



Canberra North Bowling & ACT Rugby Union Club Incorporated

Annual Report & Financial Statements

2016/17

NOTICE OF ANNUAL GENERAL MEETING

Notice to Members

The Annual General meeting of the Canberra North Bowling and ACT Rugby Union Club Incorporated will be held at the RUC Turner, 54 McCaughey Street Turner ACT on THURSDAY 23rd November 2017 at 6.30pm.

Copies of the Agenda including Special Resolutions are available 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 23rd November 2017 at 6.30pm**

1. Welcome/Attendance/Apologies
2. Minutes of the 2016 Annual General Meeting
3. Presentation of the Annual Report and Financial Statements for 2016/2017
 - a. Financial report – Treasurer, Andrew Sykes
 - b. Board Report – President, David Polglase
4. Elections
 - a. Treasurer – three-year term
 - b. Board Member (Bowling) – three-year term
5. General Business
6. Meeting close

PREVIOUS MINUTES

MINUTES

Canberra North Bowling and ACT Rugby Union Club Annual General Meeting

Thursday 26th November 2016, 6.30pm

The CNBACTRUC Meeting Room, 54 McCaughey St, Turner

1.0 Welcome/Attendance

1.1) In Attendance/Quorum

D Polglase (President, Chair) and 36 members as per attached list - Confirm Quorum
- 20 members as per section 4.5(b) of the Constitution

1.2) **Apologies:** K Schipp, T Munro, R Motby, L Richards, J Manning, R Storrier, G Downs, M Cole

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 - nil

2.2) Minutes noted as received

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

3.1) Financial Report – Club Treasurer Andrew Sykes presented the attached 2015/16 financial statements including the goal of the Club to have revenue greater than \$2m to make the club a sustainable entity.

- i. No questions arose
- ii. Noted as report received

3.2) Board Report – Club President, Dave Polglase presented the board report for 2015/16

- iii. Treasurer – three-year term
- iv. No questions arose
- v. Noted as report received

4.0 Proposed amendment of the Constitution regarding Board members

4.1) 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 document including to reduce the size of the Board of the Association from twelve members to nine.*

Ray McGuinness and Jeremy Wilcox spoke in favour of the motion

4.2) Vote – show of hands (need 3/4 majority) – Carried

5.0 Elections (Only to be held if proposed Constitution amendment is not approved)

No election necessary

6.0 Approval of Life Memberships

6.1) Reg Motby

Ray McGuinness and Jeremy Wilcox spoke in favour of the motion that Reg Motby be elected Life Member of the Association.

Vote with show of hands (need 2/3 majority) – carried

7.0 General Business

7.1) Rob Rawson asked for an update of the stage 2 renovations. The secretary manager provided an update on the renovations.

7.2) Ray Mclinnes proposed a vote of thanks for the management of the club.

8.0 Meeting Close

8.1) The meeting closed at 6.53 pm.

APPENDIX: List of members attending the ACTRUC and CNBACTRUC AGMs

S Ayre	L Barnsley	N Barnsley	D Bennett
P Bradley	J Bisa	V Bliss	D Barratt
M Brady	R Grylls	D Polglase	G Corliss
H Corliss	M Dove	H Dove	P Ferrar
B Hurrell	G Hiscox	A Juric	R Rawson
R McInnes	A Montague	R Horner	D Prendergrast
M Schmidt	N Scanlan	A Taylor	S Voce
M Schipp	P Totterdell	A Sheppard	V Voce
A Sykes	K Wilson	J Wilcox	G Wilcox
S Wilcox		V Welch	

2016/17 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 \$92,949 noting the repayment of the bank financing facility on the poker machines over the previous 3 years and significant investment in the club's infrastructure. We anticipate the balance of liabilities in to Aristocrat in relation to the acquisition of machines will be discharged by 31 December 2017. Patronage of the club by members has increased over the year as evidenced by the bowling, bar and gaming revenue figures, with membership of the combined club now at over 6,000.

