**

**31 May 2017**

# Windale Gateshead Bowling Club Co-operative Limited

## Financial Report – 31 May 2017

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## Directors' Report

Your directors present their report on Windale Gateshead Bowling Club Co-operative Limited for the year ended 31 May 2017.

### Directors

The following persons were directors of Windale Gateshead Bowling Club Co-operative Limited during the financial year and up to the date of this report:

F Botham  
H Bulmer  
B Kilduff  
A Murphy  
K Bailey  
S Strudwick  
S Bradley  
B Foley  
K McFarlane

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

### Principal activities

The Co-operative's principal continuing activities during the year consisted of operating as a registered club, promoting the game of lawn bowls and providing amenities to members and their guests.

The entity'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.

The entity'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.

To achieve these objectives, the entity 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.

No significant changes in the nature of the Co-operative's activities occurred during the year.

### Results

	2017	2016
	\$	\$
Net Profit/(loss)	<u>103,103</u>	<u>(88,207)</u>

### Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 31 May 2017 that has significantly affected, or may significantly affect:

- (a) the Co-operative's operations in future financial years, or
- (b) the results of those operations in future financial years, or
- (c) the Co-operative's state of affairs in future financial years.

### Likely developments and expected results of operations

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

### Environmental regulation

There are no significant environmental regulations that apply at the date of this report.

## Directors' Report (continued)

### Information on Directors

Director	Experience	Special Responsibilities
F Botham	Director for 13 years	Chairman
H Bulmer	Director for 15 years	Deputy Chairman
B Kilduff	Director for 16 years	Social Director
A Murphy	Director for 1 year	Bowls Director
K Bailey	Director for 2 years	Director
S Strudwick	Director for 3 years	Director
S Bradley	Director for 2 years	Director
B Foley	Director for 1 year	Director
K McFarlane	Director for 1 year	Director

### Co-operative Secretary

Craig Swan held the position of Co-operative secretary at the end of the financial year. He was appointed Co-operative secretary on 2 March 2017.

### Meetings of Directors

The number of meetings of the Co-operative's directors held during the year ended 31 May 2017, and the number of meetings attended by each director were:

	Normal directors meetings	Special directors meetings	Total directors meetings
Number of meetings held	12	5	17
Number of meetings attended by:			
F Botham	12/12	4/5	16/17
H Bulmer	12/12	5/5	17/17
B Kilduff	8/12	5/5	13/17
A Murphy	9/9	2/2	11/11
K Bailey	12/12	5/5	17/17
S Strudwick	12/12	5/5	17/17
S Bradley	12/12	3/5	15/17
B Foley	9/9	1/2	10/11
K McFarlane	9/9	2/2	11/11
G Williams	2/3	2/3	4/6
L Pyke	2/3	2/3	4/6
R Drysdale	3/3	3/3	6/6

### Retirement, election and continuation in office of directors

A Murphy, B Foley and K McFarlane were appointed on 20 August 2016.  
G Williams, L Pyke and R Drysdale resigned on 20 August 2016.

### Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 31 May 2017 has been received and included on page 23.

This report is made in accordance with a resolution of the directors.

F Botham  
Chairman



H Bulmer  
Deputy Chairman



Windale  
7 July 2017

## Club Property Declarations

Pursuant to Section 41J(2) of the Registered Clubs Act the Directors declare that, for the financial year ended 31 May 2017, the classifications of the property held are as follows.

### Core Property:

#### Property Address

Cnr. Swan Street and Lake Street, Windale NSW 2306

#### Current Usage

Clubhouse, Car park, Sporting Facilities

### Notes to Members

1. Section 41J(2) of the Registered Clubs Act requires the annual report to specify the core property and non-core property of the Club as at the end of the financial year to which the report relates.
2. Core property is any real property owned or occupied by the Club that comprises:
  - a) The defined premises of the Club; or
  - b) Any facility provided by the Club for use of its members and their guests; or
  - c) Any other property declared by a resolution passed by a majority of the members present at a general meeting of ordinary members of the Club to be core property of the Club.
3. Non-core property is any other property other than that referred to above as core property and any property which is declared by the members at a general meeting of ordinary members of the Club not to be core property.
4. The significance of the distinction between core property and non-core property is that the Club cannot dispose of any core property unless:
  - a) The property has been valued by a registered valuer within the meeting of the Valuers Act 2003; and
  - b) The disposal has been approved at a general meeting of the ordinary members of the Club at which the majority of the votes cast support the approval; and
  - c) Any sale is by way of public auction or open tender conducted by an independent real estate agent or auctioneer.
5. These disposal provisions and what constitutes a disposal for the purposes of section 41J are to some extent modified by regulations made under the Registered Clubs Act and by Section 41J itself. For example, the requirements in paragraph 4 above do not apply to;
  - Core property that is being leased or licensed for a period not exceeding 10 years on terms that have been the subject of a valuation by a registered valuer;
  - Core property that is leased or licensed to a telecommunications provider for the purposes of a telecommunication tower.

