

ASQUITH BOWLING & RECREATION CLUB LTD



46TH ANNUAL REPORT

For the year ended 30th June 2018

ASQUITH BOWLING & RECREATION CLUB LTD

1 Lodge Street, Hornsby NSW 2077

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www.asquithbowlingclub.com.au

A.B.N. 81 001 039 747

A Company limited by guarantee and incorporated in the State of New South Wales 18th August, 1972

Club Patrons

W. O'Donnell

W. Rogers

Office Bearers 2017 - 2018

Chairman	M. Prosper
Senior Deputy Chairman	T. McArthur
Treasurer	R. Pilgrim
Director	P. Andrich
Director	N. West
Director	S. Thompson
Secretary Manager	A. Ryan
Auditor	McEwan & Partners

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Forty Sixth Annual General Meeting of the Members of Asquith Bowling & Recreation Club Limited will be held in the Club Auditorium, 1 Lodge Street Hornsby, on Sunday, 14th October, 2018 at 9:30am.

BUSINESS

To receive and confirm the Minutes of the Forty Sixth Annual General Meeting held on Sunday 15th October, 2017.

To receive and adopt the Balance Sheet, Profit and Loss Account and the Report of the Auditor and the Director's Report for the period ended 30 June, 2018.

To transact any business that may be brought forward in accordance with the Club's Constitution.



Anthony Ryan
Secretary Manager
For and On Behalf of the Board of Directors
Asquith Bowling & Recreation Club
Dated 29th August, 2018

ANNUAL REPORT

Annual Reports are available from 21st September, 2018.

Reports will be available upon request to the Secretary Manager or to Club Reception.

Annual Reports will be available to collect in person, or alternatively they will be mailed to your nominated address.

The Annual Report is also available from our web site at: www.asquithbowlingclub.com.au

WHO CAN ATTEND THE AGM?

All financial members (bowling & social) of Asquith Bowling & Recreation Club are entitled to attend the AGM on Sunday 14th October, 2018 at 9:30am.

Financial social members may not vote on certain matters at the AGM as outlined in Clause 22(d)(i) and (ii) of the Club's Constitution.

Financial social members are entitled to address the AGM.

MINUTES OF THE FORTY FIFTH ANNUAL GENERAL MEETING ASQUITH BOWLING & RECREATION CLUB LTD

HELD ON SUNDAY 15th October 2017
AT THE CLUB HOUSE, 1 LODGE STREET, HORNSBY

- Meeting Opened:** 9.30am
- Members Present:** 2 Life Members, 44 Ordinary Members
- Apologies:** 10 Apologies
- Chairman:** David Haynes
- Welcome:** All members were welcomed and thanked for their attendance.
- Introduced Guests:** Chairman introduced Ben McEwan (auditor)

Business of the Meeting:

1. To receive the Minutes of 44th Annual General Meeting held on Sunday 16th October 2016.

Moved: L. Cavander (62) **Seconded:** P. McGowan (189)

CARRIED

Matters Arising from the Minutes:
None

2. To adopt the Minutes of 44th Annual General Meeting held on Sunday 16th October 2016.

Moved L. Cavander (62) **Seconded:** P. McGowan (189)

CARRIED

3. To receive and adopt the Director's Report and Balance Sheet for the period ended 30th June 2017.

Moved: L. Cavander (62) **Seconded:** P. McGowan (189)

CARRIED

- 4 **Chairman's Report:**

David Haynes addressed the AGM and acknowledged the hard work of the outgoing Board and all the directors he had worked with together with Management and staff both past and present. He welcomed Neil McMillen to the role of Chairman and wished him and the new Board every success in guiding the Club into the future taking into account the ever changing landscape of the area and in Clubs in general.

5. Anthony Ryan declared all Board positions vacant and announced the new Board. Returning Officer: NSW Elections Pty Ltd.

- Neil McMillen nominated and appointed Chairman unopposed.
- Mark Prosper nominated and appointed Senior Deputy Chairman unopposed.
- Tony McArthur nominated and appointed Deputy Chairman unopposed .
- Richard Pilgrim elected Treasurer.
- Pam Andrich, Annette Wagstaff and Nick West nominated and appointed directors.

6. Ben McEwan reported to the Board that the Club had made a profit of \$914,968.

Over all Ben said that the Board needed to keep vigilant and proactive to guide the Club into the future and to start to grow revenue and funds for future projects in the middle to long term.

