



Canberra North Bowling & ACT Rugby Union Club Incorporated

Annual Report & Financial Statements

2017/18

NOTICE OF ANNUAL GENERAL MEETING

Notice to Members

The Annual General Meeting of the Canberra North Bowling and ACT Rugby Union Club will be held at the Club, 54 McCaughey Street Turner ACT on THURSDAY 22 November 2018 at 6.00pm.

Special resolutions will be proposed to update the Club's constitution (2.6: Suspension and Expulsion) to better represent the ACT Liquor Act, Natural Justice and the Associations Incorporation Act, and to make consequential amendments.

Copies of the agenda including special resolutions are available from the Secretary at the Club.

AGENDA

THE CANBERRA NORTH BOWLING AND ACT RUGBY UNION CLUB INC ANNUAL GENERAL MEETING at the CNBACTRUC, 54 McCaughey Street Turner ACT 2612 on Thursday the 22nd November 2018 at 6.00pm

1. Welcome/Attendance/Apologies
2. Minutes of the 2017 Annual General Meeting
3. Presentation of the Annual Report and Financial Statements for 2017/2018
 - a. Financial report – Treasurer, Andrew Sykes
 - b. Board Report – President, David Polglase
4. Special resolution to amend the Suspension and Expulsion provisions of the CNBACTRUC Constitution to better represent the ACT Liquor Act, Natural Justice and the Associations Incorporation Act, and to make consequential amendments. (Copies of the proposed amendments are available at The RUC Turner and will be available at the Annual General Meeting). **Motion:** That the members agree for the Constitution of the Canberra North Bowling and ACT Rugby Union Club Incorporated to be amended in accordance with the amendments contained in the circulated paper.
5. Elections
 - a. Ordinary Board Member – three-year term
 - b. Board Member (Bowling) – three-year term
6. **Motion:** *That the members agree with the recommendation of the Board and Bowls Management Committee that Terry Doyle be elected to the status of life membership of the Canberra North Bowling and ACT Rugby Union Club Incorporated in recognition of outstanding service rendered to the Association.*
7. General Business
8. Meeting close

PREVIOUS MINUTES

Canberra North Bowling and ACT Rugby Union Club Annual General Meeting Thursday 23rd November 2017, 6.31pm The CNBACTRUC Meeting Room, 54 McCaughey St, Turner

1.0 Welcome/Attendance

1.1) In Attendance/Quorum

D Polglase (President, Chair) and 33 members as per attached list - Confirm Quorum - 20 members as per section 4.5(b) of the Constitution

1.2) **Apologies:** P Bradley, G Corliss, P Cooper, S Cottle, S Chester, M Roche, C Roche

1.3) The Chair noted Notice of AGM listed in Annual report and sent out to members in accordance with 4.4 of the Clubs Constitution

2.0 Minutes of the 2015 Annual General Meeting

2.1) Matters Arising - Misspelt name at 6.1 and 7.2

2.2) Acceptance of the previous minutes: Moved N Barnsley, Seconded G Hiscox. Approved unanimously.

3.0 Presentation of the Annual Report and Financial Statements for 2015/2016

3.1) Financial Report – Club Treasurer Andrew Sykes presented the attached 2016/17 financial statements. He outlined the highlights of the report:

- i. 2015/16 highlight was the injection of funds from the sale of the ACT Rugby Union Club site in Barton
- ii. The goal of 2016/17 had been about sustainability, particularly realising the value of the club with a profit of \$92,000 (including \$225,000 in depreciation expense)
- iii. The balance sheet position had improved with members funds increasing fro \$4.2m to \$5.9m over the twelve months
- iv. Debt levels: Bank Loan \$731,000, Overdraft \$149,000. Debt = 15% of members funds, a comfortable gearing ratio for the club.
- v. Poker machine finance to be paid out by December 2017, which will free up approximately \$19,000 per month additional cash flow.
- vi. R McInnes thanked the Treasurer for funding bowling and greens keeping equipment throughout the year

- 3.2)** Board Report – Club President, Dave Polglase presented the board report for 2016/17 noting the highlights of the year including:
- vii. Club refurbishments opened by the Chief Minister
 - viii. Increased members visitation to the club, including new groups and demographics
 - ix. Strategic focus on sustainability and enhancing member amenities
 - x. The club supporting over a dozen community and sporting groups in the Inner North.
 - xi. Thanking the board for its volunteer work on behalf of members, particularly outgoing director, Roger Grylls a long serving member of CNBC, CNBACTRUC and instrumental in the merger of the two clubs.
 - xii. Thank management and staff for their work throughout the year

4.0 Elections

- 4.1)** There being only one nomination for the position of Treasurer, Andrew Sykes was duly elected.
- 4.2)** There being only one nomination for the position of Board Member (Bowling), Steve Cottle was duly elected.