## Income Statement

For the year ended 31 May 2017

	Notes	2017 \$	2016 \$
<b>Revenue from continuing operations</b>	3	<b>2,744,805</b>	2,831,591
<b>Expenses from continuing operations</b>			
Cost of goods sold	4	379,245	464,010
Depreciation and amortisation expenses	4	287,550	278,566
Employee benefits expense		701,582	845,160
Finance costs		6,424	907
Other expenses from continuing operations		1,266,901	1,331,155
		<b>2,641,702</b>	2,919,798
<b>Profit/(Loss) before income tax</b>		<b>103,103</b>	(88,207)
Income tax expense		-	-
<b>Profit/(Loss) from continuing operations</b>		<b>103,103</b>	(88,207)
<b>Total changes in equity</b>		<b>103,103</b>	(88,207)

*The above income statement should be read in conjunction with the accompanying notes.*

**Balance Sheet**

As at 31 May 2017

	Notes	2017 \$	2016 \$
<b>Current assets</b>			
Cash and cash equivalents	5,18	446,268	467,799
Receivables	6,18	14,023	3,709
Inventories	7	22,493	17,459
Other	8	40,063	27,287
Total current assets		<u>522,847</u>	<u>516,254</u>
<b>Non-current assets</b>			
Property, plant and equipment	9	3,009,439	3,087,785
Total non-current assets		<u>3,009,439</u>	<u>3,087,785</u>
<b>Total assets</b>		<u>3,532,286</u>	<u>3,604,039</u>
<b>Current liabilities</b>			
Payables	10,18	149,380	200,362
Interest bearing liabilities	11,18	53,975	127,515
Provisions	12	46,891	83,459
Other	13	12,201	13,079
Total current liabilities		<u>262,447</u>	<u>424,415</u>
<b>Non-current liabilities</b>			
Interest bearing liabilities	14,18	67,359	90,567
Provisions	15	8,678	3,439
Other	16	5,081	-
Total non-current liabilities		<u>81,118</u>	<u>94,006</u>
<b>Total liabilities</b>		<u>343,565</u>	<u>518,421</u>
<b>Net assets</b>		<u>3,188,721</u>	<u>3,085,618</u>
<b>Equity</b>			
Reserves	17a	2,659	2,659
Retained profits	17b	3,186,062	3,082,959
<b>Total equity</b>		<u>3,188,721</u>	<u>3,085,618</u>

*The above balance sheet should be read in conjunction with the accompanying notes.*

## Statement of Changes in Equity

For the year ended 31 May 2017

	Notes	2017 \$	2016 \$
Total equity at the beginning of the financial year		3,085,618	3,173,825
Total recognised income and expense for the year	17b	103,103	(88,207)
Total equity at the end of the financial year		<u>3,188,721</u>	<u>3,085,618</u>

*The above statement of changes in equity should be read in conjunction with the accompanying notes.*



**Cash Flow Statement**

For the year ended 31 May 2017

	Notes	2017 \$	2016 \$
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of goods and services tax)		3,015,076	3,113,656
Payments to suppliers and employees (inclusive of goods and services tax)		<u>(2,705,589)</u>	<u>(3,017,826)</u>
		309,487	95,830
Interest received		9,513	13,274
<b>Net cash inflow/(outflow) from operating activities</b>	21	<u>319,000</u>	<u>109,104</u>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		<u>(110,215)</u>	<u>(137,843)</u>
<b>Net cash inflow/(outflow) from investing activities</b>		<u>(110,215)</u>	<u>(137,843)</u>
<b>Cash flows from financing activities</b>			
Repayment of borrowings		<u>(230,306)</u>	<u>(125,592)</u>
<b>Net cash inflow/(outflow) from financing activities</b>		<u>(230,306)</u>	<u>(125,592)</u>
<b>Net increase/(decrease) in cash held</b>		<b>(21,521)</b>	<b>(154,331)</b>
Cash at the beginning of the financial year		<u>467,769</u>	<u>622,100</u>
<b>Cash at the end of the financial year</b>	5	<u>446,248</u>	<u>467,769</u>
Commitments for expenditure	20		

*The above cash flow statement should be read in conjunction with the accompanying notes.*

## Notes to the Financial Statements

31 May 2017

### Note 1. Summary of significant accounting policies

The financial statements are for Windale Gateshead Bowling Club Co-operative Limited as an individual entity, incorporated and domiciled in Australia.

#### Basis of Preparation

Windale Gateshead Bowling Club Co-operative Limited applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB), the Co-operatives (Adoption of National Law) Act 2012, and the Corporations Act 2001. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, 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. The amounts presented in the financial statements have been rounded to the nearest dollar.

