

**ABERMAIN BOWLING AND RECREATION CLUB LIMITED**  
**ABN 78 001 049 832**  
**DIRECTORS' REPORT**

Your directors present their report on the company for the financial year ended 30 April 2019.

**Directors**

The names of directors in office at any time during or since the end of the year are:

N. Sweeney	D. Cocking (resigned 30.7.18)
G. Gunther	L. Hooper (appointed 1.10.18)
S. Fraser	W. Lang (appointed 1.10.18)
P. Walton	

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

**Principal Activities**

The principal activities of the company during the financial year are that of a registered licensed club and the promotion of lawn bowls.

There are no significant changes in the nature of the company's principal activities during the financial year.

**Operating Results**

The profit of the company after providing for income tax amounted to \$37,698 (2018 profit \$138,606).

**Review of Operations**

Profit from the bar trading amounted to \$58,161 and a gross profit percentage of 53% was obtained from sales of \$353,206 net of members discounts totalling \$45,778. The profit from bar trading in 2018 was \$87,427.

Net gaming profit amounted to \$410,841 compared to \$397,721 in 2018.

**Significant Changes in State of Affairs**

No significant changes in the nature of these activities occurred during the year.

**After Balance Date Events**

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

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**Future Developments**

Likely developments in the operations of the company and the expected results of those operations in future financial years have not been included in this report.

**Environmental Issues**

The company's operations are subject to environmental regulations under the laws of the Commonwealth and State of Australia. The Directors are not aware of any breaches of the legislation during the financial year which are material in nature.

**Information on Directors**

P. Walton	—	Chairman
Experience	—	Mr Walton has been a director for 13 years, during which time he has held the position of Chairman for 9 years.
S. Fraser	—	Director
Experience	—	Mr Fraser has been a director for 11 years.
G. Gunther	—	Director
Experience	—	Mr Gunther has been a director for 7 years.
W. Lang	—	Director
Experience	—	Mr Lang was appointed as a director during the year.
L. Hooper	—	Director
Experience	—	Mr Hooper was appointed as a director during the year.
N. Sweeney	—	Director
Experience	—	Mr Sweeney has been a director for 9 years.

**Members guarantee**

Abermain Bowling and Recreation Club Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$2, subject to the provisions of the Club's constitution.

At 30 April 2019 the number of members was 1,157 (2018: 1,170)

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**Meetings of Directors**

During the financial year 13 meetings of directors (including committees) are held. Attendances are:

DIRECTORS' MEETINGS	
Number eligible to attend	Number Attended
P. Walton	17
S. Fraser	19
N. Sweeney	17
G. Gunther	17
D. Cocking	2
W. Lang	9
L. Hooper	9

**Indemnifying Officers**

The company has paid premiums to insure each of the directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the company, other than conduct involving a wilful breach of duty in relation to the company.

**Proceedings on Behalf of Company**

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

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**Short and Long-Term Objectives**

The company has established short and long-term objectives which are reviewed on an annual basis. These objectives are both financial and non-financial and are aimed towards providing a comfortable and secure environment to its members that continues to meet their needs. These objectives are measured through both financial and non-financial key performance indicators that have been determined relevant to the club industry.

**Disclosure of Core and Non-Core Property**

Pursuant to Section 41J(2) of the Registered Clubs Act 1976 and for the financial year ended 30 April 2019, the Directors have determined that the property of the company shall be classified as follows:

<b>Address</b>	<b>Current usage</b>	<b>Classification</b>
64 Armidale Street, Abermain	Club premises	Core

**Rounding of Amounts**

The company is of a kind referred to in Class Order 98/100, issued by the Australian securities and Investments Commission, relating to the "rounding off" of amounts in the directors' report. Amounts in the directors' report have been rounded to the nearest dollar.

**Auditor's Independence Declaration**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 5.

**Auditor**

Mark Walmsley continues in office in accordance with section 327 of the Corporations Act 2001.

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

\_\_\_\_\_  
P. Walton

Director

Dated this 17 day of July 2019.

**MARK WALMSLEY** *B Comm. CA*  
**CHARTERED ACCOUNTANT**

ABN: 91 918 334 370

**ABERMAIN BOWLING AND RECREATION CLUB LIMITED**  
**ABN 78 001 049 832**

**AUDITOR'S INDEPENDENCE DECLARATION UNDER S307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF ABERMAIN BOWLING AND RECREATION CLUB LIMITED**

I declare that to the best of my knowledge and belief, 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.