5.0 General Business

- 5.1)** Rob Rawson asked for an update on security around the club. J Wilcox outlined discussions with the AFP, staff training, security guards on Friday and Saturday nights, security cameras and the need for vigilance by all staff and members.
- 5.2)** Mort Schipp expressed his appreciation for the friendliness and welcoming attitude of all staff members.

6.0 Meeting Close

- 6.1)** The meeting closed at 6:50pm

APPENDIX: List of members attending the ACTRUC and CNBACTRUC AGMs

S Ayre	J Angelatos	N Barnsley	D Bennett
M Axelsen	T Anderson	J Friend	R Grylls
A Graves	W Keys	R Horner	S Irwin
B Hurrell	G Hiscox	A Juric	K Leggos
R McInnes	A Montague	A Mills	L Richards
D Polglase	N Scanlan	A Taylor	K Schipp
M Schipp	R Rawson	A Sheppeard	A Robson
A Sykes	A Urbanc	J Wilcox	T Weatherhead
K Wilson			

2017/18 BOARD REPORT

The CNBACTRUC board is pleased to present the annual report for the Canberra North Bowling and ACT Rugby Union Club Incorporated and congratulate members, board, staff and management on a very successful year for the club.

The financial result for the club is a surplus of \$47,659 noting the reduction of debt of \$96,000 for the year and a net increase in cash and cash equivalents held of \$119,193. It is worth noting the increased cost of running the club, particularly in relation to utilities, security, and insurance premiums. Over \$72,000 was spent on member amenities including the club's Fox Sports subscription and discounted food and beverages.

Patronage of the club by members has increased over the year as evidenced by an increase in the club's revenue figures of 11.75%, with membership of the combined club now at over 6,500.

The club continues to play a strong role in the Inner North community, helping more than fifty not for profit groups including lawn bowling, rugby union and other amateur sports, church and school groups, as well as charities, support groups and other community organisations. A total of \$88,334 was contributed to the Club's community in line with the objects of the club's constitution. This represents 23.56% of net gaming machine revenue and 15% more than the 8% legislated to go to the community. The club received the award for Support of Amateur Sport at this year's Clubs ACT Annual Awards dinner which is a credit to all members of the club.

In Lawn Bowling news, our club's bowling greens were again rated extremely highly by Bowls ACT with Greens 1, 2 and 3 receiving 89%, 96%, and 100% respectively. Our women lawn bowlers won the summer weekend pennant competition on 28 April, taking home a much needed flag to fly from our increasingly populated flag poles!

The focus of the Board has been to direct members funds in a manner that will enhance day-to-day operational targets of the club from which surpluses will fund community organisations, club capital expenditure and member experiences. The board is also looking at ways to diversify the revenue streams of the club to ensure the club's long term viability.

THE CANBERRA NORTH BOWLING AND ACT RUGBY UNION CLUB IN

Our latest capital expenditure projects have been to increase the size and capacity of our kitchen and to refurbish the Club's gaming room. The RUC now has a covered outside cocktail bar which operates on weekends and the t-RUC van for very busy Fridays and Saturdays.

We wish to thank all the Board members for their dedication to the Club, with particular thanks to outgoing directors Rob Horner and Sam Irwin for their tireless work as directors of the club. Rob has been a board member for the Canberra North Bowling Club and the newly merged club for 18 consecutive years and deserves special mention. The board would like to thank all members, guests and particularly new members for supporting the club in great numbers throughout the year, and wish everyone well for the festive season and a fruitful 2019.

Canberra North Bowling Club Inc

ABN: 75 828 479 707

Financial Statements

For the Year Ended 30 June 2018

Canberra North Bowling Club Inc

ABN: 75 828 479 707

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Canberra North Bowling Club Inc

ABN: 75 828 479 707

Committee's Report For the Year Ended 30 June 2018

The committee members submit the financial report of the Association for the financial year ended 30 June 2018.

