

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 2020.

Directors

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

G. Gunther	L. Hooper (Resigned 2.8.20)
W. Lang	N. Sweeney (Resigned 5.1.20)
S. Fraser	J. Thomas (Appointed 12.9.19)
P. Walton (Resigned 5.1.20)	

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 \$37,173 (2019 profit \$37,698).

Review of Operations

Gross profit from bar trading amounted to \$216,112 and a gross profit percentage of 51.8% was obtained from sales of \$417,368 after members discounts. Net gaming profit amounted to \$440,715 compared to \$410,841 in 2019.

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.

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.

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

DIRECTORS' REPORT

Information on Directors

- G. Gunther — Chairman
- Experience — Mr Gunther has been a director for 8 years.

- S. Fraser — Director
- Experience — Mr Fraser has been a director for 12 years.

- W. Lang — Director
- Experience — Mr Lang has been a director for 2 years.

- L. Hooper — Director
- Experience — Mr Hooper was a director for 2 years.

- J. Thomas — Director
- Experience — Mr Thomas was appointed as a director during the year.

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 2020 the number of members was 1,117 (2019: 1,157)

Meetings of Directors

During the financial year 12 meetings of directors (including committees) are held. Attendances are:

	DIRECTORS' MEETINGS	
	Number eligible to attend	Number Attended
P. Walton	8	6
S. Fraser	12	12
N. Sweeney	8	6
G. Gunther	12	12
J. Thomas	7	4
W. Lang	12	12
L. Hooper	12	12

ABERMAIN BOWLING AND RECREATION CLUB LIMITED

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DIRECTORS' REPORT

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.

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 2020, the Directors have determined that the property of the company shall be classified as follows:

Address	Current usage	Classification
64 Armidale Street, Abermain	Club premises	Core

Coronavirus Pandemic

On 11 March 2020, the World Health Organization declared a pandemic due to the spread of coronavirus across the world. Due to the spread of the coronavirus, global and local economies have been significantly affected, for example due to restrictions in production, trade and consumption or due to travel bans and social distancing requirements. Due to these effects, the company was closed from 23 March 2020 to 1 June 2020. Therefore, income has been significantly impacted as a result of social distancing restrictions enacted during March 2020.

As of the date of this financial report, the board is unable to determine the future impact of the pandemic on the company and the financial report. However, the company has applied for government relief where available through the Job Keeper, Cashflow boost and small business Covid support programmes. The Board and management continue to assess the situation on an ongoing basis.

The board is confident that the company will be successful in navigating the challenges of the pandemic and accordingly, the board has prepared the financial report on a going concern basis. However, should circumstances arising from the pandemic such as long-term mandated closures of the club facilities occur, there is uncertainty on the ability of the company to continue as a going concern and realise its assets and extinguish its liabilities in the ordinary course of business. No provision for such circumstances has been reflected in the financial report.

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

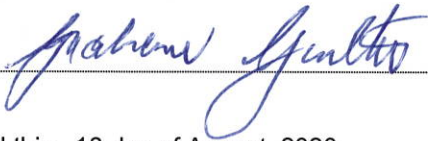
Auditor's Independence Declaration

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.



Director

Dated this 18 day of August, 2020.

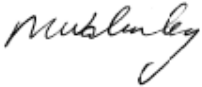
MARK WALMSLEY *B Comm. CA*
CHARTERED ACCOUNTANT
ABN: 91 918 334 370

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: 11 August, 2020

ABERMAIN BOWLING AND RECREATION CLUB LIMITED
ABN 78 001 049 832
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 APRIL 2020