Mark Walmsley  
Stockton

Date: 10 July, 2019

**ABERMAIN BOWLING AND RECREATION CLUB LIMITED**  
**ABN 78 001 049 832**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 APRIL 2019**

	Note	2019 \$	2018 \$
Revenues from contracts with customers	2	2,222,926	2,419,776
Other revenue from ordinary activities	2	121,417	177,389
Changes in inventories		355	(3,430)
Purchases		(163,107)	(183,131)
Catering and entertainment		(169,034)	(191,195)
Insurance		(35,448)	(30,043)
Members discount		(45,778)	(40,153)
Poker machine payouts		(1,205,045)	(1,348,254)
Repairs and maintenance		(49,389)	(46,225)
Employee benefits expense		(375,576)	(320,577)
Depreciation and amortisation expense	3	(95,375)	(81,014)
Finance costs		(2,468)	(2,737)
Other expenses		(165,780)	(211,800)
<b>Profit/(Loss) before income tax</b>	3	37,698	138,606
Income tax expense		-	-
<b>Profit/(Loss) for the year</b>		<u>37,698</u>	<u>138,606</u>

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

**ABERMAIN BOWLING AND RECREATION CLUB LIMITED**  
**ABN 78 001 049 832**  
**STATEMENT OF FINANCIAL POSITION AS AT 30 APRIL 2019**

	Note	2019 \$	2018 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	388,699	367,840
Trade and other receivables	5	6,208	11,732
Inventories	6	29,045	28,690
Other current assets	7	33,572	29,776
<b>TOTAL CURRENT ASSETS</b>		<u>457,524</u>	<u>438,038</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	8	916,866	921,197
<b>TOTAL NON-CURRENT ASSETS</b>		<u>916,866</u>	<u>921,197</u>
<b>TOTAL ASSETS</b>		<u>1,374,390</u>	<u>1,359,235</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	89,970	99,485
Borrowings	10	11,700	33,596
Provisions	11	2,515	3,557
<b>TOTAL CURRENT LIABILITIES</b>		<u>104,185</u>	<u>136,638</u>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	11	14,235	4,325
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>14,235</u>	<u>4,325</u>
<b>TOTAL LIABILITIES</b>		<u>118,420</u>	<u>140,963</u>
<b>NET ASSETS</b>		<u>1,255,970</u>	<u>1,218,272</u>
<b>EQUITY</b>			
Retained profits		1,255,970	1,218,272
<b>TOTAL EQUITY</b>		<u>1,255,970</u>	<u>1,218,272</u>

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

**ABERMAIN BOWLING AND RECREATION CLUB LIMITED**  
**ABN 78 001 049 832**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 APRIL 2019**

	Note	2019 \$	2018 \$
<b>Total equity at the beginning of the financial year</b>		1,218,272	1,079,666
Net income recognised directly in equity			
Profit/(Loss) for the year		37,698	138,606
Total recognised income and expense for the year		<u>37,698</u>	<u>138,606</u>
<b>Total equity at the end of the financial year</b>		<u>1,255,970</u>	<u>1,218,272</u>

The above statement of change in equity should be read in conjunction with the accompanying notes



**ABERMAIN BOWLING AND RECREATION CLUB LIMITED**  
**ABN 78 001 049 832**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 APRIL 2019**

	Note	2019 \$	2018 \$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Receipts from customers		2,430,060	2,681,027
Payments to suppliers and employees		(2,259,738)	(2,408,702)
Interest received		3,996	3,754
Interest paid		(2,468)	(2,737)
GST paid		(49,551)	(48,377)
<b>Net cash provided by (used in) operating activities</b>	15b	<u>122,299</u>	<u>224,965</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant and equipment		11,500	18,817
Payment for property, plant and equipment		(91,044)	(187,245)
<b>Net cash provided by (used in) investing activities</b>		<u>(79,544)</u>	<u>(168,428)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings		23,650	50,882
Repayment of borrowings		(45,546)	(69,464)
<b>Net cash provided by (used in) financing activities</b>		<u>(21,896)</u>	<u>(18,582)</u>
Net increase in cash held		20,859	37,955
Cash at beginning of the financial year		<u>367,840</u>	<u>329,885</u>
<b>Cash at end of the financial year</b>	15a	<u><u>388,699</u></u>	<u><u>367,840</u></u>

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

**ABERMAIN BOWLING AND RECREATION CLUB LIMITED**  
**ABN 78 001 049 832**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**30 APRIL 2019**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) Basis of preparation**

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

**(b) Critical accounting estimates and judgments**

The Directors evaluate estimates and judgments incorporated into the financial statements 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 company.