1. General information

Directors

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

Names	Position	Appointed/Resigned
David Polglase	President	
Alissa Taylor	Vice president	
Andrew Sykes	Treasurer	
Peter Bradley	Elected Director	
Greg Corliss	Elected Director	
Rob Horner	Bowling Director	
Steve Cottle	Bowling Director	Appointed: November 2017
Roger Grylls	Bowling Director	Resigned: November 2017
Matt Nobbs	ACTSNSWRU Appointed Director	Appointed: June 2018
Sam Irwin	ACTSNSWRU Appointed Director	
Simon Chester	ACTSNSWRU Appointed Director	Resigned: November 2017

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 Association during the financial year was to foster and encourage interest and participation in sport in the ACT, particularly the game of Lawn Bowls and the Rugby Union Football Code, and promote social intercourse amongst the Members and guests of the Association.

Significant changes

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

2. Operating results and review of operations for the year

Operating result

The surplus of the Association for the financial year after providing for income tax amounted to \$ 47,659 (2017: \$ 92,949).

Canberra North Bowling Club Inc

ABN: 75 828 479 707

Committee's Report
For the Year Ended 30 June 2018

Other items

Events after the reporting date

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

Signed in accordance with a resolution of the Members of the Committee:



Committee member:



Committee member: ...

Date: 20 November 2018

Canberra North Bowling Club Inc

ABN: 75 828 479 707

Statement of Profit or Loss For the Year Ended 30 June 2018

	2018	2017
Note	\$	\$
Income		
Clubhouse income	948,074	914,173
Gross profit from trading	1,203,234	974,822
Other income	91,847	118,165
	<u>2,243,155</u>	<u>2,007,160</u>
Expenditure		
Accounting fees	-	12,000
Advertising & promotions	117,278	112,098
Auditors remuneration	9,000	10,000
Bank charges	7,616	8,652
Cleaning & laundry	50,079	52,560
Cost of bowls	3,602	2,765
Depreciation	121,384	98,046
Depreciation poker machines	106,796	127,016
Electricity & gas	100,336	85,642
Equipment	-	1,287
Glassware - Bar	3,295	5,271
Holiday leave	4,856	(11,254)
Juke box hire	4,309	4,309
Insurance	18,788	9,945
Kitchen supplies	3,726	3,971
Interest paid	57,272	27,918
Legal fees	-	4,000
Licence fees	8,508	3,611
Long service leave	1,354	218
Meat raffle costs	18,719	16,086
Members amenities	72,594	63,760
Materials and supplies	23,576	22,213
Management fees	793,102	641,270
Office expense	2,225	1,949
Poker machine cost	327,808	358,370
Printing and stationery	9,843	5,759
Loss on sale of fixed assets	3,296	230
Rates and taxes	13,311	12,641
Repairs and maintenance	51,771	28,644
Security	18,956	-
Staff expenses	18,714	12,308
Stock audit	3,575	3,900
Sundry expenses	43,498	36,354
Superannuation contributions	8,429	7,924
Telephone and internet	32,752	24,181
Wages	91,093	85,322
Water & sewerage	22,201	19,543
Waste removal & pest control	19,296	12,711

The accompanying notes form part of these financial statements.

Canberra North Bowling Club Inc

ABN: 75 828 479 707

**Statement of Profit or Loss
For the Year Ended 30 June 2018**

	2018	2017
Note	\$	\$
Workers compensation	<u>2,538</u>	<u>2,991</u>
	2,195,496	1,914,211
Income tax expense	2(a) -	-
Surplus after income tax	<u>47,659</u>	<u>92,949</u>
Retained surplus at the beginning of the financial year	<u>1,350,600</u>	<u>1,257,651</u>
Retained surplus at the end of the financial year	<u>1,398,259</u>	<u>1,350,600</u>

The accompanying notes form part of these financial statements.