	Note	2020 \$	2019 \$
Revenues from contracts with customers	2	1,135,706	1,017,881
Other revenue from ordinary activities	2	269,750	121,417
Changes in inventories		(2,663)	355
Purchases		(196,757)	(163,107)
Catering and entertainment		(182,726)	(169,034)
Insurance		(38,749)	(35,448)
Members discount		(60,484)	(45,778)
Legal fees		(18,877)	(748)
Repairs and maintenance		(62,468)	(49,389)
Employee benefits expense		(508,625)	(375,576)
Depreciation and amortisation expense	3	(116,069)	(95,375)
Finance costs		(1,979)	(2,468)
Other expenses		(178,886)	(165,052)
Profit/(Loss) before income tax	3	37,173	37,698
Income tax expense		-	-
Profit/(Loss) for the year		<u>37,173</u>	<u>37,698</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 2020

	Note	2020 \$	2019 \$
CURRENT ASSETS			
Cash and cash equivalents	4	454,057	388,699
Trade and other receivables	5	55,837	6,208
Inventories	6	26,382	29,045
Other current assets	7	42,172	33,572
TOTAL CURRENT ASSETS		<u>578,448</u>	<u>457,524</u>
NON-CURRENT ASSETS			
Property, plant and equipment	8	865,762	916,866
Right of use asset	9	96,520	-
TOTAL NON-CURRENT ASSETS		<u>962,282</u>	<u>916,866</u>
TOTAL ASSETS		<u>1,540,730</u>	<u>1,374,390</u>
CURRENT LIABILITIES			
Trade and other payables	10	141,773	89,970
Borrowings	11	-	11,700
Lease liability	12	37,947	-
Provisions	13	5,321	2,515
TOTAL CURRENT LIABILITIES		<u>185,041</u>	<u>104,185</u>
NON-CURRENT LIABILITIES			
Lease liability	12	60,839	-
Provisions	13	1,707	14,235
TOTAL NON-CURRENT LIABILITIES		<u>62,546</u>	<u>14,235</u>
TOTAL LIABILITIES		<u>247,587</u>	<u>118,420</u>
NET ASSETS		<u>1,293,143</u>	<u>1,255,970</u>
EQUITY			
Retained profits		<u>1,293,143</u>	<u>1,255,970</u>
TOTAL EQUITY		<u>1,293,143</u>	<u>1,255,970</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 2020

	Note	2020 \$	2019 \$
Total equity at the beginning of the financial year		1,255,970	1,218,272
Net income recognised directly in equity			
Profit/(Loss) for the year		37,173	37,698
Total recognised income and expense for the year		<u>37,173</u>	<u>37,698</u>
Total equity at the end of the financial year		<u>1,293,143</u>	<u>1,255,970</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 2020

	Note	2020 \$	2019 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from customers		1,350,504	1,129,326
Payments to suppliers and employees		(1,214,091)	(1,008,555)
Interest received		5,323	3,996
Interest paid		(1,979)	(2,468)
Net cash provided by (used in) operating activities	16b	<u>139,757</u>	<u>122,299</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		-	11,500
Payment for property, plant and equipment		(55,919)	(91,044)
Net cash provided by (used in) investing activities		<u>(55,919)</u>	<u>(79,544)</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowings		-	23,650
Repayment of borrowings		(11,700)	(45,546)
Repayment of lease liabilities		(6,780)	-
Net cash provided by (used in) financing activities		<u>(18,480)</u>	<u>(21,896)</u>
Net increase in cash held		65,358	20,859
Cash at beginning of the financial year		<u>388,699</u>	<u>367,840</u>
Cash at end of the financial year	16a	<u><u>454,057</u></u>	<u><u>388,699</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 2020

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.

(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.

ABERMAIN BOWLING AND RECREATION CLUB LIMITED
ABN 78 001 049 832
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 APRIL 2020

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(f) Investments and other financial assets

i) Classification

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.

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.

ABERMAIN BOWLING AND RECREATION CLUB LIMITED
ABN 78 001 049 832
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 APRIL 2020

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(g) Financial liabilities

i) Classification

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.

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).

ABERMAIN BOWLING AND RECREATION CLUB LIMITED
ABN 78 001 049 832
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 APRIL 2020

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(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:

Class of Fixed Asset	Depreciation Rate
Buildings	2.5% - 20%
Plant and Equipment	10% - 20%
Greens	10%

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.