#### (a) Revenue and other income

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid. Revenue is recognised for the major business activities as follows:

##### (i) *Poker Machines*

Revenue is recognised as the gross clearance from all machines net of payouts.

##### (ii) *Other*

A sale is recorded when the goods or services have been provided to the customer.

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

#### (b) Inventories

Inventories held for sale are measured at the lower of cost and net realisable value. Costs are assigned to individual items of stock on the basis of weighted average costs.

#### (c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

##### Freehold Property

Freehold land and buildings are measured on the cost basis less subsequent depreciation for buildings. 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 directors' 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 or loss.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Freehold land and buildings that have been contributed at no cost, or for nominal cost, are initially recognised and measured at the fair value of the asset at the date it is acquired.

## Notes to the Financial Statements

31 May 2017 (continued)

### Note 1. Summary of significant accounting policies (continued)

#### (c) Property, Plant and Equipment (continued)

##### Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and accumulated impairment loss. 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 (refer to Note 1(f) for details of impairment).

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date it is acquired.

##### Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets but excluding freehold land, is depreciated over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The expected useful lives are as follows:

Buildings	20-40 years
Plant and equipment	1-20 years

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are recognised in the profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

#### (d) Leases

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

Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Leased assets are depreciated over their estimated useful lives where it is likely that the entity will obtain ownership of the asset. 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 the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over 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.

#### (e) Financial Instruments

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (ie trade date accounting is adopted). Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified "at fair value through profit or loss" in which case transaction costs are recognised immediately as expenses in profit or loss.

##### Classification and Subsequent Measurement

Finance instruments are subsequently measured at either of fair value, amortised cost using the effective interest rate method, or cost.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

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

## Notes to the Financial Statements

31 May 2017 (continued)

### Note 1. Summary of significant accounting policies (continued)

#### (e) Financial Instruments (continued)

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

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

##### *(ii) Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

##### *(iii) Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

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

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

They are subsequently measured at fair value with any remeasurements other than impairment losses and foreign exchange gains and losses recognised in other income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are not expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

##### *(v) Financial Liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

#### **Impairment**

At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

## Notes to the Financial Statements

31 May 2017 (continued)

### Note 1. Summary of significant accounting policies (continued)

#### (e) Financial Instruments (continued)

##### **Derecognition**

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

#### (f) Impairment of assets

At the end of each reporting period, the entity assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB 116: Property, Plant and Equipment). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

#### (g) Employee Benefits

##### *Short-term employee benefits*

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the balance sheet.

##### *Other long-term employee benefits*

The company classifies employees' long service leave and annual leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the company's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

The company's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current liabilities.

##### *Retirement benefit obligations*

##### *Defined contribution superannuation benefits*

All employees of the company receive defined contribution superannuation entitlements, for which the company pays the fixed superannuation guarantee contribution (currently 9.5% of the employee's average ordinary salary) to the employee's superannuation fund of choice. All contributions in respect of employees' defined contribution entitlements are recognised as an expense when they become payable. The company's obligation with respect to employees' defined contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the company's balance sheet.

## Notes to the Financial Statements

31 May 2017 (continued)

### Note 1. Summary of significant accounting policies (continued)

**(h) Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of 3 months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

**(i) Goods and services tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

**(j) Income tax**

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

**(k) Provisions**

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of reporting period.

**(l) Comparative figures**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

**(m) Trade and other payables**

Trade and other payables represent the liabilities for goods and services received by the Company during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

**(n) Critical Accounting Estimates and Judgments**

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the entity.

**Key estimates**

*Impairment*

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 assumptions 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 2017, 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 at 31 May 2017. The directors therefore believe the carrying amount of the land correctly reflects the fair value less cost of disposal at 31 May 2017

## Notes to the Financial Statements

31 May 2017 (continued)

### Note 1. Summary of significant accounting policies (continued)

#### (o) Fair Value of Assets and Liabilities

The company measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

"Fair value" is the price the company would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability). In the absence of such a market, market information is extracted from the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (if any) may be valued, where there is no observable market price in relation to the transfer of such financial instrument, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

**Notes to the Financial Statements**

31 May 2017 (continued)

**Note 2. Segment information**

The entity operates predominantly in one industry. The entity operates predominantly in one geographical area, being Windale, New South Wales.