Canberra North Bowling Club Inc

ABN: 75 828 479 707

Assets and liabilities statement

As At 30 June 2018

	Note	2018 \$	2017 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	155,197	104,438
Trade and other receivables	4	5,033	35,618
Inventories	5	34,593	35,368
Other assets	6	751	23,948
TOTAL CURRENT ASSETS		195,574	199,372
NON-CURRENT ASSETS			
Property, plant and equipment	7	6,790,728	6,893,299
TOTAL NON-CURRENT ASSETS		6,790,728	6,893,299
TOTAL ASSETS		6,986,302	7,092,671
LIABILITIES			
CURRENT LIABILITIES			
Financial liabilities	8	81,494	232,887
Trade and other payables	9	155,298	219,204
Employee benefits	10	47,768	41,557
TOTAL CURRENT LIABILITIES		284,560	493,648
NON-CURRENT LIABILITIES			
Financial liabilities	8	787,058	731,998
TOTAL NON-CURRENT LIABILITIES		787,058	731,998
TOTAL LIABILITIES		1,071,618	1,225,646
NET ASSETS		5,914,684	5,867,025
MEMBERS' FUNDS			
Asset revaluation reserve		4,516,425	4,516,425
Retained surplus		1,398,259	1,350,600
TOTAL MEMBERS' FUND		5,914,684	5,867,025

The accompanying notes form part of these financial statements.

Canberra North Bowling Club Inc

ABN: 75 828 479 707

Statement of Changes in Equity

For the Year Ended 30 June 2018

2018

	Retained Surplus	Asset Revaluation Surplus	Total
	\$	\$	\$
Balance at 1 July 2017	1,350,600	4,516,425	5,867,025
Surplus for the year	47,659	-	47,659
Balance at 30 June 2018	1,398,259	4,516,425	5,914,684

2017

	Retained Surplus	Asset Revaluation Surplus	Total
	\$	\$	\$
Balance at 1 July 2016	1,257,651	2,916,425	4,174,076
Surplus for the year	92,949	-	92,949
Land revaluation increment	7(a) -	1,600,000	1,600,000
Balance at 30 June 2017	1,350,600	4,516,425	5,867,025

The accompanying notes form part of these financial statements.

Canberra North Bowling Club Inc

ABN: 75 828 479 707

Statement of Cash Flows For the Year Ended 30 June 2018

	2018	2017
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	2,563,981	2,290,823
Payments to suppliers and employees	(2,323,419)	(1,998,220)
Interest received	260	1,551
Interest paid	(57,272)	(27,918)
Net cash provided by operating activities	<u>183,550</u>	<u>266,236</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(62,540)	(895,368)
Proceeds from sale of assets	26,082	-
Net cash (used in)/ provided by investing activities	<u>(36,458)</u>	<u>(895,368)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net proceeds from borrowings	(27,899)	405,681
Net cash provided by/(used in) financing activities	<u>(27,899)</u>	<u>405,681</u>
Net (decrease)/increase in cash and cash equivalents held	119,193	(223,451)
Cash and cash equivalents at beginning of year	(45,490)	177,961
Cash and cash equivalents at end of financial year	3 <u>73,703</u>	<u>(45,490)</u>

The accompanying notes form part of these financial statements.

Canberra North Bowling Club Inc

ABN: 75 828 479 707

Notes to the Financial Statements

For the Year Ended 30 June 2018

The financial statements cover Canberra North Bowling Club Inc as an individual entity. Canberra North Bowling Club Inc is a not-for-profit Association incorporated in the Australian Capital Territory under the *Associations Incorporation Act (ACT) 1991* ('the Act').

1 Basis of Preparation

The Committee of Management have prepared the financial statements on the basis that the Association is non-reporting entity because there are no users dependent on general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the *Associations Incorporation Act (ACT) 1991*. The Association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

2 Summary of Significant Accounting Policies

(a) Income tax

Under the concept of mutuality, the Association is only assessed for income tax on the portion of income derived from non-members and other external sources.

The association adopts the liability method of tax effect of accounting whereby the income tax expense shown in the Statement of Financial Performance is based on the profit from ordinary activities before income tax adjusted for any permanent difference.

(b) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Association and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

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

Sale of goods

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

Interest revenue

Interest is recognised when received.

Canberra North Bowling Club Inc

ABN: 75 828 479 707

Notes to the Financial Statements For the Year Ended 30 June 2018

2 Summary of Significant Accounting Policies

(b) Revenue and other income

Rendering of services

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period.

If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

Membership income

Membership income is recognised on an accruals basis when the Association is entitled to it.

(c) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of assets and liabilities.

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

(d) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first-in-first-out basis and is net of any rebates and discounts received.