7. To receive and adopt the Balance Sheet, Profit and Loss Account, and the Report of the Auditor for the period ended 30th June 2017.

Moved: W. Hamilton (257) **Seconded:** D. Taylor (217)

CARRIED

8. **General Business:**

A letter proposing that Joan Wilson (7096) be appointed Life Membership at Asquith Bowling and Recreation Club Ltd was received by the Board and accepted for consideration and voting at the meeting.

Moved: P. Hand (7087) **Seconded:** J. Wilson (7058)

CARRIED

9. **General Business:**

R. Turner (462) noted some inconsistencies in the Constitution including the definition of secret ballot noting that the previous acceptance to life membership was not entirely secret.

R. Turner (462) also requested the option of postal voting be considered.

R. Turner (462) thanked David Haynes, on behalf of the membership, for his service and the work he undertook in all his roles on the Board over thirteen years.

R. Turner (462) thanked David George, on behalf of the membership, for his contribution to the the Club during his tenure as Secretary Manager of the Club.

W. Hamilton (257) queried the financial health and performance of the Club over the last three months. Anthony Ryan provided an overview of the Club's activities and outlook.

Meeting Closed: 10.08 am

MEMBERSHIP AS AT 30TH JUNE 2018

	2018	2017	2016	2015	2014	2013
Life & Bowling	315	331	354	354	367	375
Social	3,354	3,450	3,179	3,001	3,086	2,698
Junior Bowling	9	7	6	5	11	27

CURRENT LIFE MEMBERS

W. J. O'Donnell	R.C. King
N. Oliver	C. R. Holloway
A. Ashpole	M. R. Herbert
M. Manuelle (Mrs)	W. B. Rogers
P. Blackett	

CHAIRMANS REPORT 2018

It is my Privilege on behalf of the Board of Directors to present the 46th Annual Report for 2017/2018.

It is hard to commence the report without making reference to the Club's financial performance. The result is a culmination of a number of internal and external factors which are being continually monitored and addressed by your Board and Management. To say it has been a real shake-up is an understatement and a considerable focus of the entire Board's energy throughout the year. Please refer to the Secretary Manager's report for a detailed explanation of the financials.

As stated above, an immense concentration has been devoted to increase trade and in order to do this we have put in place strategies to increase community traffic flow into the Club. Some of the initiatives have included maximising medium exposures thus new signage wrap to the courtesy bus, installation of a New Digital Display Board on the Eastern wall of the Club and using modern day mobile application Medias. A new club app has been initiated to support another medium. More recently, the marketing focus has included engaging a part-time Marketing Manager who has commenced upgrading the Club's website, streamlined the newsletter process and is working on our social media presence as well as the app.

Increased entertainment, function and catered events have been successful and are vital for the future growth of the Club. We will continue to support events which encourages all ages into the Club. Thanks in particular to our troupe of volunteers including bowls coaches who ensure the Social Barefoot bowls and Twilight bowls are successful. I note the enormous effort which took place around the Christmas period with one event in particular where there were 115 bowlers!

With the departure of our contracted caterers, Dan & Tiffany, the Club was presented with a new catering opportunity. Following a review of the operation and our appetite for change to standardise our service across the Club, the Board and Management commenced the process of introducing internal catering services. This is continually monitored and is both developing and progressing.

The Board have been continually evolving the Club's short and long term Strategic Business Plans which have bowls as their central focus.

A big thanks to both the Men's and Women's Committees who have both worked tirelessly throughout the year. I note the Men competed well but unfortunately they were unable to follow through from the Zone 9 Pennant rounds. The Women have achieved well and in spite of the increased competition in the North Shore District, the "Threes" achieved a credible second place – well done.

Outside the standard tournaments held by both Men's and Women's Clubs a triples tournament was held with great success. A special thanks to Steve Wilson.

Our Greens and surrounds are as always in excellent condition. Thank you to Ross Irwin and his team.

Condolences and sympathy go out to all Members of the Club and their respective families whom have lost loved ones during the year.

Special thanks must go out to our wonderful staff who are both welcoming and accommodating and go out of their way to serve our members and guests. To our General Manager Anthony Ryan, a huge thank you for your continued support to myself and the other Directors.

Thank you to past and present Board of Directors for your assistance during my short tenure as Chairman. Your passion for the Club's durability and success is respected.