**Note 3. Revenue**

	2017	2016
	\$	\$
<b>Revenue from continuing operations</b>		
Sale of goods	887,198	999,971
Services	<u>1,684,529</u>	<u>1,785,531</u>
	<u>2,571,727</u>	<u>2,785,502</u>
<b>Revenue from outside continuing operations</b>		
Insurance claims	3,565	32,815
Interest	9,513	13,274
Sale of poker machine entitlements	<u>160,000</u>	-
	<u>173,078</u>	<u>46,089</u>
<b>Total Revenue from operations</b>	<u>2,744,805</u>	<u>2,831,591</u>

**Note 4. Profit/(loss) from continuing operations**

	2017	2016
	\$	\$
<b>Net gains and expenses</b>		
Profit/(loss) before income tax includes the following specific net gains and expenses:		
<b>Expenses</b>		
Cost of goods sold	<u>379,245</u>	464,010
Depreciation and amortisation expenses		
Buildings	78,248	79,435
Plant and equipment	<u>209,302</u>	<u>199,131</u>
Total depreciation and amortisation expenses	<u>287,550</u>	<u>278,566</u>
Net loss/(profit) on disposal of non-current assets	<u>34,579</u>	6,493
Other provisions		
Employee entitlements	<u>57,988</u>	64,805

**Note 5. Current assets – Cash and cash equivalents**

	2017	2016
	\$	\$
Cash at bank and on hand	<u>446,268</u>	<u>467,799</u>

The above figures are reconciled to cash at the end of the financial year as shown in the cash flow statement as follows:

Balances as above	446,268	467,799
Less: Bank overdrafts	<u>(20)</u>	<u>(30)</u>
Balances per cash flow statement	<u>446,248</u>	<u>467,769</u>

**Deposits at call**

The deposits were bearing floating interest rates between 2.60% and 3.05% (2016: 2.70% and 3.60%).



**Notes to the Financial Statements**

31 May 2017 (continued)

**Note 6. Current assets – Receivables**

	2017 \$	2016 \$
Trade debtors	5,069	80
Accrued income	1,567	1,798
Other debtors	7,387	1,831
	<u>14,023</u>	<u>3,709</u>

**Other debtors**

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

**Note 7. Current assets – Inventories**

	2017 \$	2016 \$
Bar stock on hand – at cost	20,589	16,957
Pennant Bowls Uniform	1,475	-
Vending machine stock on hand – at cost	429	502
	<u>22,493</u>	<u>17,459</u>

**Note 8. Current assets – Other**

	2017 \$	2016 \$
Prepayments	<u>40,063</u>	<u>27,287</u>

**Note 9. Non-current assets – Property, plant and equipment**

	2017 \$	2016 \$
<b>Land and buildings</b>		
Freehold land at cost	<u>279,850</u>	<u>279,850</u>
<b>Buildings</b>		
At cost	4,239,344	4,211,819
Less: Accumulated depreciation	<u>(2,561,319)</u>	<u>(2,483,071)</u>
	<u>1,678,025</u>	<u>1,728,748</u>
Total land and buildings	<u>1,957,875</u>	<u>2,008,598</u>
<b>Plant and equipment</b>		
At cost	3,036,324	3,104,280
Less: Accumulated depreciation	<u>(1,984,760)</u>	<u>(2,025,093)</u>
Total plant and equipment	<u>1,051,564</u>	<u>1,079,187</u>
	<u>3,009,439</u>	<u>3,087,785</u>

**Notes to the Financial Statements**

31 May 2017 (continued)

**Note 9. Non-current assets – Property, plant and equipment (continued)****Reconciliations**

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current financial year are as set out below:

	Freehold land \$	Buildings and improvements \$	Plant and equipment \$	Total \$
Carrying amount at 1 June 2016	279,850	1,728,748	1,079,187	3,087,785
Additions	-	27,525	245,320	272,845
Disposals	-	-	(63,641)	(63,641)
Depreciation expense	-	(78,248)	(209,302)	(287,550)
Carrying amount at 31 May 2017	<u>279,850</u>	<u>1,678,025</u>	<u>1,051,564</u>	<u>3,009,439</u>

**Note 10. Current liabilities – Payables**

	2017 \$	2016 \$
Trade creditors	83,442	142,557
Accrued charges	23,231	31,941
Net GST liability	6,889	5,723
PAYG Withheld	8,886	20,131
Other creditors	26,932	10
	<u>149,380</u>	<u>200,362</u>

**Note 11. Current liabilities – Interest bearing liabilities**

	2017 \$	2016 \$
Bank overdrafts	20	30
Courtesy bus HP	10,379	9,861
NAB Poker Machine Loan	43,576	-
Poker machine payment plan	-	117,624
	<u>53,975</u>	<u>127,515</u>

**Note 12. Current liabilities – Provisions**

	2017 \$	2016 \$
Employee entitlements	41,456	79,869
Member Bonus points	-	195
Poker machine cashless liability	5,435	3,395
	<u>46,891</u>	<u>83,459</u>

**Note 13. Current Liabilities – Other**

	2017 \$	2016 \$
Subscriptions in advance	<u>12,201</u>	<u>13,079</u>

**Notes to the Financial Statements**

31 May 2017 (continued)

**Note 14. Non-current liabilities – Interest bearing liabilities**

	2017 \$	2016 \$
Courtesy bus HP	1,782	12,161
NAB Poker Machine Loan	65,577	-
Poker machine payment plan	-	78,406
	<u>67,359</u>	<u>90,567</u>

