

**TELARAH BOWLING CLUB**  
**(ABN 42 000 616 704)**

**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2018**

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The financial report was authorised for issue by the Directors on 17 September 2018. The Club has the power to amend and re-issue the financial report.

**TELARAH BOWLING CLUB**  
**(ABN 42 000 616 704)**

**DIRECTORS' REPORT**

Your Directors presents their report for the financial year ended 30 June 2018.

### **1. Directors**

The names of the Directors' in office at the date of this report are:

<b>Name</b>	<b>Occupation/Qualification</b>	<b>Position</b>	<b>Years service as a Director</b>
N Savertsen	Retired Project Manager	President	11
H Morrison	Retired Printer	Vice-President	4
D Smith	Employment Consultant		4
V Bowtell	Retired Domestic Duties		11
D Cheetham	Office Administrator		7
B Lee	Sales Representative		2
G Wahle	Retired Corrections Officer		7

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

### **2. Activities**

The principal activities of the Club during the financial period were:

The running of a licensed Club in accordance with its objectives for the benefit of its members.

### **3. Objectives of the Club**

The Club's short and long term objectives are to:

Provide the best facilities available to members and their guests with a special interest in bowling activities.

To achieve these objectives the Club has adopted the following strategies;

- Maintain or increase existing revenue levels and control costs to return to profitability which will allow the Club's premises to be continually improved ;
- Ensure greens are kept to an optimum standard by employing quality greenkeepers and undertaking regular maintenance ;
- Employing a bowls co-ordinator and ensuring appropriate support for bowlers of all skill levels.

These strategies are measured through both financial and non financial key performance indicators that have been developed relevant to the club industry.

### **4. Results**

The net result of operations was a loss of \$30,544 (2017: loss of \$81,428).

### **5. Review of Operations**

The reduced loss this year is attributable to reduced expenses of depreciation, promotions, entertainment and electricity despite both poker machine revenue and bar sales being down on the prior year.

### **6. Auditor's Independence Declaration**

The auditor's independence declaration for the year ended 30 June 2018 has been received and can be found on page 4 of the financial report.

DFK Crosbie continues to hold office in accordance with Section 307 of the Corporations Act. The Club may decide to engage the auditor in addition to their statutory audit where the auditor's expertise and experience with the Club is important.

### **7. Limited by Guarantee**

The Club is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the Club is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any obligations of the Club. At 30 June 2018 the collective liability of members was \$25,760 (2017 \$49,680)

**TELARAH BOWLING CLUB**  
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**DIRECTORS' REPORT (Cont.)**

**8. Meeting Attendances**

During the financial year ended 30 June 2018 the total number of meetings held was 17, comprising of 12 ordinary and 5 special meetings. The details of each Directors' attendances at those meetings is given below:

<b><u>Director</u></b>	<b><u>Normal</u></b>	<b><u>Special</u></b>	<b><u>No. Held while in Office</u></b>
N Savertsen	12	5	17
D Cheetham	12	5	17
H Morrison	12	4	17
D Smith	12	4	17
V Bowtell	10	5	17
B Lee	9	4	17
G Wahle	7	5	17

**9. Property Report**

The land on which the Clubhouse is situated is owned by the Club. The Directors have determined that all property of the Club shall be classified as follows in accordance with section 41J of the Registered Clubs Act 1976:

Core Property - Freehold land and buildings and leased car park situated at Clark Street, Telarah  
 Non-Core Property - nil

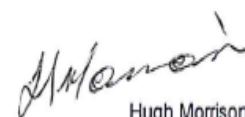
**10. Company Secretary**

The Company Secretary is Ms Joanne Henderson. Ms Henderson has been an employee of the Club since March 2007.

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



Neale Savertsen - Director



Hugh Morrison - Director

**Date: 17 September 2018**



**AUDITOR'S INDEPENDENCE DECLARATION**  
**UNDER SECTION 307C OF THE CORPORATIONS ACT 2001**  
**TO THE DIRECTORS OF**  
**TELARAH BOWLING CLUB**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2018 there have been:

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

Brent Perkins - Partner

DFK Crosbie Partners  
Chartered Accountants

**Date: 17 September 2018**  
**Warabrook**

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A member firm of DFK International a worldwide association of independent accounting firms and business advisers

**Newcastle**

Cnr Pacific Hwy and Warabrook Blvd,  
 Warabrook NSW 2304  
 Box 29, Hunter Region MC NSW 2310  
 Ph: +61 2 4923 4000 | F: +61 2 4923 4040  
[www.dfkcrosbie.com.au](http://www.dfkcrosbie.com.au)