Over \$63,000 was spent on member amenities including the club's Foxtell subscription, discounted food and beverages, \$43,420 on community organisations (representing \$12,673 more than is legislatively required), \$3,405 on the Gambling Assistance Fund and in excess of \$150,000 on the upkeep of the bowling greens and surrounds.

2017 saw the Club's stage 2 refurbishments complete with members now enjoying a new deck, the refurbished club room, furniture, toilets and the new double-sided fireplace. Bike racks have been installed and a mobile outside bar will soon be in operation on busy Saturday afternoons.

Both 2016 and 2017 have been strategically focused to formulate, preserve and secure a successful future for the club. The focus of the Board has been to direct funds in a manner that will enhance day-to-day operational targets of the club from which surpluses will fund capital expenditure and make the club as welcoming as possible for members and guests.

The club continues to play a strong role in the Inner North community, helping more than a dozen not for profit groups including lawn bowling, rugby union and other amateur sports. A couple of notable examples of this support

is our newly refurbished function and meeting rooms, the rugby gym, and improvements to the bowls viewing areas and surrounds at the club.

We wish to thank all the Board members for their dedication to the Club, with particular thanks to outgoing director Roger Grylls for his tireless work over a long period. The board would like to thank all members, guests and particularly new members for supporting the club in great numbers during the year.

CNBACTRUC Board

The Canberra North Bowling and ACT Rugby Union Club Inc.

ABN: 75 828 479 707

Financial Statements

For the Year Ended 30 June 2017

The Canberra North Bowling and ACT Rugby Union Club Inc.

ABN: 75 828 479 707

Contents

For the Year Ended 30 June 2017

	Page
Financial Statements	
Committee's Report	1
Statement of Profit or Loss	3
Statement of Assets and Liabilities	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Notes to the Financial Statements	8
Statement by Members of the Committee	16
Independent Audit Report	17

The Canberra North Bowling and ACT Rugby Union Club Inc.

ABN: 75 828 479 707

Committee's Report For the Year Ended 30 June 2017

The committee members submit the financial report of the Association for the financial year ended 30 June 2017.

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	
Jarrad Butler	ACTSNSWRU Appointed Director	Resigned: 22/02/2017
Jason Bisa	Former President	Resigned: 22/09/2016
Peter Bradley	Elected Director	
Greg Corliss	Elected Director	
Rob Horner	Bowling Director	
Andrew Sykes	Treasurer	
Roger Grylls	Bowling Director	
Simon Chester	ACTSNSWRU Appointed Director	
Paul Ferrar	Bowling Director	
Alissa Taylor	Vice president	
Sam Irwin	Elected Director	Appointed: 22/02/2017
Paul Ferrar	Elected Director	Resigned: 23/11/2016

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 \$ 92,949 (2016: \$ 1,130,989).

The Canberra North Bowling and ACT Rugby Union Club Inc.

ABN: 75 828 479 707

**Committee's Report
For the Year Ended 30 June 2017**

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: David Polglase

Committee member: AS

Date: 17 November 2017

The Canberra North Bowling and ACT Rugby Union Club Inc.

ABN: 75 828 479 707

Statement of Profit or Loss

For the Year Ended 30 June 2017

	Note	2017 \$	2016 \$
Income			
Clubhouse income		914,173	897,006
Gross profit from trading		974,822	772,837
Transfer of Net Assets from The ACT Rugby Union Club		-	1,267,996
Other income		118,165	-
		<u>2,007,160</u>	<u>2,937,839</u>
Expenditure			
Accounting fees		12,000	15,328
Advertising & promotions		112,098	91,974
Auditors remuneration		10,000	10,000
Bank charges		8,652	6,155
Cleaning & laundry		52,560	52,615
Contract work		-	350
Cost of bowls		2,765	2,099
Depreciation		98,046	64,520
Depreciation poker machines		127,016	153,629
Electricity & gas		85,642	74,592
Equipment		1,287	229
Glassware - Bar		5,271	2,289
Holiday leave		(11,254)	4,645
Juke box hire		4,309	7,902
Insurance		9,945	7,587
Kitchen supplies		3,971	4,305
Interest paid		27,918	34,551
Legal fees		4,000	-
Licence fees		3,611	10,092
Long service leave		218	5,613
Meat raffle costs		16,086	19,492
Members amenities		63,760	96,887
Materials and supplies		22,213	16,017
Management fees		641,270	501,298
Office expense		1,949	5,747
Poker machine cost		358,370	359,538
Printing and stationery		5,759	12,288
Loss on sale of fixed assets		230	-
Rates and taxes		12,641	16,139
Repairs and maintenance		28,644	36,261
Staff expenses		12,308	11,407
Stock audit		3,900	4,320
Sundry expenses		36,354	8,272
Superannuation contributions		7,924	9,598
Telephone and internet		24,181	21,481
Wages		85,322	102,080
Water & sewerage		19,543	20,530