(e) Property, plant and equipment

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

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

Depreciation

Property, plant and equipment, excluding leasehold land, is depreciated on a straight-line basis over the assets useful life to the Association, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

Canberra North Bowling Club Inc

ABN: 75 828 479 707

Notes to the Financial Statements

For the Year Ended 30 June 2018

2 Summary of Significant Accounting Policies

(f) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

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

(g) Employee benefits

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

(h) Provisions

Provisions are recognised when the Association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

3 Cash and Cash Equivalents

	2018	2017
	\$	\$
Cash on hand	704	704
Bank balances	62,289	2,680
Short-term deposits	9,346	9,346
Floats and hoppers	82,858	91,708
	<u>155,197</u>	<u>104,438</u>

(a) Reconciliation of cash

Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of assets and liabilities as follows:

	2018	2017
Note	\$	\$
Cash and cash equivalents	155,197	104,438
Financial liabilities	8 (81,494)	(149,928)
Balance as per statement of cash flows	<u>73,703</u>	<u>(45,490)</u>

Canberra North Bowling Club Inc

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Notes to the Financial Statements For the Year Ended 30 June 2018

4 Trade and Other Receivables

	2018	2017
	\$	\$
CURRENT		
Trade receivables	5,033	23,713
GST receivable	-	11,905
Total current trade and other receivables	5,033	35,618

5 Inventories

	2018	2017
	\$	\$
CURRENT		
Merchandise	-	1,711
Alcoholic beverages	34,593	33,657
	34,593	35,368

6 Other Assets

	2018	2017
	\$	\$
CURRENT		
Other assets	751	23,948
	751	23,948

7 Property, plant and equipment

	2018	2017
	\$	\$
Land and Buildings		
Leasehold land	4,000,000	4,000,000
Buildings & grounds	81,542	81,542
Less: Accumulated depreciation	(26,983)	(20,730)
Property improvements	917,599	916,999
Less: Accumulated depreciation	(107,312)	(84,840)
Total land and buildings	4,864,846	4,892,971
Plant and equipment		
At cost	310,091	310,091
Accumulated depreciation	(212,906)	(181,849)
Total plant and equipment	97,185	128,242

Canberra North Bowling Club Inc

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Notes to the Financial Statements For the Year Ended 30 June 2018

7 Property, plant and equipment

Furniture, fixtures and fittings

At cost	68,898	60,454
Accumulated depreciation	(12,359)	(6,380)
Total furniture, fixtures and fittings	56,539	54,074

Bar equipment

At cost	80,217	74,552
Accumulated depreciation	(38,363)	(32,589)
Total Bar equipment	41,854	41,963

Office equipment

At cost	86,823	74,677
Accumulated depreciation	(48,570)	(42,720)
Total office equipment	38,253	31,957

Greens equipment

At cost	59,250	59,250
Accumulated depreciation	(51,679)	(49,872)
Total Greens equipment	7,571	9,378

Water Harvest equipment

At cost	124,500	124,500
Accumulated depreciation	(59,138)	(52,913)
Total Water Harvest equipment	65,362	71,587

Kitchen equipment

At cost	165,795	162,795
Accumulated depreciation	(97,393)	(83,267)
Total Kitchen equipment	68,402	79,528

Poker machines

At cost	1,146,987	1,270,152
Accumulated depreciation	(439,142)	(546,065)
Total Poker machines	707,845	724,087

Greens

At cost	7,958	7,958
Accumulated depreciation	(1,365)	(967)
Total Greens	6,593	6,991

Redevelopment costs

At cost	857,721	852,521
Accumulated depreciation	(21,443)	-
Total Redevelopment costs	836,278	852,521

Canberra North Bowling Club Inc

ABN: 75 828 479 707

Notes to the Financial Statements For the Year Ended 30 June 2018

7 Property, plant and equipment

Total property, plant and equipment

6,790,728 6,893,299

(a) Land Valuation

The valuation of the land for 54 McCaughey Street, Turner ACT was \$4,000,000 and was based on the estimated (fair) value of the land in an open market. The valuation was carried out as at 30 June 2017 by Jones Lang LaSalle Advisory Services Pty Ltd (JLL).