**Sydney**

Level 1, Suite 107 Edgecliff Centre,  
 203 New South Head Rd, Edgecliff NSW 2027  
 Ph: +61 2 9301 5200 | F: +61 2 9363 0335  
[www.dfkcrosbie.com.au](http://www.dfkcrosbie.com.au)



**TELARAH BOWLING CLUB**

**(ABN 42 000 616 704)**

**INDEPENDENT AUDIT REPORT TO MEMBERS**

To the Members of Telarah Bowling Club

**Report on the Financial Report**

**Opinion**

We have audited the accompanying financial report of Telarah Bowling Club (the Club), which comprises the statement of financial position as at 30 June 2018 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended, a summary of significant accounting policies, other explanatory notes and the Directors' declaration.

In our opinion, the accompanying financial report of Telarah Bowling Club is in accordance with the Corporation Act 2001, including:

- (i) giving a true and fair view of the Club's financial position as at 30 June 2018 and of its performance for the year then ended; and
- (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Regulations 2001.

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Club in accordance with the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

**Material Uncertainty Related to Going Concern**

We draw attention to Note 2 to the financial report which indicates that the Club has a deficiency in working capital such that current liabilities exceeded current assets by \$1,808,378. This together with the other matters set out in Note 2 indicate the existence of uncertainty as to whether the Club will be able to continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. Our opinion is not modified in respect of this matter.

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**Sydney**

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## INDEPENDENT AUDIT REPORT TO MEMBERS

### Responsibilities of the Directors for the Financial Report

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

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

### Matters relating to the electronic presentation of the audited financial report

The auditor's report relates to the financial report of the Club for the year ended 30 June 2018 included on the Club's web site. The Club's Directors are responsible for the integrity of the Club's web site. We have not been engaged to report on the integrity of this web site. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.

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

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at [http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our audit report.

Brent Perkins - Partner

DFK Crosbie Partners  
Chartered Accountants

Date: 17 September 2018  
Warabrook NSW

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**TELARAH BOWLING CLUB**  
**(ABN 42 000 616 704)**

**DIRECTORS' DECLARATION**

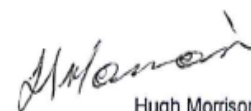
The Directors of the Club declare that:

- 1           The financial statements and notes, as set out on pages 8 to 18 are in accordance with the Corporations Act 2001 and:
  - (a) give a true and fair view of the financial position as at 30 June 2018 and of its performance for the year ended on that date for the Club.
  - (b) comply with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Regulations 2001.
  
- 2           At the date of this declaration there are reasonable grounds to believe that Telarah Bowling Club 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 and signed for on behalf of the Directors by:



Neale Savertsen - Director



Hugh Morrison - Director

**Date: 17 September 2018**

**TELARAH BOWLING CLUB**  
**(ABN 42 000 616 704)**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2018**

	Notes	2018 \$	2017 \$
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	7	116,712	63,341
Receivables	8	9,672	11,563
Inventories	9	16,706	24,432
Other Assets	10	46,644	39,683
Investments	11	-	5,000
<b>TOTAL CURRENT ASSETS</b>		<b>189,734</b>	<b>144,019</b>
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	12	3,223,216	3,277,551
<b>TOTAL NON-CURRENT ASSETS</b>		<b>3,223,216</b>	<b>3,277,551</b>
<b>TOTAL ASSETS</b>		<b>3,412,950</b>	<b>3,421,570</b>
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	13	236,303	183,014
Borrowings	14	1,666,137	1,686,970
Provisions	15	60,369	62,130
Other Liabilities	16	35,303	12,797
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,998,112</b>	<b>1,944,911</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	14	68,565	97,000
Provisions	15	10,231	13,073
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>78,796</b>	<b>110,073</b>
<b>TOTAL LIABILITIES</b>		<b>2,076,908</b>	<b>2,054,984</b>
<b>NET ASSETS</b>		<b>1,336,042</b>	<b>1,366,586</b>
<b>MEMBERS' FUNDS</b>			
Accumulated Profits		1,336,042	1,366,586
<b>TOTAL MEMBERS' FUNDS</b>		<b>1,336,042</b>	<b>1,366,586</b>