ABERMAIN BOWLING AND RECREATION CLUB LIMITED
ABN 78 001 049 832
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 APRIL 2020

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(l) 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.

(m) 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.

(n) 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.

(o) Leases

Comparative year

Leases of plant and equipment where the company, as lessee, had substantially all the risks and rewards of ownership are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the fair value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease interest expense for that period.

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

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred. Operating leases are not recognized in the statement of financial position for the comparative year only.

Current year

As explained in Note 1(r) above with the adoption of AASB 16: Leases, the company has changed its accounting policy for leases where the company is the lessee. The new policy, is described at Note 1(r).

ABERMAIN BOWLING AND RECREATION CLUB LIMITED
ABN 78 001 049 832
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 APRIL 2020

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 2019 to 31 May 2020.

(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.

(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 16 Leases. The application of the new accounting standard did not require current period or retrospective adjustments.

AASB 16: Leases

The company has adopted AASB 16: Leases with a date of initial application of 1 May 2019. As a result, the company has changed its lease accounting policy as detailed in the significant accounting policies note.

AASB 16 replaces the provisions of AASB 117: Leases and provides a new lessee accounting model. The new model requires a lessee to recognise a right of use asset and lease liability for all leases with a term of more than 12 months, unless the underlying asset is of low value. Lessor accounting remains the same under AASB 16 when compared to the requirements of AASB 117.

Under AASB 16, a lessee is required to recognise, at the commencement date of the lease, the present value of non-cancellable lease payments as a lease liability on the statement of financial position with a corresponding right-of-use asset. The unwind of the financial charge on the lease liability and the amortisation of the leased asset are recognised in the statement of comprehensive income based on the incremental borrowing rate and contract term respectively.

The company did not restate prior year amounts reported, electing to use the modified retrospective approach at 1 May 2019 with the opening right-of-use asset for each lease equal to the corresponding lease liability.

Upon adoption of AASB 16, no adjustments were required at 1 May 2019 as the company had no outstanding leases.

(s) Authorisation of Financial Statements

The financial statements were authorised for issue on 18 August 2020 by the Directors.

ABERMAIN BOWLING AND RECREATION CLUB LIMITED
ABN 78 001 049 832
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 APRIL 2020

NOTE 2: REVENUE	2020	2019
	\$	\$
From contracts with customers		
Sale of goods	477,852	398,984
Gaming revenue	536,320	495,593
Entertainment	109,234	109,338
Membership subscriptions	10,584	10,108
Bowls and other revenue	1,716	3,858
	<u>1,135,706</u>	<u>1,017,881</u>
Other revenue from ordinary activities		
Profit on disposal of plant and equipment	-	11,500
Interest	5,323	3,996
Insurance recovery – workers compensation	109,477	32,702
GST rebate	17,180	17,180
Commissions	51,411	45,929
Grants – Hand rail	13,000	-
Grants – COVID subsidies and jobkeeper	57,151	-
Other revenue	16,208	10,110
	<u>269,750</u>	<u>121,417</u>
Total revenue	<u>1,405,456</u>	<u>1,139,298</u>

ABERMAIN BOWLING AND RECREATION CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 APRIL 2020

	2020	2019
	\$	\$
NOTE 3: PROFIT FOR THE YEAR		
Cost of sales	201,256	164,287
Depreciation and amortisation of non-current assets		
— buildings	21,198	18,002
— plant and equipment	26,727	22,672
— poker machines	37,689	33,319
— greens	4,060	4,060
— dining room equipment	3,285	3,111
— furniture and fittings	12,264	12,529
— motor vehicles	1,800	1,682
— right to use assets	9,046	-
Total depreciation expense	116,069	95,375

NOTE 4: CURRENT ASSETS – CASH ASSETS

Cash at bank	169,769	199,568
Cash on hand	-	31,600
Term deposits	284,288	157,531
	454,057	388,699