Key estimates - impairment

The company assesses impairment at the end of the reporting year 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.

**(c) Comparative figures**

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

**ABERMAIN BOWLING AND RECREATION CLUB LIMITED**  
**ABN 78 001 049 832**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**30 APRIL 2019**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**(d) Income tax**

The company is exempt from income tax under Section 50-45 of the Income Tax Assessment Act 1997. This exemption is subject to the provisions that the legislation does not change and that the objects and activities of the company do not alter in future years.

**(e) 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 twelve months, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

**(f) Investments and other financial assets**

*i) Classification*

From 1 May 2018, the company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The classification depends on the company's business model for managing the financial assets and the contractual terms of the cash flows.

The company is using the measured at amortised cost method for all its financial assets, namely trade and other receivables. Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows;  
and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

(f) **Investments and other financial assets (cont'd)**

*ii) Recognition and derecognition*

Regular way purchases and sales of financial assets are recognised on tradedate, the date on which the company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership.

*iii) Measurement*

Subsequent to initial recognition, financial assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income and impairment for expected credit losses are recognised in the profit or loss. Gain or loss on derecognition is recognised in profit or loss.

*iv) Impairment*

Impairment of financial assets is recognised on an expected credit loss (ECL) – forward looking – basis for all financial assets measured at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The company considers reasonable and supportable information that is relevant and available, including both quantitative and qualitative information and analysis based on the company's historical experience and informed credit assessment, including forward looking information.

Credit losses are measured as the present value of the difference between the cash flows due to the company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**(g) Financial liabilities**

*i) Classification*

From 1 May 2018, the company classified its financial liabilities as those to be measured at amortised cost.

The company is using the measured at amortised cost method for all its financial liabilities. The financial liabilities of the company comprise trade payables and asset finance.

Liabilities measured at amortised cost are financial liabilities where the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

*ii) Recognition and derecognition*

The company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The company derecognises financial liabilities when, and only when, the company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

**(h) Revenue and other income**

The company recognises revenue when it transfers control over a product or service to a customer. Revenue is measured based on the amount of consideration expected to be received in exchange for the transfer of the good or service to the customer.

**Revenue from contracts with customers**

Revenue from the sale of goods is recognised at the point of delivery.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

Gaming machine revenue is recognised at the point of sale and represents the amounts earned through gaming wagers.

Revenue from membership subscriptions are recognised on a straight line basis over the financial year.

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**Other revenue**

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).

**(i) Trade and other receivables**

Trade receivables are recognised and carried at original invoice amount less an allowance for any uncollectable amounts.

**(j) Inventories**

Inventories are measured at the lower of cost and net realisable value.

**(k) 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.

**Plant and equipment**

Plant and equipment are measured on the cost basis less depreciation and impairment losses. Cost includes expenditure that is directly attributable to the asset.

**Depreciation**

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the company commencing from the time the asset is held ready for use. Land is not depreciated.

The depreciation rates used for each class of depreciable assets are:

<b>Class of Fixed Asset</b>	<b>Depreciation Rate</b>
Buildings	1% - 20%
Plant and Equipment	10% - 20%
Greens	10%

**ABERMAIN BOWLING AND RECREATION CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**30 APRIL 2019**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**(l) Property, plant and equipment (cont'd)**

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss and other comprehensive income.

**(m) Impairment of non-financial assets**

At the end of each reporting period, the company 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 to sell and value in use to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

**(n) Trade and other payables**

Trade and other payables are carried at amortised cost and represent liabilities for goods and services provided to the company during the reporting period which remain unpaid at balance date. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

**(o) 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 settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured as the present value of expected future cash payments, taking into consideration expected future wage levels and experience of employees departures and periods of service. Government bond rates with terms that match, as closely as possible, the estimated future cash outflows were used in calculation.

**ABERMAIN BOWLING AND RECREATION CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
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**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**(p) Gaming Machine Rebate**

The company received a rebate to compensate the loss of gaming machine income due to the introduction of GST. The period which the rebate relates to is from 1 June 2018 to 31 May 2019.