To be read in conjunction with the attached notes to the Financial Statements



**TELARAH BOWLING CLUB**  
**(ABN 42 000 616 704)**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2018**

Notes	2018 \$	2017 \$
Bar Sales	755,797	775,536
Cost of Goods Sold	308,583	318,664
Bar Gross Profit (\$)	447,214	456,872
Bar Gross Profit (%)	59.17%	58.91%
Bistro Sales	-	106,407
Cost of Goods Sold	-	44,178
Bistro gross profit (\$)	-	62,229
Bar Gross Profit (%)	-	58.48%
Poker Machine Net Revenue	1,103,866	1,127,129
Paper Gaming Commission	68,826	70,770
Bowls Income	6,944	10,896
Mens Sub Club	2,464	-
Insurance Recoveries	6,501	14,158
Interest Received	112	111
Profit/Loss on Sale of Fixed Assets	1,650	6,900
Rents Received	19,464	12,734
Subscription Income	25,967	17,207
Other Income	207,326	223,956
<b>Total Income</b>	<b>1,890,334</b>	<b>2,002,962</b>
<b>Less Operating Expenses</b>		
Bar Direct Expenses	224,755	229,841
Poker Machine Direct Expenses	296,630	335,435
Bistro Direct Expenses	-	64,291
Paper Gaming Direct Expenses	25,160	22,476
Bowls Direct Expenses	77,348	71,550
Womens Sub Club	920	-
Members Amenities	291,070	330,754
Clubhouse	383,110	389,200
Administration (excluding Borrowing Costs)	488,555	494,360
Borrowing Costs	133,330	146,483
<b>Total Expenses</b>	<b>1,920,878</b>	<b>2,084,390</b>
<b>Net Profit/(Loss) Before Income Tax</b>	<b>6</b>	<b>(81,428)</b>
Income Tax Expense	1	-
<b>Net Profit/(Loss) After Income Tax</b>	<b>(30,544)</b>	<b>(81,428)</b>
Other Comprehensive Income/(Expenses)	-	-
<b>Total Comprehensive Income/(Loss)</b>	<b>(30,544)</b>	<b>(81,428)</b>

To be read in conjunction with the attached notes to the Financial Statements

**TELARAH BOWLING CLUB**  
**(ABN 42 000 616 704)**

**STATEMENT OF CASHFLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

Notes	2018 \$	2017 \$
<b>Cash Flows from Operating Activities</b>		
Receipts from Members and Guests	2,433,594	2,602,100
Payments to Suppliers and Employees	(1,957,124)	(2,236,559)
Interest Received	112	111
Interest Paid	(133,330)	(146,483)
<i>Net Cash Flows provided by (used in) Operating Activities</i>	343,252	219,169
<b>Cash Flows from Investing Activities</b>		
Proceeds from Sale of Property, Plant and Equipment	1,650	6,900
Transfers from investments	5,000	-
Payments for Property, Plant and Equipment	(151,126)	(158,025)
<i>Net Cash Flows provided by (used in) Investing Activities</i>	(144,476)	(151,125)
<b>Cash Flows from Financing Activities</b>		
Proceeds from Borrowings	334,581	301,692
Repayment of Borrowings	(479,986)	(386,086)
<i>Net Cash Flows provided by (used in) Financing Activities</i>	(145,405)	(84,394)
<b>Net Increase/(Decrease) in Cash Held</b>	53,371	(16,350)
<b>Cash and Cash Equivalents at the Beginning of the Financial Year</b>	63,341	79,691
<b>Cash and Cash Equivalents at the End of the Financial Year</b>	7 116,712	63,341

To be read in conjunction with the attached notes to the Financial Statements

**TELARAH BOWLING CLUB**  
**(ABN 42 000 616 704)**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	Accumulated Profits \$	Total \$
<b>Balance at 1 July 2016</b>	1,448,014	1,448,014
Net Profit/(Loss)	<u>(81,428)</u>	<u>(81,428)</u>
<b>Balance at 30 June 2017</b>	1,366,586	1,366,586
Net Profit/(Loss)	<u>(30,544)</u>	<u>(30,544)</u>
<b>Balance at 30 June 2018</b>	<u><u>1,336,042</u></u>	<u><u>1,336,042</u></u>

To be read in conjunction with the attached notes to the Financial Statements

**TELARAH BOWLING CLUB**  
**(ABN 42 000 616 704)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**1 Statement of Significant Accounting Policies**

**Basis**

This financial report is a general purpose financial report that has been prepared in accordance with applicable Australian Accounting Standards - Reduced Disclosure Requirements, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. Telarah Bowling Club (the Club) is a not for profit entity for financial reporting purposes under Australian Accounting Standards.