Mark Prosper
Chairman

SECRETARY MANAGER'S REPORT 2018

The year 2017/2018 has been an interesting year at Asquith Bowling & Recreation Club with many changes both within our Club, including the departure of our caterers and also outside with many of our neighbours moving on and in their wake, an incredible transformation of the landscape. If you can cast your mind back to even two years ago, how our environment has changed with a myriad of cranes on our doorstep and the village-like atmosphere morphing into a more cosmopolitan feel. As our area has changed, so to must we continue to evolve and change.

While the Club has reported a loss of \$313,224 for the year, included in this amount is a one-off loss on disposal of \$43,087 for air conditioning plant which had to be replaced and also the unusual roof replacement of \$36,100 which was expensed. After taking away these one-off events, the Club incurred a paper loss of \$234,037. Taking out the non-cash depreciation expense of \$241,320 resulted in the Club making an adjusted profit of \$7,283.

This may be disclosed as:

2018 Loss	313,224
Add: Extraordinary loss on disposal	
- Air conditioning plant replaced	43,087
- Roof replacement	<u>36,100</u>
	<u>79,187</u>
Gross Loss	<u>(234,037)</u>
Addback – Non-cash Depreciation expense	<u>241,320</u>
Adjusted net profit	<u>7,283</u>

As outlined last year, the detail provided at the back of the accounts attached has been reduced in an effort to simplify the financial overload of information previously presented. For transparency and as required, the profit and loss and balance sheets will continue to be placed on the noticeboard quarterly and if anyone would like to review the detail, we will be only too happy to accommodate your reasonable request.

The financial undertakings of the Club during the last year may also be outlined through a review of the investment which has been made in the Club to ensure it is able to accommodate the needs and wants of current and future customers. Taking into account the reduction in the effective cash balance during the year of \$149k (from an opening balance of \$564k to a closing balance of \$415k), the Club has undertaken a number of improvements and capital acquisitions throughout the year in addition to the normal replacement of fridges and washers and computers etc which include the following:

- Audio upgrades to modernise the ability to individually adjust audio zones throughout the Club \$8,740
- Security upgrades to digitise the CCTV for the safety and security of members and staff \$10,999
- Carport and fencing to clean up the Peats Ferry Road Entrance and to protect the Club's Courtesy Bus \$3,878
- Extensive Air Conditioning upgrade works \$87,900
- Roof Replacement to deteriorated and rusted roof \$36,100
- Advertising on the Club Bus – Marketing exposure \$4,350
- LED TV on the Peats Ferry Road side of the Building (2m x 3m) \$23,143

Apart from the obvious investment undertaken through capital expenditure as outlined above, a very large investment has been made in the kitchen team this year. In late October, our Caterers announced their intention to resign from the Club. Following a careful analysis and review, we commenced the immense task of taking the catering operation in-house. Apart from the obvious of hiring new staff, we also had to re-invent ourselves, create menus, integrate processes and commence supply arrangements to name but a few. With the patience and tolerance of numerous members and patrons we have slowly grown and evolved to our current offering which includes supplying all cakes, biscuits and pastries in-house. Following a member survey feedback, we have more recently undertaken an expansion of the menu offering to also now include Asian dishes. Thanks to Dean, JK and the kitchen team but importantly the whole team who have all worked so hard and cohesively to ensure The Greens Bistro and catering is a success.

The Club continues to host numerous events including the weekly gaming promotions, raffles, crazy cash, bingo and trivia. We have also increased the number and types of entertainment on offer at the Club in a never-ending effort to attract and retain members and guests to the venue. As mentioned above, we are all naturally buoyed by the future growth in the area and we will continue to attract new members through our numerous marketing initiatives which have included traditional sources of newspaper and letter box drops and more recently through the new LED screen, e-mail, facebook and Instagram.

Thanks to all the members who continually supported all the initiatives throughout the year from the semi-regular band offerings to the successful dinner shows of Frank Sinatra and Neil Diamond. We definitely look forward to hosting more in the coming year.

For our representative bowlers, we all recognise that it has been a challenging year. From my understanding of the Men's and Women's Committees input, the year ahead will include dedicated training and practicing in a quest to return Asquith back to the glory days of lots of silverware on mantle.

Thanks to Tony Macri for his enthusiasm which included re-introducing Twilight Bowls and thanks also to Matt McGowan for his help with twilight bowls, social bowls and numerous barefoot bowls functions. The Club thrives on our volunteers and enthusiasm from members, of particular note, thanks to Steve Wilson who spear-headed a new tournament in June – The Turnaround Triples.