**(q) 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. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

**(r) Adoption of new and revised accounting standards**

During the current year, the company adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The company applies, for the first time, AASB 15 *Revenue from Contracts with Customers* and AASB 9 *Financial Instruments*. The application of these new accounting standards did not require current period or retrospective adjustments.

AASB 15: Revenue from Contracts with Customers

The company has adopted AASB 15 Revenue from Contracts with Customers, with a date of initial application of 1 May 2018. The application of AASB 15 replaces AASB 118 Revenue and it applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards.

Under AASB 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled for transferring goods or services to a customer. The majority of the company's revenue is derived from the sale of goods or service to a customer. This is consistent with the accounting policies applied in the comparative period, therefore no adjustment to the comparative figures was required.



**ABERMAIN BOWLING AND RECREATION CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
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**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

AASB 15: Revenue from Contracts with Customers

The company has updated its accounting policies to reflect the new accounting standard, as disclosed in Note 1(h). The company has also updated the presentation of revenue to reflect the new disclosure requirements of the standard, as disclosed in Note 2.

The adoption of AASB 15 has not materially impacted on the financial statements.

AASB 9: Financial instruments

The company has adopted AASB 9 Financial Instruments, with a date of initial application of 1 May 2018.

AASB 9 replaces the provisions of AASB 139 *Financial Instruments* that relate to the recognition, classification and measurement of financial assets and financial liabilities, including derecognition and impairment. AASB 9 also amends other standards dealing with financial instruments such as AASB 7 *Financial Instruments: Disclosures*.

The adoption of AASB 9 did not result in a significant change to the recognition or measurement of financial instruments for the company as presented in the financial report.

**(s) Adoption of new and revised accounting standards**

On adoption of AASB 9 Abermain Bowling and Recreational Club Limited has also reclassified its financial assets as subsequently measured at amortised cost or fair value depending on the business model for those assets and the contractual cash flow characteristics. There was no change in the classification or measurement of financial liabilities.

The principal impact on Abermain Bowling and Recreational Club Limited's financial assets at 1 May 2018 are:

- the reclassification of the trade receivables from 'loans and receivables' under AASB 139 to 'financial assets at amortised cost' under AASB 9. This did not change the balance of trade receivables recognised in the comparative year.

In relation to the reclassification of financial assets and liabilities, there was no impact on the statement of profit or loss and other comprehensive income, statement of financial position or, the statement of changes in equity on adoption of AASB 9.

See Note 1(f), (g), (i) and (m) for the detailed accounting policies.

**ABERMAIN BOWLING AND RECREATION CLUB LIMITED**  
**ABN 78 001 049 832**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**30 APRIL 2019**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**(t) Authorisation of Financial Statements**

The financial statements were authorised for issue on 17 July 2019 by the Directors.

	<b>Note</b>	2019 \$	2018 \$
<b>NOTE 2: REVENUE</b>			
<b>From contracts with customers</b>			
Sale of goods		398,984	448,386
Gaming revenue		1,700,638	1,840,084
Entertainment		109,338	111,721
Membership subscriptions		10,108	9,107
Bowls and other revenue		3,858	10,478
		<u>2,222,926</u>	<u>2,419,776</u>
<b>Other revenue from ordinary activities</b>			
Profit on disposal of plant and equipment		11,500	17,257
Interest		3,996	3,754
Insurance recovery		32,702	48,212
GST rebate		17,180	17,180
Commissions		45,929	51,493
Grants		-	33,262
Other revenue		10,110	6,231
		<u>121,417</u>	<u>177,389</u>
<b>Total revenue</b>		<u>2,344,343</u>	<u>2,597,165</u>

**NOTE 3: PROFIT FOR THE YEAR**

Cost of sales		<u>164,287</u>	<u>188,132</u>
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Depreciation of non-current assets			
— buildings		18,002	16,957
— plant and equipment		22,672	17,809
— poker machines		33,319	27,645
— greens		4,060	4,060
— dining room equipment		3,111	2,362
— furniture and fittings		12,529	12,181
— motor vehicles		1,682	-
Total depreciation expense		<u>95,375</u>	<u>81,014</u>

**ABERMAIN BOWLING AND RECREATION CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**30 APRIL 2019**

	2019	2018
<b>NOTE 4: CURRENT ASSETS – CASH ASSETS</b>	<b>\$</b>	<b>\$</b>
Cash at bank	199,568	182,704
Cash on hand	31,600	31,600
Term deposits	157,531	153,536
	<u>388,699</u>	<u>367,840</u>