**Note 15. Non-current liabilities – Provisions**

	2017 \$	2016 \$
Employee entitlements	<u>8,678</u>	<u>3,439</u>

**Note 16. Non-current liabilities – Other**

	2017 \$	2016 \$
Subscriptions in advance	<u>5,081</u>	-

**Note 17. Reserves and retained profits**

	2017 \$	2016 \$
<b>(a) Reserves</b>		
General reserve	<u>2,659</u>	<u>2,659</u>
<b>(b) Retained profits</b>		
Retained profits at the beginning of the financial year	3,082,959	3,171,166
Net profit/(loss)	<u>103,103</u>	<u>(88,207)</u>
Retained profits at the end of the financial year	<u>3,186,062</u>	<u>3,082,959</u>
	<u>3,188,721</u>	<u>3,085,618</u>

**Note 18. Financial instruments****(a) Interest rate risk exposures**

The entity's exposure to interest rate risk and the effective weighted average interest rate by maturity periods is set out in the following table. For interest rates applicable to each class of asset or liability, refer to individual notes to the financial statements.

Exposures arise predominantly from assets and liabilities bearing variable interest rates as the entity intends to hold fixed rate assets and liabilities to maturity.

**Notes to the Financial Statements**

31 May 2017 (continued)

**Note 18. Financial instruments (continued)**

2017	Notes	Fixed interest maturing in:				Non-Interest Bearing \$	Total \$
		Floating interest rate \$	1 year or less \$	Over 1 to 5 years \$	More than 5 years \$		
<b>Financial assets</b>							
Cash and deposits	5	34,501	322,519	-	-	89,248	446,268
Receivables	6	-	-	-	-	14,023	14,023
		<u>34,501</u>	<u>322,519</u>	<u>-</u>	<u>-</u>	<u>103,271</u>	<u>460,291</u>
Weighted average interest rate		0.60%	2.60%				
<b>Financial liabilities</b>							
Trade and other creditors	10	-	-	-	-	149,380	149,380
Bank overdrafts	11	-	-	-	-	20	20
Lease liabilities	11,14	-	53,955	67,359	-	-	121,314
		<u>-</u>	<u>53,955</u>	<u>67,359</u>	<u>-</u>	<u>149,400</u>	<u>270,714</u>
Weighted average interest rate			5.03%	5.01%			
Net financial assets (liabilities)		<u>34,501</u>	<u>268,564</u>	<u>(67,359)</u>	<u>-</u>	<u>(46,129)</u>	<u>189,577</u>
<b>2016</b>							
2016	Notes	Fixed interest maturing in:				Non-Interest Bearing \$	Total \$
		Floating interest rate \$	1 year or less \$	Over 1 to 5 years \$	More than 5 years \$		
<b>Financial assets</b>							
Cash and deposits	5	8	388,056	-	-	79,735	467,799
Receivables	6	-	-	-	-	3,709	3,709
		<u>8</u>	<u>388,056</u>	<u>-</u>	<u>-</u>	<u>83,444</u>	<u>471,508</u>
Weighted average interest rate		0.10%	3.04%				
<b>Financial liabilities</b>							
Trade and other creditors	10	-	-	-	-	200,362	200,362
Bank overdrafts	11	-	-	-	-	30	30
Lease liabilities	11,14	-	9,861	12,161	-	196,030	218,052
		<u>-</u>	<u>9,861</u>	<u>12,161</u>	<u>-</u>	<u>396,422</u>	<u>418,444</u>
Weighted average interest rate			5.13%	5.13%			
Net financial assets (liabilities)		<u>8</u>	<u>378,195</u>	<u>(12,161)</u>	<u>-</u>	<u>(312,978)</u>	<u>53,064</u>

**(b) Net fair value of financial assets and liabilities***(i) On-balance sheet*

The net fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities of the entity approximates their carrying amounts.

The net fair value of other monetary financial assets and financial liabilities is based upon market prices where a market exists or by discounting the expected future cash flows by the current interest rates for assets and liabilities with similar risk profiles.

**Notes to the Financial Statements**

31 May 2017 (continued)

**Note 19. Remuneration of directors**

	2017 \$	2016 \$
Income paid or payable, or otherwise made available to directors in connection with the management of affairs of the Co-operative.	<u>19,575</u>	<u>18,600</u>

The number of directors whose total income from the Co-operative was within the specified bands are as follows:

\$	\$	2017	2016
0	- 10,000	<u>12</u>	<u>9</u>

**Note 20. Commitments for expenditure**

	2017 \$	2016 \$
<b>Lease commitments</b>		
Commitments in relation to leases contracted for at the reporting date but not recognised as liabilities, payable:		
Within 1 year	27,447	27,254
Later than 1 year but not later than 5 years	49,222	77,472
	<u>76,669</u>	<u>104,726</u>
<b>Representing:</b>		
Non-cancellable operating leases	<u>76,669</u>	<u>104,726</u>