The accompanying notes form part of these financial statements.

The Canberra North Bowling and ACT Rugby Union Club Inc.

ABN: 75 828 479 707

Statement of Profit or Loss

For the Year Ended 30 June 2017

	2017	2016
Note	\$	\$
Waste removal & pest control	12,711	13,535
Workers compensation	2,991	3,485
	<u>1,914,211</u>	<u>1,806,850</u>
Income tax expense	2(a) -	-
Surplus after income tax	92,949	1,130,989
Retained surplus at the beginning of the financial year	1,257,651	126,662
Retained surplus at the end of the financial year	<u>1,350,600</u>	<u>1,257,651</u>

The accompanying notes form part of these financial statements.

The Canberra North Bowling and ACT Rugby Union Club Inc.

ABN: 75 828 479 707

Assets and liabilities statement

As At 30 June 2017

	Note	2017 \$	2016 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	104,438	177,961
Trade and other receivables	4	35,618	30,206
Inventories	5	35,368	32,704
Other assets	6	23,948	9,003
TOTAL CURRENT ASSETS		199,372	249,874
NON-CURRENT ASSETS			
Property, plant and equipment	7	6,893,299	4,555,560
TOTAL NON-CURRENT ASSETS		6,893,299	4,555,560
TOTAL ASSETS		7,092,671	4,805,434
LIABILITIES			
CURRENT LIABILITIES			
Financial liabilities	8	232,887	327,868
Trade and other payables	9	219,204	169,488
Employee benefits	10	41,557	25,626
TOTAL CURRENT LIABILITIES		493,648	522,982
NON-CURRENT LIABILITIES			
Financial liabilities	8	731,998	81,408
Employee benefits	10	-	26,968
TOTAL NON-CURRENT LIABILITIES		731,998	108,376
TOTAL LIABILITIES		1,225,646	631,358
NET ASSETS		5,867,025	4,174,076
MEMBERS' FUNDS			
Asset revaluation reserve		4,516,425	2,916,425
Retained surplus		1,350,600	1,257,651
TOTAL MEMBERS' FUND		5,867,025	4,174,076

The accompanying notes form part of these financial statements.

The Canberra North Bowling and ACT Rugby Union Club Inc.

ABN: 75 828 479 707

Statement of Changes in Equity
For the Year Ended 30 June 2017

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

2016

	Retained Surplus	Asset Revaluation Surplus	Total
	\$	\$	\$
Balance at 1 July 2015	126,662	2,916,425	3,043,087
Surplus for the year	1,130,989	-	1,130,989
Balance at 30 June 2016	1,257,651	2,916,425	4,174,076

The accompanying notes form part of these financial statements.

The Canberra North Bowling and ACT Rugby Union Club Inc.