	\$	\$
<b>NOTE 5: CURRENT ASSETS – RECEIVABLES</b>		
Trade debtors	1,208	2,391
TAB security deposit	5,000	5,000
GST refundable	-	4,341
	<u>6,208</u>	<u>11,732</u>

<b>NOTE 6: CURRENT ASSETS – INVENTORIES</b>		
Stock on hand – bar	24,114	21,956
Stock on hand – bingo	4,446	4,723
Stock on hand – cleaning	485	851
Stock on hand – raffle	-	1,160
	<u>29,045</u>	<u>28,690</u>

<b>NOTE 7: CURRENT ASSETS – OTHER ASSETS</b>		
Prepayments	<u>33,572</u>	<u>29,776</u>

**ABERMAIN BOWLING AND RECREATION CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**30 APRIL 2019**

	2019	2018
	\$	\$
<b>NOTE 8: NON-CURRENT ASSETS - PROPERTY, PLANT AND EQUIPMENT</b>		
Freehold land at cost	102,320	102,320
Buildings, at cost	849,766	844,807
Less accumulated depreciation	305,272	287,269
	<u>544,494</u>	<u>557,538</u>
Total Land and Buildings	<u>646,814</u>	<u>659,858</u>
Plant and equipment at cost	345,360	335,526
Less accumulated Amortisation	278,370	255,697
	<u>66,990</u>	<u>79,829</u>
Greens at cost	40,595	40,595
Less accumulated depreciation	14,923	10,863
	<u>25,672</u>	<u>29,732</u>
Dining room equipment at cost	77,056	68,371
Less accumulated depreciation	53,643	50,532
	<u>23,413</u>	<u>17,839</u>
Furniture and fittings at cost	160,414	156,797
Less accumulated depreciation	138,659	126,130
	<u>21,755</u>	<u>30,667</u>
Poker machines at cost	357,329	330,163
Less accumulated depreciation	233,425	226,890
	<u>123,904</u>	<u>103,273</u>
Motor Vehicles at cost	10,000	-
Less accumulated depreciation	1,682	-
	<u>8,318</u>	<u>-</u>
Total Plant and Equipment	<u>270,052</u>	<u>261,340</u>
Total Property, Plant and Equipment	<u>916,866</u>	<u>921,197</u>

The licensed premises located at Armidale Street Abermain is the core property of the Club.

**ABERMAIN BOWLING AND RECREATION CLUB LIMITED**  
**ABN 78 001 049 832**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**30 APRIL 2019**

**NOTE 8: NON-CURRENT ASSETS - PROPERTY, PLANT AND EQUIPMENT**

At 1 May 2018	Freehold Land	Buildings	Plant & Equipment	Dining Room Equipment	Furniture & Fittings	Poker Machines
- Cost	102,320	844,807	335,526	68,371	156,797	330,163
- Valuation	-	-	-	-	-	-
Accumulated depreciation	-	(287,269)	(255,697)	(50,533)	(126,130)	(226,890)
Net book value	102,320	557,538	79,829	17,838	30,667	103,273

Year ended 30 April 2019						
Opening net book value	102,320	557,538	79,829	17,838	30,667	103,273
Additions	-	4,958	9,833	8,686	3,617	53,950
Disposals	-	-	-	-	-	-
Depreciation charge	-	(18,002)	(22,672)	(3,111)	(12,529)	(33,319)
Closing net book value	102,320	544,494	66,990	23,413	21,755	123,904

At 30 April 2019						
- Cost	102,320	849,766	345,360	77,056	160,414	357,329
- Valuation	-	-	-	-	-	-
Accumulated depreciation	-	(305,272)	(278,370)	(53,643)	(138,659)	(233,425)
Net book value	102,320	544,494	66,990	23,413	21,755	123,904

At 1 May 2018	Greens	Motor Vehicles	TOTAL
- Cost	40,595	-	1,878,579
- Valuation	-	-	-
Accumulated depreciation	(10,863)	-	(957,382)
Net book value	29,732	-	921,197

Year ended 30 April 2019			
Opening net book value	29,732	-	921,197
Additions	-	10,000	91,044
Disposals	-	-	-
Depreciation charge	(4,060)	(1,682)	(95,375)
Closing net book value	25,672	8,318	916,866