To Chairman Mark Prosper and the Board of Directors, thank you for your support and the enormous contribution you make every day to ensure the Club runs as smoothly as possible. Thanks for the many hours and commitment made by both the Men's and Women's Bowls committees and for your patience in allowing me to plug each and every event during your weekly briefings. Thanks to the well-oiled administration machine of Sam, Nik and Kathy in the office, Wayne, Hayley, Margaret and the team in the Bar, Barry who keeps the place ticking, Dean, JK and team in the Kitchen and to Ross and his team for providing the gardens and greens in such great shape. The friendly and dedicated staffing team make the member experience a happy and rewarding place – Thank you all.

Lastly, thanks to all our members, we look forward to serving you at the friendliest little Club on the North Shore!



Anthony Ryan
Secretary Managerr

ASQUITH BOWLING & RECREATION CLUB LTD

ABN 81 001 039 747

Financial Report

30 June 2018

FINANCIAL REPORT 30 JUNE 2018 ASQUITH BOWLING & RECREATION CLUB LIMITED

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DIRECTORS' REPORT

Your directors present their report on Asquith Bowling & Recreation Club Limited for the year ended 30 June 2018.

Directors

The following persons were directors of Asquith Bowling & Recreation Club Limited during the financial year and up to the date of this report:

M Prosper
P Andrich

R Pilgrim
N West

T McArthur
S Thompson

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

Principal activities

The Company's principal continuing activities during the year consisted of operating as a registered club, promoting the game of lawn bowls and providing amenities to members and their guests.

The entity's short-term objectives are to:

- exceed members and guests needs and expectations on the provision of facilities, products and services.
- support a safe and friendly environment for staff and customers that encourages the principles of the Responsible Service of Alcohol and the Responsible Conduct of Gaming.

The entity's long-term objectives are to:

- provide the community a continual level of high quality services and facilities in a safe and friendly environment.
- generate profits that will be reinvested into improved services and facilities for members and community support.

To achieve these objectives, the entity has adopted the following strategies:

- the board of directors, management and staff together are committed to achieving the best practice principles which are measurable by the continual support of community partnerships whilst exceeding financial benchmarks.
- meeting and surpassing our strategic goals is achieved through constant review and evaluation of business practices using the opinions of members and their guests, staff and professional alliances.

Results

	2018 \$	2017 \$
Net Profit/(Loss)	(313,224)	914,968

Directors' Report (continued)

Information on Directors

Director	Time on board	Special Responsibilities	Experience
M Prosper	Director for 3 years	Chairman	Business Manager
R Pilgrim	Director for 5 years	Treasurer	Company Director
T McArthur	Director for 7 years	Senior Deputy Chairman	Self Employed Businessman
T McArthur	Director for 6 years	Deputy Chairman	Self Employed Businessman
P Andrich		Director	Retired Banker
N West		Director	Company Director
S Thompson		Director	Company Director

Likely developments and expected results of operations

There were no likely developments in the Company's operations that were not finalised at the date of this report.

Company Secretary

Anthony Ryan held the position of company secretary at the end of the financial year. He was appointed company secretary on 16 May 2017.

Meetings of Directors

The number of meetings of the Company's directors held during the year ended 30 June 2018, and the number of meetings attended by each director were:

	Normal Meetings	Special Meetings
Number of meetings held	12	1
Number of meetings attended by:		
M Prosper	12/12	1/1
R Pilgrim	11/12	1/1
T McArthur	9/12	1/1
N McMillen	8/10	1/1
P Andrich	9/9	-
N West	5/9	-
S Thompson	1/1	-
A Wagstaff	5/5	-
D Haynes	2/3	1/1
C Perry	1/3	0/1
R Jacka	2/3	1/1

Retirement, election and continuation in office of directors

P Andrich, A Wagstaff and N West were appointed as directors on 15 October 2017.

D Haynes, C Perry and R Jacka resigned as directors on 15 October 2017.

A Wagstaff resigned as a director on 4 March 2018.

N McMillen resigned as a director on 14 May 2018.

S Thompson was appointed as a director on 17 May 2018.

Members' Guarantee

The entity is incorporated under the Corporations Act 2001 and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the entity. At 30 June 2018, the total amount that members of the Company are liable to contribute if the Company is wound up is \$36,780 (2017: \$37,880).

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2018 has been received and included on page 38.

This report is made in accordance with a resolution of the Board of Directors.