The financial report has been prepared on an accruals basis and is based on historical costs. The financial report is presented in Australian dollars.

The following is a summary of the significant accounting policies adopted by the Club in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

**Statement of Compliance**

The financial report complies with Australian Accounting Standards - Reduced Disclosure Standards as issued by the Australian Accounting Standards Board (AASB), being AASB 1053 Application of Tiers of Australian Accounting Standards and AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements.

**Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Club and the revenue can be reliably measured.

Sales revenue comprises the revenue earned from the provision of products or services to entities outside the Club.

Revenue from membership subscriptions is recognised upon receipt of money for the period to which the membership relates.

Interest income is recognised as it accrues.

The profit or loss on disposal of asset is brought to account at the date an unconditional contract is signed.

Other revenue is recognised as it accrues.

**Income Tax**

The Club is exempt from income tax under Section 50-45 of the Income Tax Assessment Act 1997.

**Goods and Services Tax**

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of an asset or as part of an item of expense. Receivables and payables are stated with the amount of GST included. The amount of GST recoverable or payable to the ATO is included as a current asset or current liability in the statement of financial position. Cash flows are included in the statement of cashflows on a gross basis. The GST component of cash flows arising from investing and financing activities which are recoverable from or payable to the ATO are classified as operating cash flows.

**Cash and Cash Equivalents**

Cash and short-term deposits in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less. For the purpose of the statement of cashflows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

**Trade Debtors and Other Receivables**

Trade debtors are recognised initially at fair value and subsequently measured at amortised cost, less any impairment losses. Trade receivables are due within 30 days from the date of recognition. The recoverability of trade debtors is reviewed regularly, with any uncollectible debts written off.

**Inventories**

Inventories are measured at the lower of cost and current replacement value.

**Other Assets**

This includes prepayments. Prepayments are payments made in advance for goods and services which are to be received in the future.

**TELARAH BOWLING CLUB**  
**(ABN 42 000 616 704)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**Property, Plant and Equipment**

Property, Plant and Equipment and Poker Machines are depreciated so as to write off the assets over their estimated useful life to the Club.

Rates are as follows:

Buildings	2.5% - 10%
Plant and Equipment	10% - 40%
Poker Machines	20%-25%
Greens and Equipment	7.5% - 20%

*Impairment*

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

For an asset that does not generate largely independent cash in flows, the recoverable amount is determined for the cash generating unit in which the asset belongs.

If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash generating units are written down to their recoverable amount.

The recoverable amount of plant and equipment is the greater of fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the future economic benefits of an asset are not dependant on the asset's ability to generate net cash inflows and if deprived of the asset the Club would replace its remaining future economic benefit, value in use is determined as the depreciated replacement cost of the asset.

Impairment losses are recognised in the statement of profit or loss and other comprehensive income in the administration expense line item.

**Accounts Payable**

Liabilities are recognised for amounts to be paid for goods and services received, whether or not billed to the Club. Trade accounts payable are normally settled within 30 days.

**Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowing costs are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit or loss and other comprehensive income over the period of the borrowings using the effective interest rate method.

Borrowings are classified as current liabilities unless the Co-Operative has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

**Borrowing Costs**

Borrowing Costs are recognised as an expense when incurred.

**Employee Benefits**

***Short Term***

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' service up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

***Other Long Term***

The liabilities for long service leave and annual leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to expected future wage levels and period of service. Discount rates of the Australian bond rates matching the estimated future cash outflows have been selected and used.

The obligations are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

**TELARAH BOWLING CLUB**  
**(ABN 42 000 616 704)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**Sub Clubs**

The Mens Bowls and Womens Bowls Sub Clubs have been consolidated into Telarah Bowling Club's financial statements in the current year, due to Telarah Bowling Club's constitution providing effective control over each Sub Club, with the bank balances of the Sub Clubs included on the statement of financial position. A corresponding liability for each Sub Club has also been brought to account recognising the commitment of the identified funds to the future operation of the respective Sub Clubs.

**Comparatives**

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

**2 Deficiency in Working Capital**

As at balance date, current assets totalled \$189,734 compared to current liabilities of \$1,998,112 giving a working capital deficit of \$1,808,378. The loan facilities from BankWest with a total of \$1,464,193 have been classified as a current liability due to the loan agreements containing a review clause which limits the Club from having an unconditional right to defer settlement of the loan, despite the Club having fulfilled all its obligations to the Bank to date. Repayments on these loans are made by the Club on a monthly basis.