NOTE 5: CURRENT ASSETS – RECEIVABLES

Trade debtors	50,837	1,208
TAB security deposit	5,000	5,000
	55,837	6,208

NOTE 6: CURRENT ASSETS – INVENTORIES

Stock on hand – bar	24,087	24,114
Stock on hand – bingo & raffle	1,810	4,446
Stock on hand – cleaning	485	485
	26,382	29,045

NOTE 7: CURRENT ASSETS – OTHER ASSETS

Prepayments	42,172	33,572
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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 2020

NOTE 8: NON-CURRENT ASSETS - PROPERTY, PLANT AND EQUIPMENT	2020	2019
	\$	\$
Freehold land at cost	102,320	102,320
Buildings, at cost	862,519	849,766
Less accumulated depreciation	326,470	305,272
	<u>536,049</u>	<u>544,494</u>
Total Land and Buildings	<u>638,369</u>	<u>646,814</u>
Plant and equipment at cost	362,234	345,360
Less accumulated Amortisation	283,250	278,370
	<u>78,984</u>	<u>66,990</u>
Greens at cost	41,489	40,595
Less accumulated depreciation	18,983	14,923
	<u>22,506</u>	<u>25,672</u>
Dining room equipment at cost	77,689	77,056
Less accumulated depreciation	56,928	53,643
	<u>20,761</u>	<u>23,413</u>
Furniture and fittings at cost	119,342	160,414
Less accumulated depreciation	108,133	138,659
	<u>11,209</u>	<u>21,755</u>
Poker machines at cost	297,710	357,329
Less accumulated depreciation	210,295	233,425
	<u>87,415</u>	<u>123,904</u>
Motor Vehicles at cost	10,000	10,000
Less accumulated depreciation	3,482	1,682
	<u>6,518</u>	<u>8,318</u>
Total Plant and Equipment	<u>227,393</u>	<u>270,052</u>
Total Property, Plant and Equipment	<u>865,762</u>	<u>916,866</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 2020

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

At 1 May 2019	Freehold Land	Buildings	Plant & Equipment	Dining Room Equipment	Furniture & Fittings	Poker Machines
- 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

Year ended 30 April 2020

Opening net book value	102,320	544,494	66,990	23,413	21,755	123,904
Additions	-	12,753	38,721	633	1,718	1,200
Disposals	-	-	-	-	-	-
Depreciation charge	-	(21,198)	(26,727)	(3,285)	(12,264)	(37,689)
Closing net book value	102,320	536,049	78,984	20,761	11,209	87,415

At 30 April 2020

- Cost	102,320	862,519	362,234	77,689	119,342	297,710
- Valuation	-	-	-	-	-	-
Accumulated depreciation	-	(326,470)	(283,250)	(56,928)	(108,133)	(210,295)
Net book value	102,320	536,049	78,984	20,761	11,209	87,415

At 1 May 2019

	Greens	Motor Vehicles	TOTAL
- 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

Year ended 30 April 2020

Opening net book value	25,672	8,318	916,866
Additions	894	-	55,919
Disposals	-	-	-
Depreciation charge	(4,060)	(1,800)	(107,023)
Closing net book value	22,506	6,518	865,762

At 30 April 2020

- Cost	41,489	10,000	1,873,303
- Valuation	-	-	-
Accumulated depreciation	(18,983)	(3,482)	(1,007,541)
Net book value	22,506	6,518	865,762

ABERMAIN BOWLING AND RECREATION CLUB LIMITED
ABN 78 001 049 832
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 APRIL 2020

NOTE 9: NON CURRENT ASSETS – RIGHT OF USE ASSET	2020	2019
	\$	\$

The companies lease portfolio includes equipment. These leases have a term of 3 years.