M Prosper
Director



R Pilgrim
Director

Asquith
7 September 2018

Club Property Declarations

Pursuant to Section 41J(2) of the Registered Clubs Act the Directors declare that, for the financial year ended 30 June 2018, the classifications of the property held are as follows:

Property Address	Current Usage	Classification
1 Lodge Street, Asquith NSW 2077	Clubhouse, Car park, Sporting Facilities	Core Property

Notes to Members

1. Section 41J(2) of the Registered Clubs Act requires the annual report to specify the core property and non-core property of the Club as at the end of the financial year to which the report relates.
2. Core property is any real property owned or occupied by the Club that comprises:
 - a) The defined premises of the Club; or
 - b) Any facility provided by the Club for use of its members and their guests; or
 - c) Any other property declared by a resolution passed by a majority of the members present at a general meeting of ordinary members of the Club to be core property of the Club.
3. Non-core property is any other property other than that referred to above as core property and any property which is declared by the members at a general meeting of ordinary members of the Club not to be core property.
4. The significance of the distinction between core property and non-core property is that the Club cannot dispose of any core property unless:
 - a) The property has been valued by a registered valuer within the meeting of the Valuers Act 2003; and
 - b) The disposal has been approved at a general meeting of the ordinary members of the Club at which the majority of the votes cast support the approval; and
 - c) Any sale is by way of public auction or open tender conducted by an independent real estate agent or auctioneer.
5. These disposal provisions and what constitutes a disposal for the purposes of section 41J are to some extent modified by regulations made under the Registered Clubs Act and by Section 41J itself. For example, the requirements in paragraph 4 above do not apply to:
 - a) Core property that is being leased or licensed for a period not exceeding 10 years on terms that have been the subject of a valuation by a registered valuer; and
 - b) Core property that is leased or licensed to a telecommunications provider for the purposes of a telecommunication tower.

Income Statement For the year ended 30 June 2017

	Notes	2018 \$	2017 \$
Revenue from operations			
Sale of Good and Services	2	2,809,198	2,718,169
Other Income	2	23,363	27,125
Gain on sale of investment property	2	-	978,581
		<u>2,832,561</u>	<u>3,723,875</u>
Expenses from operations			
Borrowing costs		1,588	1,706
Cost of goods sold		557,916	487,249
Depreciation and amortisation expenses	3	241,320	228,422
Employee benefits expense		986,607	771,063
Other expenses from continuing operations		1,358,354	1,320,467
		<u>3,145,785</u>	<u>2,808,907</u>
Profit/(Loss) before income tax		(313,224)	914,968
Income tax expense		-	-
Profit/(Loss) from continuing operations		<u>(313,224)</u>	<u>914,968</u>
Total changes in equity		<u>(313,224)</u>	<u>914,968</u>

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

Balance Sheet As at 30 June 2018

	Notes	2018 \$	2017 \$
Current assets			
Cash and cash equivalents	4,19	415,330	563,976
Receivables	5,19	3,251	5,387
Inventories	6	42,012	42,242
Other	7	43,982	45,403
Total current assets		504,575	657,008
Non-current assets			
Property, plant and equipment	8	4,246,014	4,201,039
Intangible assets	9	281,976	281,976
Total non-current assets		4,527,990	4,483,015
Total assets		5,032,565	5,140,023
Current liabilities			
Payables	10,19	122,225	76,744
Interest bearing liabilities	11,19	53,291	-
Provisions	12	91,453	70,110
Other	13	33,469	28,279
Total current liabilities		300,438	175,133
Non-current liabilities			
Interest bearing liabilities	14,19	80,264	-
Provisions	15	4,340	3,866
Other	16	11,380	11,657
Total non-current liabilities		95,984	15,523
Total liabilities		396,422	190,656
Net assets		4,636,143	4,949,367
Equity			
Retained profits	17	4,636,143	4,949,367
Total equity		4,636,143	4,949,367

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

Cash Flow Statement For the year ended 30 June 2018

	Notes	2018 \$	2017 \$
Cash flows from operating activities			
Receipts from customers (inclusive of goods and services tax)		3,113,729	3,011,163
Payments to suppliers and employees (inclusive of goods and services tax)		(3,071,143)	(2,882,799)
		42,586	128,364
Borrowing costs		(1,588)	(1,706)
Interest received		6,183	9,427
Net cash inflow (outflow) from operating activities	21	47,181	136,085
Cash flows from investing activities			
Payments for property, plant and equipment		(164,922)	(347,099)
Proceeds from Sale of Investments		-	1,499,850
Proceeds from Sale of property, plant and equipment		-	2,273
Net cash inflow (outflow) from investing activities		(164,922)	1,155,024
Cash flows from financing activities			
Repayment of borrowings		-	(800,400)
Repayment of lease liabilities		(30,905)	
Net cash inflow (outflow) from financing activities		(30,905)	(800,400)
Net increase (decrease) in cash held		(148,646)	490,709
Cash at the beginning of the financial year		563,976	73,267
Cash at the end of the financial year	4	415,330	563,976
Financing arrangements and commitments for the year	18		