The Director's used Jll's and CBRE valuation on similar properties and it is of the directors view that the JLL valuation is understated on the basis that similar properties were valued between \$5-\$5.5 million. Therefore, the directors believed the increase was for \$4 million to \$5 million

8 Financial liabilities

	2018	2017
	\$	\$
CURRENT		
Bank overdraft	81,494	149,928
Gaming machine liability	-	82,959
Total current borrowings	<u>81,494</u>	<u>232,887</u>

	2018	2017
	\$	\$
NON-CURRENT		
Bank loan	787,058	731,998
Total non-current borrowings	<u>787,058</u>	<u>731,998</u>

9 Trade and Other Payables

	2018	2017
	\$	\$
CURRENT		
Accrued expenses	15,053	15,032
Trade payables	107,526	185,697
GST payable	9,852	-
Other payables	22,867	18,475
	<u>155,298</u>	<u>219,204</u>

Canberra North Bowling Club Inc

ABN: 75 828 479 707

Notes to the Financial Statements For the Year Ended 30 June 2018

10 Employee Benefits

	2018	2017
	\$	\$
Current liabilities		
Long service leave	28,540	27,185
Provision for annual leave	19,228	14,372
	<u>47,768</u>	<u>41,557</u>

11 Reserves

- (a) Asset revaluation reserve

The asset revaluation reserve records fair value movements on property, plant and equipment held under the revaluation model.

12 In-kind donations

Total in-kind donations received in financial year end 30 June 2018 was \$34,050 (2017: \$18,594)

13 Events after the end of the Reporting Period

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

14 Association Details

The registered office of the association is:
Canberra North Bowling Club Inc
54 McCaughey Street
Turner ACT 2612

Canberra North Bowling Club Inc

ABN: 75 828 479 707

Notes to the Financial Statements For the Year Ended 30 June 2018

15 The Gaming Machine Act 2004: Disclosure

GST amounts are included in the poker machine cash cleared only.

	2018	2017
	\$	\$
Poker Machine Trading		
Net Takings	471,965	515,884
	471,965	515,884
Less: Cost of goods		
Depreciation	106,796	127,016
Repairs and Maintenance	51,592	50,510
Poker Machine Tax	18,842	46,951
Gambling Assistance Fund	3,885	3,405
Sponsorship and Donations	42,029	37,681
Member Competitions	1,026	1,021
Bonus Point Redemption	4,269	11,514
Poker Machine Compliance	205,930	206,020
Licensing	236	1,269
	434,605	485,387
Gross Profit / (Loss) from Gaming	37,360	30,497

(a) **Section 54(a) of the Gaming Machine Act 2004 - Contracts with influential persons :**

The Club has entered a management agreement with Capital Gemini Group to act as operations managers of the licenced club.

(b) **Section 54(b) of the Gaming Machine Act 2004 - contractual arrangements or consultancies with remuneration greater than \$99,999**

None

(c) **Section 54(c) of the Gaming Machine Act 2004 - contractual arrangements or consultancies with remuneration equal to or more than \$150,000**

None

(d) **Section 54(d) of the Gaming Machine Act 2004 - any benefits taken by a person during the financial year.**

None

Canberra North Bowling Club Inc

ABN: 75 828 479 707

Statement by Members of the Committee

The committee has determined that the Association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the committee the financial report as set out on pages 3 to 15:

- 1. Presents fairly the financial position of Canberra North Bowling Club Inc as at 30 June 2018 and its performance for the year ended on that date.
- 2. At the date of this statement, there are reasonable grounds to believe that Canberra North Bowling Club Inc will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the committee and is signed for and on behalf of the committee by:



President.....



Treasurer

Date: 20/11/2018

Canberra North Bowling Club Inc

Independent Audit Report to the members of Canberra North Bowling Club Inc

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report, being a special purpose financial report of Canberra North Bowling Club Inc (the Association), which comprises the statement of assets and liabilities as at 30 June 2018, the statement of profit or loss, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement by members of the committee.

In our opinion, the accompanying financial report of the Association for the year ended 30 June 2018 is prepared, in all material respects, in accordance with the Associations Incorporation Act (ACT) 1991.

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 Association in accordance with the auditor independence requirements of 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 opinion.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report is prepared to assist the Association in its reporting requirements. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the Association and should not be distributed to or used by parties other than the Association. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial report in accordance with the Associations Incorporation Act (ACT) 1991, and for such internal control as management determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Association'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 management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

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

Canberra North Bowling Club Inc

Independent Audit Report to the members of Canberra North Bowling Club Inc

Auditor's Responsibilities for the Audit of the Financial Report

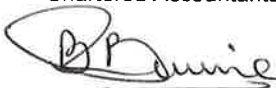
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management'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 significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hardwickes
Chartered Accountants



Bhaumik Bumia CA
Director

Canberra
Date: 20 November 2018