**Operating leases**

Commitments for minimum lease payment in relation to non-cancellable operating leases are payable as follows:

Within 1 year	27,447	27,254
Later than 1 year but not later than 5 years	49,222	77,472
Commitments not recognised in the financial report	<u>76,669</u>	<u>104,726</u>

**Note 21. Reconciliation of net profit/ (loss) to net cash inflow from operating activities**

	2017 \$	2016 \$
Net profit/(loss)	103,103	(88,207)
Depreciation and amortisation	287,550	278,566
Profit/(loss) on disposal of property, plant and equipment	34,579	6,493
Change in operating assets and liabilities		
(Increase)/Decrease in trade debtors	(4,989)	(80)
(Increase)/Decrease in other debtors	(5,325)	17,564
(Increase)/Decrease in inventories	(5,034)	468
(Increase)/Decrease in other operating assets	(12,776)	(12,258)
Increase/(Decrease) in creditors and accruals	(50,982)	(80,470)
Increase/(Decrease) in other operating liabilities	4,203	1,316
Increase/(Decrease) in provisions	(31,329)	(14,288)
Net cash inflow/(outflow) from operating activities	<u>319,000</u>	<u>109,104</u>

## Directors' Declaration

The directors declare that the financial statements and notes set out on pages 4 to 19:

- (a) comply with Accounting Standards, the Co-operatives (Adoption of National Law) Act 2012, the Co-operatives (New South Wales) Regulation 2014, and other mandatory professional reporting requirements; and
- (b) give a true and fair view of the Co-operative's financial position as at 31 May 2017 and of its performance, as represented by the results of its operations and its cash flows, for the financial year ended on that date.

In the directors' opinion:

- (a) the financial statements and notes are in accordance with the Co-operatives (Adoption of National Law) Act 2012; and
- (b) there are reasonable grounds to believe that the Co-operative 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 directors.

F Botham  
Chairman



H Bulmer  
Deputy Chairman



Windale  
7 July 2017

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

### Report on the Financial Report

#### *Opinion*

We have audited the financial report of Windale Gateshead Bowling Club Co-operative Limited (the Co-operative) as set out on pages 4 to 20, which comprises the balance sheet as at 31 May 2017, the income statement, statement of changes in equity and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of the Co-operative is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the Co-operative's financial position as at 31 May 2017 and of its performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements, the Co-operatives (Adoption of National Law) Act 2012, the Co-operatives (New South Wales) Regulation 2014 and the Corporations Regulations 2001.

#### *Basis of Opinion*

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section 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, has been provided to the directors of Windale Gateshead Bowling Club Co-operative Limited, on page 23.

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

#### *Information Other than the Financial Report and Auditor's Report Thereon*

The directors are responsible for the other information. The other information comprises the information included in the company's annual report for the year ended 31 May 2017, 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 the Directors for the Financial Report*

The directors of the co-operative 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 co-operative'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.

**BUSINESS | AUDIT | TAXATION**

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MCEWAN AND PARTNERS PTY LIMITED ABN 59 097 329 274

Liability is limited by the Accountants Scheme, approved under the Professional Standards Act 1994 (NSW)

## Independent Audit Report to the Members of Windale Gateshead Bowling Club Co-operative Limited (continued)

### *Auditor's Responsibility for the Audit of the Financial Report*

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis 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, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the co-operative's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the co-operative 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 the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



BE McEwan

Newcastle  
7 July 2017

McEwan and Partners Pty Ltd  
Chartered Accountants

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## Auditor's Independence Declaration

I declare that, to the best of my knowledge and belief, during the year ended 31 May 2017 there have been no contraventions of:

- (i) the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Windale Gateshead Bowling Club Co-operative Limited for the year ended 31 May 2017.



BE McEwan

Newcastle  
7 July 2017

McEwan and Partners Pty Ltd  
Chartered Accountants

**BUSINESS | AUDIT | TAXATION**

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MCEWAN AND PARTNERS PTY LIMITED ABN 59 097 329 274

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**Disclaimer of Opinion on Additional Financial Data  
of Windale Gateshead Bowling Club Co-operative Limited**

The additional financial data set out on the pages 25 to 33 is in accordance with the books and records of Windale Gateshead Bowling Club Co-operative Limited (the Co-operative) and is made subject to the auditing procedures applied in the statutory audit of the Co-operative for the year ended 31 May 2017.

It will be appreciated that the statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and no warranty of accuracy or reliability is given.

Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than the Co-operative) in respect of the additional financial data, including any errors or omissions therein however caused.