At 30 April 2019			
- Cost	40,595	10,000	1,942,840
- Valuation	-	-	-
Accumulated depreciation	(14,923)	(1,682)	(1,025,974)
Net book value	25,672	8,318	916,866

**ABERMAIN BOWLING AND RECREATION CLUB LIMITED**  
**ABN 78 001 049 832**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**30 APRIL 2019**

<b>NOTE 9: CURRENT LIABILITIES – PAYABLES</b>	\$	\$
Unsecured liabilities		
Trade creditors and accrued expenses	46,766	70,427
GST payable	1,765	-
Employee benefits	38,510	25,668
Subscriptions in advance	2,929	3,390
	<u>89,970</u>	<u>99,485</u>

**NOTE 10: CURRENT LIABILITIES – BORROWINGS**

Loan – Aristocrat	11,700	-
Loan – SG Gaming	-	5,762
Unsecured - Insurance Funding	-	27,834
	<u>11,700</u>	<u>33,596</u>

The Loan is secured by the underlying poker machines.

**NOTE 11: CURRENT LIABILITIES – PROVISIONS**

Provision for members balances	439	1,820
Provision for members points	2,076	1,737
	<u>2,515</u>	<u>3,557</u>

**NON CURRENT LIABILITIES – PROVISIONS**

Employee benefits	<u>14,235</u>	<u>4,325</u>
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**ABERMAIN BOWLING AND RECREATION CLUB LIMITED**  
**ABN 78 001 049 832**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**30 APRIL 2019**

**NOTE 12: KEY MANAGEMENT PERSONNEL  
 COMPENSATION**

	2019	2018
	\$	\$
Key management personal compensation	116,131	105,435

**NOTE 13: CAPTIAL AND LEASING  
 COMMITMENTS**

Operating Lease Commitments – Poker Machines  
 Non-cancellable operating leases contracted for but not recognised in the financial statement.

Payable:

Not later than 1 year	-	10,584
Later than 1 year but not later than 3 years	-	-
	-	10,584

**NOTE 14: RELATED PARTY TRANSACTIONS**

The company's main related parties are as follows:

**a. Key Management Personnel of the Club**

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including any Director (whether executive or otherwise) of the company, is considered key management personnel. Refer to Note 12.

**b. Other Related Parties of the Company**

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

**Transactions and Outstanding Balances with Related Parties**

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. The following relationships and/or transactions occurred with related parties:

- The company purchased a bus from the wife of a director, Mr D Cocking on normal commercial terms.

**ABERMAIN BOWLING AND RECREATION CLUB LIMITED**  
**ABN 78 001 049 832**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**30 APRIL 2019**

	2019	2018
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**NOTE 15: CASH FLOW INFORMATION**

**a. Reconciliation of Cash**

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the statement of financial position as follows:

Cash at bank	199,568	182,704
Term deposit – Newcastle Permanent Building	157,531	153,536
Cash on hand	31,600	31,600
	388,699	367,840

**b. Reconciliation of Cash Flow from Operations with Profit from ordinary activities after income tax**

Profit from ordinary activities after income tax	37,698	138,606
Non-cash flows in profit from ordinary activities:		
— Depreciation	95,375	81,014
— (Profit)/loss on sale of fixed assets	(11,500)	(17,257)
Changes in assets and liabilities, net of the effects of purchase and disposals of subsidiaries		
Decrease/(increase) in receivables	5,524	(3,491)
Decrease/(increase) in inventories	(355)	3,430
Decrease/(increase) in prepayments	(3,796)	(1,689)
(Decrease)/Increase in payables	(9,515)	23,259
(Decrease)/Increase in provisions	8,868	1,093
Cash flows from operations	122,299	224,965

**c. Non-Cash Financing and Investing Activities**

The company did not have any non-cash transactions during the year.

**d. Credit Stand-by Arrangements and Loan Facilities**

The company does not have any unused credit or loan facilities.



**ABERMAIN BOWLING AND RECREATION CLUB LIMITED**  
**ABN 78 001 049 832**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**30 APRIL 2019**

**NOTE 16: COMPANY DETAILS**

The registered office of the company is: Cnr Goulburn & Armidale Streets  
Abermain, NSW.

The principal place of business is: Cnr Goulburn & Armidale Streets, Abermain  
NSW.

The principal activities of the company are a registered licensed bowling club.