ABN: 75 828 479 707

Statement of Cash Flows For the Year Ended 30 June 2017

	2017	2016
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	2,290,823	1,864,190
Payments to suppliers and employees	(1,998,220)	(1,643,818)
Interest received	1,551	3,645
Interest paid	(27,918)	-
Net cash provided by operating activities	<u>266,236</u>	<u>224,017</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from merger	-	1,520,821
Purchase of property, plant and equipment	(895,368)	(877,519)
Net cash (used in)/ provided by investing activities	<u>(895,368)</u>	<u>643,302</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net proceeds from borrowings	405,681	(791,790)
Net cash provided by/(used in) financing activities	<u>405,681</u>	<u>(791,790)</u>
Net (decrease)/increase in cash and cash equivalents held	(223,451)	75,529
Cash and cash equivalents at beginning of year	177,961	102,432
Cash and cash equivalents at end of financial year	3 <u>(45,490)</u>	<u>177,961</u>

The accompanying notes form part of these financial statements.

The Canberra North Bowling and ACT Rugby Union Club Inc.

ABN: 75 828 479 707

Notes to the Financial Statements

For the Year Ended 30 June 2017

The financial statements cover The Canberra North Bowling and ACT Rugby Union Club Inc. as an individual entity. The Canberra North Bowling and ACT Rugby Union 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.

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.

The Canberra North Bowling and ACT Rugby Union Club Inc.

ABN: 75 828 479 707

Notes to the Financial Statements For the Year Ended 30 June 2017

2 Summary of Significant Accounting Policies

(b) Revenue and other income

Rendering of services

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.

(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.

The Canberra North Bowling and ACT Rugby Union Club Inc.

ABN: 75 828 479 707

Notes to the Financial Statements For the Year Ended 30 June 2017

2 Summary of Significant Accounting Policies

(f) Cash and cash equivalents

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

	2017	2016
	\$	\$
Cash on hand	704	704
Bank balances	2,680	67,762
Short-term deposits	9,346	33,587
Floats and hoppers	91,708	75,908
	<u>104,438</u>	<u>177,961</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:

	2017	2016
Note	\$	\$
Cash and cash equivalents	104,438	177,961
Financial liabilities	8 (149,928)	-
Balance as per statement of cash flows	<u>(45,490)</u>	<u>177,961</u>

The Canberra North Bowling and ACT Rugby Union Club Inc.

ABN: 75 828 479 707

Notes to the Financial Statements
For the Year Ended 30 June 2017

4 Trade and Other Receivables

	2017	2016
	\$	\$
CURRENT		
Trade receivables	23,713	16,837
GST receivable	11,905	-
Other receivables	-	13,369
Total current trade and other receivables	35,618	30,206

5 Inventories

	2017	2016
	\$	\$
CURRENT		
Merchandise	1,711	1,711
Alcoholic beverages	33,657	30,993
	35,368	32,704

6 Other Assets

	2017	2016
	\$	\$
CURRENT		
Other assets	23,948	9,003
	23,948	9,003

7 Property, plant and equipment

	2017	2016
	\$	\$
Land and Buildings		
Leasehold land	4,000,000	2,400,000
Buildings & grounds	81,542	81,542
Less: Accumulated depreciation	(20,730)	(14,477)
Property improvements	916,999	916,999
Less: Accumulated depreciation	(84,840)	(62,177)
Total land and buildings	4,892,971	3,321,887
Plant and equipment		
At cost	310,091	310,091
Accumulated depreciation	(181,849)	(150,621)
Total plant and equipment	128,242	159,470

The Canberra North Bowling and ACT Rugby Union Club Inc.

ABN: 75 828 479 707

Notes to the Financial Statements For the Year Ended 30 June 2017

7 Property, plant and equipment

Furniture, fixtures and fittings

At cost	60,454	58,886
Accumulated depreciation	(6,380)	(67,990)
Total furniture, fixtures and fittings	54,074	(9,104)

Bar equipment

At cost	74,552	69,212
Accumulated depreciation	(32,589)	(27,085)
Total Bar equipment	41,963	42,127

Office equipment

At cost	74,677	74,677
Accumulated depreciation	(42,720)	(36,847)
Total office equipment	31,957	37,830

Greens equipment

At cost	59,250	59,250
Accumulated depreciation	(49,872)	(47,842)
Total Greens equipment	9,378	11,408