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

Statement of Changes in Equity

For the year ended 30 June 2018

	Notes	2018 \$	2017 \$
Total equity at the beginning of the financial year		4,949,367	4,034,399
Total recognised income and expense for the year	17	(313,224)	914,968
Total equity at the end of the financial year		4,636,143	4,949,367

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

Note 1. Summary of significant accounting policies

The financial statements are for Asquith Bowling & Recreation Club Limited, incorporated and domiciled in Australia. Asquith Bowling & Recreation Club Limited is a company limited by guarantee.

Basis of Preparation

Asquith Bowling & Recreation Club Limited applies Australian Accounting Standards - Reduced Disclosure Requirements as set out in AASB 1053: *Application of Tiers of Australian Accounting Standards*.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board and the Corporations Act 2001. The Company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

(a) Revenue and other income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue is recognised for the major business activities as follows:

(i) *Poker Machines*

Revenue is recognised as the net amount cleared from all machines.

(ii) *Other*

A sale is recorded when the goods or services have been provided to the customer.

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

(b) Inventories

Inventories held for sale are measured at the lower of cost and net realisable value. Inventories held for distribution are measured at cost adjusted, when applicable, for any loss of service potential.

Inventories acquired at no cost, or for nominal consideration, are valued at the current replacement cost as at the date of acquisition.

Note 1. Summary of significant accounting policies (continued)

(c) Property, plant and equipment

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

Freehold Property

Freehold land and buildings are measured on the cost basis. The carrying amount of freehold land and buildings is reviewed to ensure it is not in excess of the recoverable amount based on valuations by external independent valuers, less subsequent depreciation for buildings.

In periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct directors' valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in profit or loss.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Freehold land and buildings that have been contributed at no cost, or for nominal cost, are initially recognised and measured at the fair value of the asset at the date it is acquired.

Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(f) for details of impairment).

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Buildings	40 years
Plant and equipment	1-20 years

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

Note 1. Summary of significant accounting policies (continued)

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement in the period in which they arise. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(d) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the entity, are classified as finance leases.

Finance leases are capitalised, recognising an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(e) Financial Instruments

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified “at fair value through profit or loss” in which case transaction costs are recognised immediately as expenses in profit or loss.

Classification and Subsequent Measurement

Financial instruments are subsequently measured at fair value (refer to Note 1(p)), amortised cost using the effective interest method, or cost.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

Note 1. Summary of significant accounting policies (continued)

(i) *Financial assets at fair value through profit or loss*

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(ii) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iii) *Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iv) *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any remeasurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are not expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

(v) *Financial Liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

Note 1. Summary of significant accounting policies (continued)

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified into profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having undertaken all possible measures of recovery, if the management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance accounts.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying value of the financial liability, which is extinguished or transferred to another party, and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(f) Impairment of Assets

At the end of each reporting period, the entity assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in *AASB 116: Property, Plant and Equipment*). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Note 1. Summary of significant accounting policies (continued)

(g) Employee Benefits

Short-term employee benefits

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

The company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the balance sheet.

Other long-term employee benefits

The company classifies employees' long service leave and annual leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the company's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

The company's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current liabilities.

Retirement benefit obligations

Defined contribution superannuation benefits

All employees of the company receive defined contribution superannuation entitlements, for which the company pays the fixed superannuation guarantee contribution (currently 9.5% of the employee's average ordinary salary) to the employee's superannuation fund of choice. All contributions in respect of employees' defined contribution entitlements are recognised as an expense when they become payable. The company's obligation with respect to employees' defined contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the company's balance sheet.

(h) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of 3 months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet

Note 1. Summary of significant accounting policies (continued)

(i) Goods and Service 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 Taxation 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 as part of receivables or payables in the balance sheet.

Cash flows are included in the cash flow statement 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.

(j) Income tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997.

(k) Intangibles

Poker machine Entitlements

Entitlements are recognised at cost of acquisition. Entitlements have an infinite life. Entitlements are tested annually for impairment and carried at cost less accumulated impairment losses.