Leased equipment	105,566	-
Less accumulated depreciation	(9,046)	-
	<u>96,520</u>	<u>-</u>

AASB 16 related amounts recognised in the statement

Amortisation change related to right of use assets	9,046
Interest expense on lease liabilities	1,979
Short-term expense	-

NOTE 10: CURRENT LIABILITIES – PAYABLES

Unsecured liabilities		
Trade creditors and accrued expenses	61,315	46,766
GST payable	3,979	1,765
Employee benefits	73,328	38,510
Subscriptions in advance	2,151	2,929
Holding Deposit – Bistro	1,000	-
	<u>141,773</u>	<u>89,970</u>

NOTE 11: CURRENT LIABILITIES – BORROWINGS

Loan – Konami	-	<u>11,700</u>
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NOTE 12: CURRENT LIABILITIES - LEASE LIABILITY

Lease - Aristocrat	<u>37,947</u>	-
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NON CURRENT LIABILITIES – LEASE LIABILITY

Lease - Aristocrat	<u>60,839</u>	-
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The leases relate to poker machines and a poker machine gaming system. All leases have a 3 year term and an incremental borrowing rate of 5% was used in the calculation.

ABERMAIN BOWLING AND RECREATION CLUB LIMITED
ABN 78 001 049 832
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 APRIL 2020

NOTE 13: CURRENT LIABILITIES – PROVISIONS	2020	2019
	\$	\$
Provision for members balances	3,999	439
Provision for members points	1,322	2,076
	<u>5,321</u>	<u>2,515</u>

NON CURRENT LIABILITIES – PROVISIONS

Employee benefits	<u>1,707</u>	<u>14,235</u>
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NOTE 14: KEY MANAGEMENT PERSONNEL COMPENSATION

Key management personal compensation	<u>50,358</u>	<u>116,131</u>
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NOTE 15: 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. There were no related party transactions during the year.

ABERMAIN BOWLING AND RECREATION CLUB LIMITED
ABN 78 001 049 832
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 APRIL 2020

	2020	2019
	\$	\$
NOTE 16: 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	169,769	199,568
Term deposits	284,288	157,531
Cash on hand	-	31,600
	454,057	388,699
b. Reconciliation of Cash Flow from Operations with Profit from ordinary activities after income tax		
Profit from ordinary activities after income tax	37,173	37,698
Non-cash flows in profit from ordinary activities:		
— Depreciation and amortisation	116,069	95,375
— (Profit)/loss on sale of fixed assets	-	(11,500)
Changes in assets and liabilities, net of the effects of purchase and disposals of subsidiaries		
Decrease/(increase) in receivables	(49,629)	5,524
Decrease/(increase) in inventories	2,663	(355)
Decrease/(increase) in prepayments	(8,600)	(3,796)
(Decrease)/Increase in payables	51,803	(9,515)
(Decrease)/Increase in provisions	(9,722)	8,868
Cash flows from operations	139,757	122,299

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 2020

NOTE 17: 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

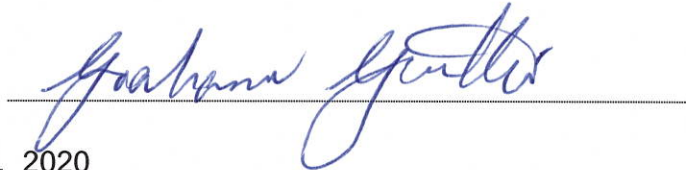
DIRECTORS' DECLARATION

The directors of the company declare that:

1. the financial statements and notes, as set out on pages 6 to 23 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 2020 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



A handwritten signature in blue ink, appearing to read 'Graham Gutter', is written over a horizontal line.

Dated this 18 day of August, 2020

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 30th April 2020 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 30th April, 2020, 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:

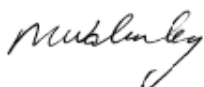
- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material 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

Date August 2020

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 2020.

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.