**ABERMAIN BOWLING AND RECREATION CLUB LIMITED**  
**ABN 78 001 049 832**

**DIRECTORS' DECLARATION**

The directors of the company declare that:

1. the financial statements and notes, as set out on pages 6 to 25 are in accordance with the Corporations Act 2001 and:
  - (a) Comply with Australian Accounting Standards – Reduced Disclosure Requirements; and
  - (b) Give a true and fair view of the financial position as at 30 April 2019 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 \_\_\_\_\_

Dated this 17 day of July, 2019

**ABERMAIN BOWLING AND RECREATION CLUB LIMITED**  
**ABN 78 001 049 832**  
**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF**  
**ABERMAIN BOWLING AND RECREATION CLUB LIMITED**

**Opinion**

I have audited the financial report of Abermain Bowling and Recreation Club Limited, which comprises the statement of financial position as at 30<sup>th</sup> April 2019 and the statement of comprehensive income, statement of changes in equity and 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 my opinion, the financial report of Abermain Bowling and Recreation Club Limited has been prepared in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the company's financial position as at 30<sup>th</sup> April, 2019, and of its financial performance for the year then ended; and
- (b) complying with the Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Regulations 2001.

**Basis for Opinion**

I have conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial Reports section of my report. I am independent of the registered entity 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 my audit of the financial report in Australia. I have also fulfilled my 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 Abermain Bowling and Recreation Club Limited, would be in the same terms if given to the directors as at the time of this audit report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

**ABERMAIN BOWLING AND RECREATION CLUB LIMITED**  
**ABN 78 001 049 832**  
**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF**  
**ABERMAIN BOWLING AND RECREATION CLUB LIMITED**

**Responsibilities of Directors and Those Charged with Governance for the Financial Report**

Directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, and the Corporations Act 2001, and for such internal control as Directors determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, where due to fraud or error.

In preparing the financial report, 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 Directors either intends to liquidate the company or cease operations, or has no realistic alternative but to do so.

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

**Auditor's Responsibilities for the Audit of the Financial Report**

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

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain profession scepticism throughout the audit. I 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 my 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.

**ABERMAIN BOWLING AND RECREATION CLUB LIMITED**  
**ABN 78 001 049 832**  
**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF**  
**ABERMAIN BOWLING AND RECREATION CLUB LIMITED**

**Auditor's Responsibilities for the Audit of the Financial Report (cont'd)**

- Obtaining an understanding of internal control relevant to the audit in order to design and audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by directors.
- Conclude on the appropriateness of the directors entity's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast a significant doubt on the company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the company 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.

I communicate with those 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 I identify during my audit.

MARK WALMSLEY

Mark Walmsley

Date July 2019

16 Dunbar Street  
STOCKTON NSW 2295

**ABERMAIN BOWLING AND RECREATION CLUB LIMITED**  
**ABN 78 001 049 832**

**COMPILATION REPORT TO ABERMAIN BOWLING AND RECREATION CLUB LIMITED**

On the basis of the information provided by the directors of Abermain Bowling and Recreation Club Limited, I have compiled, in accordance with APS 9: Statement of Compilation of Financial Reports the special purpose financial report consisting of the detailed profit and loss account, bar trading account and poker machine trading account for year ended 30 April 2019.

The specific purpose for which the special purpose financial report has been prepared is to provide private information to the directors. The extent to which Accounting Standards and other mandatory professional reporting requirements have not been adopted in the preparation of the special purpose financial report is set out in Note 1.

The company's directors are solely responsible for the information contained in the special purpose financial report and have determined that the accounting policies used are consistent and are appropriate to meet the needs of the directors.

My procedures use accounting expertise to collect, classify and summarise the financial information which the directors provided into a financial report. My procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

To the extent permitted by law, I do not accept liability for any loss or damage which any person other than the entity may suffer arising from any negligence on My part. No person should rely on the special purpose financial report without having an audit or review conducted.

The special purpose financial report was prepared exclusively for the benefit of the company. I do not accept responsibility to any other person for the contents of the special purpose financial report.