BE McEwan

Newcastle  
7 July 2017

McEwan and Partners Pty Ltd  
Chartered Accountants

## Operating Statement

31 May 2017

	2017	2016
	\$	\$
<b>Profit/(loss) from</b>		
Bar trading	289,071	179,718
Poker machine trading	875,221	1,010,569
Keno trading	5,152	14,319
TAB trading	(33,323)	(32,118)
Social trading	(106,913)	(119,398)
Bowls trading	(127,393)	(123,405)
Bistro trading	1,555	(58,883)
Administration	(800,267)	(959,009)
<b>Profit/(loss) from continuing operations</b>	<b>103,103</b>	<b>(88,207)</b>

*The above operating statement has not been subject to audit – refer to the Disclaimer on page 24.*

## Bar Trading Statement

31 May 2017

	2017	2016
	\$	\$
<b>Income</b>		
Bar Sales	<b>887,198</b>	849,766
<b>Cost of Goods Sold</b>	<b>379,245</b>	384,066
<b>Gross Profit</b>	<b>507,953</b>	465,700
<b>Gross Profit %</b>	<b>57.3%</b>	54.8%
<b>Expenses</b>		
Cleaning	980	1,018
Laundry	17	44
Overs/Unders – Bar	593	842
Promotions	4,530	5,045
Replacements	4,124	3,694
Repairs and maintenance	12,504	11,358
Stocktaker fees	-	(550)
Wages	196,134	264,531
<b>Profit/(loss) from bar trading</b>	<b>218,882</b>	285,982
<b>Profit/(loss) to sales %</b>	<b>32.6%</b>	21.1%
<b>Wages to sales %</b>	<b>22.1%</b>	31.1%

*The above operating statement has not been subject to audit – refer to the Disclaimer on page 24.*

## Poker Machines Trading Statement

31 May 2017

	2017	2016
	\$	\$
<b>Income</b>		
Poker machine net clearances	1,383,090	1,468,203
Unclaimed payouts	(2,041)	(3,395)
Poker machine rebate	17,180	17,180
	<u>1,398,229</u>	<u>1,481,988</u>
<b>Expenses</b>		
Bonus Points	23,016	24,506
Data monitoring	33,847	33,025
Depreciation	175,994	164,614
Duty tax	145,482	172,023
Overs/Unders – Poker Mach.	-	20
Poker machine promotions	16,187	19,007
Repairs and maintenance	61,421	58,224
Wages	67,061	-
	<u>523,008</u>	<u>471,419</u>
<b>Profit/(loss) from poker machine trading</b>	<u>875,221</u>	<u>1,010,569</u>
<b>Profit/(loss) to total income</b>	<b>62.6%</b>	<b>68.2%</b>

*The above operating statement has not been subject to audit – refer to the Disclaimer on page 24.*

## Keno Trading Statement

31 May 2017

	2017	2016
	\$	\$
<b>Income</b>		
Keno commissions	<b>46,277</b>	56,209
	<b>46,277</b>	56,209
<b>Expenses</b>		
Overs/Unders – Keno	(20)	(28)
Promotions	1,817	-
Repairs and maintenance	3,131	7,899
Stationery	1,281	505
Wages	<b>34,916</b>	33,514
	<b>41,125</b>	41,890
<b>Profit/(loss) from keno trading</b>	<b>5,152</b>	14,319

*The above operating statement has not been subject to audit – refer to the Disclaimer on page 24.*

## TAB Trading Statement

31 May 2017

	2017	2016
	\$	\$
<b>Income</b>		
TAB commissions	14,666	14,990
	<u>14,666</u>	<u>14,990</u>
<b>Expenses</b>		
Overs/Unders - TAB	185	112
Promotions	2,531	3,046
Repairs and maintenance	7,342	7,650
Sky channel	19,577	19,090
Stationery	989	452
Wages	17,365	16,758
	<u>47,989</u>	<u>47,108</u>
<b>Profit/(loss) from TAB trading</b>	<u>(33,323)</u>	<u>(32,118)</u>

*The above operating statement has not been subject to audit – refer to the Disclaimer on page 24.*

**Social Trading Statement**

31 May 2017

	2017	2016
	\$	\$
<b>Income</b>		
Bingo	18,058	16,713
Bus income	9,118	9,213
Coffee Machine	135	2,058
Raffles	-	98,040
Friday Raffle	53,565	-
Sunday Raffle	40,708	-
Special Raffle	3,383	-
Homewares Raffle	2,450	-
Meat and Seafood Raffle	1,234	-
Vending machine	7,930	4,592
Other Social Income	222	-
	<b>136,803</b>	<b>130,616</b>
<b>Expenses</b>		
Bingo	24,694	23,608
Coffee machine	200	3,468
Courtesy bus fuel	7,424	8,347
Courtesy bus repairs and maintenance	5,147	10,813
Courtesy bus wages	17,580	13,361
Foxtel	19,951	21,172
General	407	241
Kids Club	1,835	2,046
Musical entertainment	54,381	49,061
Raffles	-	115,250
Friday Raffle	59,212	-
Sunday Raffle	40,798	-
Special Raffle	3,339	-
Homewares Raffle	2,482	-
Meat and Seafood Raffle	1,500	-
Vending machine	4,766	2,647
	<b>243,716</b>	<b>250,014</b>
<b>Profit/(loss) from social trading</b>	<b>(106,913)</b>	<b>(119,398)</b>