Water Harvest equipment

At cost	124,500	124,500
Accumulated depreciation	(52,913)	(46,688)
Total Water Harvest equipment	71,587	77,812

Kitchen equipment

At cost	162,795	133,005
Accumulated depreciation	(83,267)	(71,005)
Total Kitchen equipment	79,528	62,000

Poker machines

At cost	1,270,152	1,270,152
Accumulated depreciation	(546,065)	(419,050)
Total Poker machines	724,087	851,102

Greens

At cost	7,958	1,808
Accumulated depreciation	(967)	(780)
Total Greens	6,991	1,028

Redevelopment costs

At cost	852,521	-
Total property, plant and equipment	6,893,299	4,555,560

The Canberra North Bowling and ACT Rugby Union Club Inc.

ABN: 75 828 479 707

Notes to the Financial Statements For the Year Ended 30 June 2017

7 Property, plant and equipment

(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.

8 Financial liabilities

	2017	2016
	\$	\$
CURRENT		
Bank overdraft	149,928	50,669
Bank loans	-	25,771
Gaming machine liability	82,959	236,334
Cash redemption terminal finance	-	15,094
Total current borrowings	232,887	327,868

	2017	2016
	\$	\$
NON-CURRENT		
Bank loan	731,998	-
Poker Machine finance	-	81,408
Total non-current borrowings	731,998	81,408

9 Trade and Other Payables

	2017	2016
	\$	\$
CURRENT		
Accrued expenses	15,032	-
Trade payables	185,697	123,363
GST payable	-	4,155
Accrued expense	-	25,417
Other payables	18,475	16,553
	219,204	169,488

The Canberra North Bowling and ACT Rugby Union Club Inc.

ABN: 75 828 479 707

Notes to the Financial Statements

For the Year Ended 30 June 2017

10 Employee Benefits

	2017	2016
	\$	\$
Current liabilities		
Long service leave	27,185	-
Provision for annual leave	14,372	25,626
	<u>41,557</u>	<u>25,626</u>
	2017	2016
	\$	\$
Non-current liabilities		
Long service leave	-	26,968
	<u>-</u>	<u>26,968</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 2017 was \$18,594.

13 Events after the end of the Reporting Period

The financial report was authorised for issue on 17 November 2017 by the Committee of Management.

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:
The Canberra North Bowling and ACT Rugby Union Club Inc.
54 McCaughey Street
Turner ACT 2612

The Canberra North Bowling and ACT Rugby Union Club Inc.

ABN: 75 828 479 707

**Notes to the Financial Statements
For the Year Ended 30 June 2017**

15 The Gaming Machine Act 2004: Disclosure

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

	2017	2016
	\$	\$
Poker Machine Trading		
Net Takings	515,884	553,061
	515,884	553,061
Less: Cost of goods		
Depreciation	127,016	153,629
Repairs and Maintenance	50,510	49,227
Poker Machine Tax	46,951	51,763
Gambling Assistance Fund	3,405	3,652
Sponsorship and Donations	37,681	14,714
Training and Development	-	175
Application Costs	-	990
Member Competitions	1,021	5,636
Bonus Point Redemption	11,514	21,218
Poker Machine Compliance	206,020	205,840
Licensing	1,269	6,323
	485,387	513,167
Gross Profit / (Loss) from Gaming	30,497	39,894

(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

The Canberra North Bowling and ACT Rugby Union 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 The Canberra North Bowling and ACT Rugby Union Club Inc. as at 30 June 2017 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that The Canberra North Bowling and ACT Rugby Union 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: 17 November 2017

The Canberra North Bowling and ACT Rugby Union Club Inc.

Independent Audit Report to the members of The Canberra North Bowling and ACT Rugby Union 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 The Canberra North Bowling and ACT Rugby Union Club Inc. (the Association), which comprises the statement of assets and liabilities as at 30 June 2017, 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 management's assertion statement.

In our opinion, the accompanying financial report of the Association for the year ended 30 June 2017 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 reporting. 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.


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



Robert Johnson FCA
Partner

Canberra

Date: 17 November 2017