(l) Provisions

Provisions are recognised when the entity 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. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(m) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the company during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(n) Comparative Figures

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

(o) Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Note 1. Summary of significant accounting policies (continued)

Key Estimates

Impairment

The freehold land and buildings were independently valued in March 2005. The valuation was based on the fair value in accordance with *AASB 116: Property, Plant and Equipment*. The critical assumptions adopted in determining the valuation included the location of the land and buildings, the current strong demand for land and buildings in the area and recent sales data for similar properties.

At 30 June 2018, the directors have performed a directors' valuation on freehold land and buildings. The directors have reviewed the key assumptions made by the valuers in 2005 and do not believe there has been a significant change in the assumptions at 30 June 2018. They directors therefore believe that the carrying amount does not exceed the recoverable amount of land and buildings at 30 June 2018.

(p) Fair Value of Assets and Liabilities

The company measures some of its assets and liabilities at fair value on either a recurring or a non-recurring basis, depending on the requirements of the applicable Accounting Standard.

'Fair value' is the price the entity would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability). In the absence of such a market, market information is extracted from the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (if any) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

Note 2. Revenue

	2018 \$	2017 \$
Revenue from continuing operations		
Sale of goods	1,397,417	1,124,940
Services	1,411,781	1,593,229
	<u>2,809,198</u>	<u>2,718,169</u>
Revenue from outside continuing operations		
Gain on sale of investment property	-	978,581
Interest	6,183	9,427
PM Rebate	17,180	17,180
Rent	-	518
	<u>23,363</u>	<u>1,005,706</u>
Revenue from operations	<u>2,832,561</u>	<u>3,723,875</u>

Note 3. Profit/(Loss) from continuing operations

Net gains and expenses

Profit/(loss) before income tax includes the following specific net gains and expenses:

Expenses

Depreciation

Buildings	109,869	110,824
Plant and equipment	131,451	117,598
Total depreciation	<u>241,320</u>	<u>228,422</u>

Cost of Goods Sold

Bar	456,562	487,249
Kitchen	101,354	-
Total cost of goods sold	<u>557,916</u>	<u>487,249</u>

Net loss/(gain) on disposal of non-current assets	43,087	(1,773)
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Note 4. Current assets – Cash and cash equivalents

Cash at bank and on hand	415,330	563,975
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The above figures are reconciled to cash at the end of the financial year as shown in the cash flow statement as follows:

Balances as above	415,330	563,976
Less: Bank overdrafts	-	
Balances per cash flow statement	<u>415,330</u>	<u>73,267</u>

	2018	2017
	\$	\$
Note 5. Current assets – Receivables		
Other debtors	2,919	4,173
Interest receivable	332	1,214
	3,251	5,387
	3,251	5,387

Other debtors

These amounts generally arise from transactions outside the usual operating activities of the Company. Interest is not normally charged. Collateral is not normally obtained.

Note 6. Current assets – Inventories

Retail stock – at cost	42,012	42,242
	42,012	42,242

Note 7. Current assets – Other

Prepayments	43,982	45,403
	43,982	45,403

	2018 \$	2017 \$
Note 8. Non-current assets – Property, plant and equipment		
Land and buildings		
Freehold land at cost	497,310	497,310
Buildings		
At cost	4,217,793	4,212,866
Less: Accumulated depreciation	(1,403,090)	(1,293,221)
	2,814,704	2,919,645
Total land and buildings	3,312,014	3,416,955
Plant and equipment		
At cost	1,898,751	1,841,267
Less: Accumulated depreciation	(964,751)	(1,057,183)
Total plant and equipment	934,000	784,084
	4,246,014	4,201,039

Reconciliations

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current financial year are as set out below.

	Freehold land \$	Buildings and improvements \$	Plant and equipment \$	Total \$
Carrying amount at 1 July 2017	497,310	2,919,645	784,084	4,201,039
Additions	-	4,928	324,454	329,382
Disposals	-	-	(43,087)	(43,087)
Depreciation expense	-	(109,869)	(131,451)	(241,320)
Carrying amount at 30 June 2018	497,310	2,814,704	934,000	4,246,014

	2018	2017
	\$	\$

Note 9. Non-current assets – Intangible assets

Poker machine entitlements	281,976	281,976
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Note 10. Current liabilities – Payables