LIDLAW & ASSOCIATES

PO BOX 379  
CESSNOCK NSW 2325

Dated July 2019

Joanne Laidlaw

**ABERMAIN BOWLING AND RECREATION CLUB LIMITED**  
**ABN 78 001 049 832**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 APRIL 2019**

	2019	2018
	\$	\$
<b>INCOME</b>		
Net profit on trading	469,002	485,148
TAB commission	9,479	10,373
Commission received	11,087	10,622
Keno commission	25,363	30,498
Entertainment income	109,338	111,721
Grant received – stainless steel handrail	-	12,250
Rebate – solar panels	-	21,012
Interest received	3,996	3,754
Insurance recovery – robbery and sign	-	42,138
Insurance recovery - workers compensation	32,702	6,074
Kitchen utilities	2,200	1,849
Members subscriptions	10,108	9,107
Profit on disposal of asset	11,500	17,257
Sponsorship	2,000	4,382
Sundry income	3,858	10,478
Wages subsidy	5,909	-
Total Income	696,542	776,663
 Less: Expenses		
Accountancy and auditing fees	10,750	10,500
Bank charges	994	262
Bingo - wages	8,000	8,000
Bowls expenses	8,389	13,268
Bus expenses	5,784	489
Catering and entertainment	169,034	191,195
Cleaning	3,010	4,449
Cleaning – wages	29,948	29,715
Depreciation	62,056	53,369
Directors expenses	1,152	1,711
Electricity and gas	31,298	40,413
General expenses	8,685	1,285

This Revenue Account does not form part of the audited financial report and should be read  
In conjunction with the attached compilation report.

**ABERMAIN BOWLING AND RECREATION CLUB LIMITED**  
**ABN 78 001 049 832**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 APRIL 2019**

	2019	2018
	\$	\$
Insurance	35,448	30,043
Interest paid	2,468	2,737
Keno maintenance and stationery	1,787	2,234
Legal fees	728	-
Printing, stationery and advertising	13,658	4,452
Provision for employee leave	22,752	(37)
Provision for members points	1,983	1,494
Rates and taxes	9,410	8,745
Repairs and maintenance	29,537	27,441
Robbery expenses	-	34,272
Security costs	729	700
Staff training and seminars	859	3,009
Subscriptions, licences and donations	17,718	14,301
Superannuation fund contributions	29,937	26,880
TAB expenses	21,915	22,156
Telephone	4,683	4,723
Wages – administration	75,313	93,768
Wages – grounds	885	409
Wages – workers compensation	49,934	6,074
Total Expenses	<u>658,844</u>	<u>638,057</u>
Operating profit/(loss) before income tax	<u>37,698</u>	<u>138,606</u>

This Revenue Account does not form part of the audited financial report and should be read  
In conjunction with the attached compilation report.



**ABERMAIN BOWLING AND RECREATION CLUB LIMITED**  
**ABN 78 001 049 832**  
**BAR TRADING ACCOUNT FOR THE YEAR ENDED 30 APRIL 2019**

	2019	2018
	\$	\$
Sales	398,984	448,386
Less: Members discount	(45,778)	(40,153)
	<u>353,206</u>	<u>408,233</u>
Less: Cost of Goods Sold		
Opening stock	21,956	23,802
Purchases	163,107	183,131
Freight	3,338	3,155
	<u>188,401</u>	<u>210,088</u>
Closing stock	(24,114)	(21,956)
Cost of goods sold	<u>164,287</u>	<u>188,132</u>
Gross Profit	188,919	220,101
Less: Direct costs		
Wages	127,046	128,358
Bar replacements	3,712	4,316
	<u>130,758</u>	<u>132,674</u>
Net Profit	<u>58,161</u>	<u>87,427</u>

This Revenue Account does not form part of the audited financial report and should be read  
 In conjunction with the attached compilation report.

**ABERMAIN BOWLING AND RECREATION CLUB LIMITED**

ABN 78 001 049 832

**POKER MACHINE TRADING ACCOUNT FOR THE YEAR ENDED 30 APRIL 2019**

	2019	2018
	\$	\$
Gross poker machine takings	1,700,638	1,840,084
Less: Poker machine payouts	(1,205,045)	(1,348,254)
	<u>495,593</u>	<u>491,830</u>
GST Rebate	17,180	17,180
	<u>512,773</u>	<u>509,010</u>
Less: Direct costs		
Poker Machine Rentals	10,584	31,148
Data Monitoring Service	6,416	6,302
Repairs and maintenance	19,852	18,784
Wages	31,761	27,410
Depreciation	33,319	27,645
	<u>101,932</u>	<u>111,289</u>
Net Profit	<u>410,841</u>	<u>397,721</u>

This Revenue Account does not form part of the audited financial report and should be read  
In conjunction with the attached compilation report.