The Directors have determined that the going concern basis is appropriate given:

- The Club generated positive net operating cashflows of \$343,252 during the current year.
- The Club has a cash balance at 30 June 2018 of \$116,712.
- The Directors do not foresee any issues in continuing to meet the terms and conditions of its loans with the Bank.
- The Directors expect cashflows going forward to continue to be strong based on recent results.

If the Club is unable to continue as a going concern, it may be required to realise its assets and distinguish its liabilities other than in the normal course of business and at amounts different to those stated in this financial report. The financial report does not include any adjustments relating to the recoverability and classification of asset amounts or to the amounts and classification of liabilities that might be necessary should the Club not continue as a going concern.

**3 Significant Accounting Judgements, Estimates and Assumptions**

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

**Significant accounting estimates and assumptions**

The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

**Useful lives of property, plant and equipment**

The useful life of Property, Plant and Equipment is initially assessed at the date the asset is ready for use and reassessed at each reporting date based on the use of the assets and the period over which economic benefits will be derived from the asset. There is uncertainty in relation to the assessment of the life of the asset including factors such as the rate of wear and tear and technical obsolescence.

**4 Limited by Guarantee**

The Club is an incorporated body having no share capital and the liability of Members is limited by guarantee. The registered address of the Club is Clark Street, Telarah.

**TELARAH BOWLING CLUB**  
**(ABN 42 000 616 704)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	\$	\$
<b>5 Operating Revenue</b>		
Bar Sales	755,797	775,536
Poker Machine Net Revenue	1,103,866	1,127,129
Bistro Sales	-	106,407
Paper Gaming Commission	68,826	70,770
Bowls Income	6,944	10,896
Insurance Recoveries	6,501	14,158
Interest Received	112	111
Rent	19,464	12,734
Profit on Sale of Fixed Assets	1,650	6,900
Subscription Income	25,967	17,207
Other Income	207,326	223,956
Total	<u>2,196,453</u>	<u>2,365,804</u>
<b>6 Operating Profit</b>		
Operating profit/(loss) before income tax is arrived at after crediting and charging the following specific items:		
<b>Credits</b>		
Interest Received/Receivable	112	111
Profit on Sale of Assets	1,650	6,900
<b>Charges</b>		
Depreciation		
- Poker Machines	106,432	130,219
- Plant and Equipment	48,234	43,151
- Greens and Greens Equipment	26,197	25,894
- Land and Buildings	120,735	124,394
Total Depreciation	<u>301,598</u>	<u>323,658</u>
Finance costs	133,330	146,483
Employee Benefits		
- Wages	552,811	596,767
- Superannuation	54,844	58,631
- Leave Provisions	(5,203)	14,467
	<u>602,452</u>	<u>669,865</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017			
	\$	\$			
<b>7 Cash and Cash Equivalents</b>					
<b>Current</b>					
Cash and Cash Equivalents	116,712	63,341			
	<u>116,712</u>	<u>63,341</u>			
<b>8 Receivables</b>					
<b>Current</b>					
Debtors Trade	9,672	11,563			
	<u>9,672</u>	<u>11,563</u>			
<b>9 Inventories</b>					
<b>Current</b>					
Bar Stock on Hand - at Cost	16,706	24,432			
	<u>16,706</u>	<u>24,432</u>			
<b>10 Other Assets</b>					
<b>Current</b>					
Prepayments	46,644	39,683			
	<u>46,644</u>	<u>39,683</u>			
<b>11 Investments</b>					
<b>Current</b>					
TAB Term Deposit	-	5,000			
	<u>-</u>	<u>5,000</u>			
<b>12 Property, Plant and Equipment</b>					
	Land and Buildings \$	Plant & Equipment \$	Poker Machines \$	Greens and Equipment \$	Total \$
<b>Year ended 30 June 2018</b>					
At 1 July 2017,					
Net of Accumulated Depreciation/Amortisation	2,499,240	214,213	194,433	369,665	3,277,551
Additions	109,616	28,356	106,201	3,090	247,263
Disposals	-	-	-	-	-
Less: Depreciation/Amortisation	120,735	48,234	106,432	26,197	301,598
At 30 June 2018	<u>2,488,121</u>	<u>194,335</u>	<u>194,202</u>	<u>346,558</u>	<u>3,223,216</u>
Net of Accumulated Depreciation/Amortisation					
<b>At 1 July 2017</b>					
Cost or Fair Value	4,279,976	664,811	1,407,305	544,656	6,896,748
Accumulated Depreciation/Amortisation	1,780,736	450,598	1,212,872	174,991	3,619,197
Net Carrying Amount	<u>2,499,240</u>	<u>214,213</u>	<u>194,433</u>	<u>369,665</u>	<u>3,277,551</u>
<b>At 30 June 2018</b>					
Cost or Fair Value	4,389,592	693,166	1,418,761	547,746	7,049,265
Accumulated Depreciation/Amortisation	1,901,471	498,831	1,224,559	201,188	3,826,049
Net Carrying Amount	<u>2,488,121</u>	<u>194,335</u>	<u>194,202</u>	<u>346,558</u>	<u>3,223,216</u>
<b>13 Trade and Other Payables</b>					
<b>Current</b>					
Creditors - Trade			190,075		154,678
GST Payable			46,228		28,336
			<u>236,303</u>		<u>183,014</u>