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**Bowling Trading Statement**

31 May 2017

	2017	2016
	\$	\$
<b>Income</b>		
Gala and green fees	4,854	5,963
Raffles	9,416	8,787
Sponsorship	25,959	33,086
Tournament fees	4,936	5,045
Uniform sales	891	36
	<b>46,056</b>	<b>52,917</b>
<b>Expenses</b>		
Catering	11,428	8,864
Club champ. Prizes & trophies	6,072	6,173
Gala and green	7,557	9,440
Repairs and Maintenance	16,378	19,856
Mens pennant expenses	13,808	11,736
Junior Bowls	450	-
Other	5,200	5,975
Bowls uniforms	4,087	1,745
Presentation night	421	4,217
Prizes	-	400
Raffles	9,315	9,181
RNSWBA, NDBA affiliation fees	9,762	9,902
Womens Bowling Assoc Fees	565	-
Womens Pennants fees & expense	351	-
Tournament prizes	16,663	15,708
Wages	71,392	73,125
	<b>173,449</b>	<b>176,322</b>
<b>Profit/(loss) from bowling trading</b>	<b>(127,393)</b>	<b>(123,405)</b>

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**Bistro Trading Statement**

31 May 2017

	2017	2016
	\$	\$
<b>Income</b>		
Function room hire	355	1,709
Rent - Bistro	1,200	1,800
Sales	-	150,205
	<u>1,555</u>	<u>153,714</u>
<b>Cost of Goods Sold</b>	-	79,944
	<u>1,555</u>	<u>73,770</u>
<b>Gross Profit</b>		
	<u>1,555</u>	<u>73,770</u>
<b>Gross Profit %</b>	100.0%	48.0%
<b>Expenses</b>		
Catering	-	410
Cleaning	-	3,135
Function room	-	-
Gas	-	4,179
Overs/Unders - Bistro	-	130
Repairs and maintenance	-	14,378
Replacements	-	3,323
Wages	-	107,098
	<u>-</u>	<u>132,653</u>
<b>Profit/(loss) from bistro trading</b>	<u>1,555</u>	<u>(58,883)</u>
<b>Profit/(loss) to sales %</b>	100.0%	(38.3%)
<b>Wages to sales %</b>	-	69.7%

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**Administration Statement**

31 May 2017

	2017	2016
	\$	\$
<b>Income</b>		
Insurance claims	3,565	32,815
Interest received	9,513	13,274
Members' subscriptions	18,973	24,000
Sundry	160,121	734
Telephone receipts	1,391	1,072
Vending commissions	20,456	19,496
	<u>214,019</u>	<u>91,391</u>
<b>Expenses</b>		
Advertising	26,668	26,391
Annual leave	34,836	41,893
Auditor's remuneration	12,000	15,140
Bank charges	3,617	2,982
Cleaning – general	9,371	13,479
Cleaning contract	82,517	93,955
Cleaning materials	5,829	4,683
Computer support/software	12,881	10,481
Council rates	7,044	6,600
Depreciation	111,556	113,953
Directors' honorariums	19,575	18,600
Directors out-of-pocket exp.	1,045	4,205
Donations	8,064	11,207
Electricity	70,500	71,589
Fines	280	329
Garbage & refuse disposal	10,454	8,707
General expenses	5,090	7,101
Insurance – general	60,326	64,350
Insurance – workers comp.	17,821	22,521
Joker Draw	4,000	-
Interest	7,153	907
Kiosk promotions	13,625	13,154
Long service leave	12,091	12,186
Loss on disposal of fixed assets	34,579	6,493
Overs and Unders safe	(46)	(74)
Payroll tax	-	6,525
Pest Control	2,655	2,160
Postage, printing and stationery	11,428	11,078
Professional fees	20,097	21,924
Promotions	27,418	23,024
Rentals	26,273	27,695
Repairs and maintenance	37,636	38,057
Repairs & Maintenance – Wages	1,629	-
Restructure Costs	9,754	-
Security	13,759	19,344
Sick leave	11,061	10,726
Staff training	16,233	6,380
Subscriptions & Licences	9,608	8,171
Superannuation	56,810	70,757
Telephone	15,649	16,252
Uniforms	3,129	690
Wages	162,639	192,785
Water rates	17,632	24,000
	<u>1,014,286</u>	<u>1,050,400</u>
<b>Profit/(loss) from administration</b>	<u>(800,267)</u>	<u>(959,009)</u>

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