PO BOX 379
CESSNOCK NSW 2325

Dated 18 August 2020

LIDLAW & ASSOCIATES



Joanne Laidlaw

ABERMAIN BOWLING AND RECREATION CLUB LIMITED
ABN 78 001 049 832

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 APRIL 2019

	2020	2019
INCOME	\$	\$
Net profit on trading	480,463	469,002
TAB commission	8,803	9,479
Commission received	14,081	11,087
Keno commission	28,527	25,363
Entertainment income	109,234	109,338
Grant received – Hand rail	13,000	-
Interest received	5,323	3,996
Insurance recovery - workers compensation	109,477	32,702
Kitchen utilities	7,270	2,200
Members subscriptions	10,584	10,108
Profit on disposal of asset	-	11,500
Sponsorship	3,029	2,000
Sundry income	1,716	3,858
Jobkeeper subsidy	18,000	-
Cashboost	29,151	-
NSW Covid Grant	10,000	-
Wages subsidy	5,909	5,909
Total Income	854,567	696,542
Less: Expenses		
Accountancy and auditing fees	11,250	10,750
Bank charges	1,131	994
Bingo - wages	7,520	8,000
Bowls expenses	12,892	8,389
Bus expenses	5,144	5,784
Catering and entertainment	182,726	169,034
Cleaning	6,210	3,010
Cleaning – wages	22,459	29,948
Depreciation	69,334	62,056
Directors expenses	1,342	1,152
Electricity and gas	26,212	31,298
General expenses	750	8,685

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 2020

	2020	2019
	\$	\$
Insurance	38,749	35,448
Interest paid	1,979	2,468
Keno maintenance and stationery	2,455	1,787
Legal fees	18,877	728
Printing, stationery and advertising	33,908	13,658
Provision for employee leave	22,400	22,752
Provision for members points	(463)	1,983
Rates and taxes	6,840	9,410
Repairs and maintenance	51,190	29,537
Security costs	1,526	729
Staff training and seminars	3,516	859
Subscriptions, licences and donations	24,455	17,718
Superannuation fund contributions	40,927	29,937
TAB expenses	20,022	21,915
Telephone	5,394	4,683
Wages – administration	105,646	75,313
Wages – grounds	988	885
Wages – workers compensation	92,015	49,934
Total Expenses	<u>817,394</u>	<u>658,844</u>
Operating profit/(loss) before income tax	<u>37,173</u>	<u>37,698</u>

Breakup Catering and entertainment

Raffles	93,079	88,534
Bingo	48,169	54,183
Badge Draw	18,850	9,240
Newspapers	3,108	1,422
Vouchers and general promotions	1,077	2,245
Pool and darts	4,269	2,982
Bistro	6,009	4,552
Entertainers	5,318	400
Kids disco and party	2,847	3,220
Annual dinner	-	2,256

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 2020

	2020	2019
	\$	\$
Sales	477,852	398,984
Less: Members discount	(60,484)	(45,778)
	<u>417,368</u>	<u>353,206</u>
Less: Cost of Goods Sold		
Opening stock	24,114	21,956
Purchases	196,757	163,107
Freight	4,472	3,338
	<u>225,343</u>	<u>188,401</u>
Closing stock	(24,087)	(24,114)
Cost of goods sold	<u>201,256</u>	<u>164,287</u>
Gross Profit	216,112	188,919
Less: Direct costs		
Wages	174,722	127,046
Bar replacements	1,642	3,712
	<u>207,197</u>	<u>130,758</u>
Net Profit	<u>39,748</u>	<u>58,161</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 2020

	2020	2019
	\$	\$
Gross poker machine takings	2,088,972	1,700,638
Less: Poker machine payouts	(1,552,652)	(1,205,045)
	<u>536,320</u>	<u>495,593</u>
GST Rebate	17,180	17,180
	<u>553,500</u>	<u>512,773</u>
Less: Direct costs		
Poker machine rentals	-	10,584
Data monitoring service	12,824	6,416
Repairs and maintenance	11,278	19,852
Wages	41,948	31,761
Depreciation and amortisation	46,735	33,319
	<u>112,785</u>	<u>101,932</u>
Net Profit	<u>440,715</u>	<u>410,841</u>

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