**TELARAH BOWLING CLUB**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	2018 \$	2017 \$
<b>14 Borrowings</b>		
<b>Current</b>		
Bank West Loan 1 (Secured - Note 20)	1,318,232	1,276,831
Bank West Loan 2 (Secured - Note 20)	145,961	239,663
Insurance Loan	33,159	24,328
Lease Liabilities (Note 20)	108,785	96,148
Other Borrowings (Unsecured)	60,000	50,000
	<u>1,666,137</u>	<u>1,686,970</u>
<b>Non-Current</b>		
Lease Liabilities (Note 20)	68,565	97,000
	<u>68,565</u>	<u>97,000</u>
<b>15 Provisions</b>		
<b>Current</b>		
Provision for Annual Leave	34,707	46,327
Provision for Long Service Leave	24,362	15,103
Provision for Members Draw	1,300	700
	<u>60,369</u>	<u>62,130</u>
<b>Non current</b>		
Provision for Long Service Leave	10,231	13,073
	<u>10,231</u>	<u>13,073</u>
<b>16 Other Liabilities</b>		
<b>Current</b>		
Sub Club Funds Held	26,997	0
Income in Advance	8,306	12,797
	<u>35,303</u>	<u>12,797</u>

**17 Contingent Liabilities**

*Bank Guarantee*

The Club has a bank guarantee for \$5,000 issued in favour of TAB Limited. The guarantee is provided by the Commonwealth Bank of Australia and is secured by a term deposit held with the Bank.

*Bonus Points*

At 30 June 2018, the Club had a contingent liability in relation to bonus points of \$28,048, which may be redeemed by members at any time.

**TELARAH BOWLING CLUB**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	\$	\$
<b>18 Related Parties</b>		
The names of persons who were Directors of the Club at any time during the year are as they appear in the attached Directors' Report.		
<b>Key Management Personnel</b>		
The total of remuneration paid to key management personnel of the Club during the year were as follows:		
Short term employee benefits	92,473	94,448
Long term employee benefits	2,011	3,684
Post employee benefits	14,451	14,032
	108,935	112,164
<b>Related Party Transactions</b>		
The Club acquired promotional goods from Hunter Sales and Rentals with a total value of \$3,000. Hunter Sales and Rentals is owned by the son-in-law of Hugh Morrison (Director).		
<b>19 Commitments for Expenditure</b>		
<b>(a) Rental Agreements</b>		
Payable not later than one year	15,064	18,263
Later than one year but not later than five years	33,623	48,687
	48,687	66,950
The Club has a lease in perpetuity with Maitland Council (the Council) in regards to car park rental. Annual rent for the year ended 30 June 2018 was \$14,560 and the Council may review the rental rate at its discretion.		
<b>(b) Lease Commitments</b>		
Total commitments in relation to lease agreements are as follows:		
Payable not later than one year	113,553	107,216
Payable Later than one year but not later than five years	69,419	100,488
Minimum Payments	182,972	207,704
Less : Future Finance Charges	(5,622)	(14,556)
Total	177,350	193,148
These are reflected in the statement of financial position as follows:		
Lease liability - current	108,785	96,148
Lease liability - non-current	68,565	97,000
Total	177,350	193,148
<b>(c) Capital Commitments</b>		
Total commitments in relation to capital expenditure are as follows:		
Poker Machines	67,898	
Refrigeration Compressor	14,000	
Total	81,898	

**20 Security**

The Bankwest loans of \$1,464,193 are secured by first mortgages over the Club properties at Clarke Street, Telarah as well as a general security interest in the assets of the Club.

The lease liabilities of \$177,350 are secured by the underlying assets that have been financed.