Accrued charges	38,717	37,122
Net BAS liabilities ⁶⁹	69,354	32,473
Other creditors	13,996	7,149
	<u>122,225</u>	<u>76,744</u>

Note 11. Current liabilities – Interest bearing liabilities

Loan – QPF Finance	14,856	-
Loan - Aristocrat	38,435	-
	<u>53,291</u>	<u>-</u>

Note 12. Current liabilities – Provisions

Employee entitlements	88,886	64,557
Unclaimed Tickets	2,567	5,553
	<u>91,453</u>	<u>70,110</u>

Note 13. Current Liabilities – Other

Subscriptions in advance	28,076	26,647
Room hire in advance	2,332	1,632
Other	3,061	-
	<u>33,469</u>	<u>28,279</u>

Note 14. Non-current liabilities – Interest bearing liabilities

Loan – QPF Finance	24,419	-
Loan – Aristocrat	55,845	-
	<u>80,264</u>	<u>-</u>

	2018 \$	2017 \$
Note 15. Non-current liabilities – Provisions		
Employee entitlements	4,340	3,866

Note 16. Non-current liabilities – Other

Subscription in advance	11,380	11,657
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Note 17. Reserves and retained profits

Retained profits at the beginning of the financial year	4,949,367	4,034,399
Net profit/(loss)	(313,224)	914,968
Retained profits at the end of the financial year	4,636,143	4,949,367

Note 18. Commitments for expenditure

Operating lease commitments

Non-cancellable operating leases contracted for but not recognised in the financial statements.

Payable – minimum lease payments:

Within 1 year	7,916	7,897
Later than 1 year but not later than 5 years	10,569	-
	18,485	7,897

The equipment lease commitments are non-cancellable operating leases contracted for but not recognised in the financial statements with a 5 year term.

Note 19. Financial instruments

(a) Interest rate risk exposures

The entity's exposure to interest rate risk and the effective weighted average interest rate by maturity periods is set out in the following table. For interest rates applicable to each class of asset or liability refer to individual notes to the financial statements.

Exposures arise predominantly from assets and liabilities bearing variable interest rates as the entity intends to hold fixed rate assets and liabilities to maturity.

2018	Notes	Floating interest rate \$	1 year or less \$	Over 1 to 5 years \$	More than 5 years \$	Non-Interest Bearing \$	Total \$
Financial assets							
Cash and cash equivalents	4	223,607	106,009	-	-	88,714	415,330
Receivables	5	-	-	-	-	3,251	3,251
		223,607	106,009	-	-	88,965	418,581
Weighted average interest rate		0.35%	2.01%				
Financial liabilities							
Payables	10	-	-	-	-	122,225	122,225
Lease Liabilities	11,14	-	-	39,275	-	94,280	133,555
		-	-	39,275	-	216,505	255,780
Weighted average interest rate				7.32%			
Net financial assets (liabilities)		223,607	106,009	(39,275)	-	(127,540)	162,801

2017	Notes	Floating interest rate \$	1 year or less \$	Over 1 to 5 years \$	More than 5 years \$	Non-Interest Bearing \$	Total \$
Financial assets							
Cash and cash equivalents	4	174,547	307,153	-	-	82,276	563,976
Receivables	5	-	-	-	-	5,387	5,387
		174,547	307,153	-	-	87,663	569,363
Weighted average interest rate		0.37%	2.30%				
Financial liabilities							
Payables	10	-	-	-	-	76,744	76,744
		-	-	-	-	76,744	76,744
Weighted average interest rate							
Net financial assets (liabilities)		174,547	307,153	-	-	10,919	492,619

Note 19. Financial instruments (continued)

(b) Net fair value of financial assets and liabilities

The net fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities of the entity approximates their carrying amounts.

The net fair value of other monetary financial assets and financial liabilities is based upon market prices where a market exists or by discounting the expected future cash flows by the current interest rates for assets and liabilities with similar risk profiles.

2018 \$	2017 \$
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Note 20. Remuneration of directors

Income paid or payable, or otherwise made available to directors in connection with the management of affairs of the Company

Nil	Nil
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The number of directors whose total income from the Company was within the specified bands are as follows:

\$0 - \$10,000

6	7
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Note 21. Reconciliation of net profit/(loss) to net cash inflow (outflow) from operating activities

Net profit/(loss)	(313,224)	914,968
Depreciation and amortisation	241,320	228,422
Loss/(profit) on disposal of investment	-	(978,581)
Loss/(profit) on disposal of property, plant and equipment	43,087	(1,773)
Change in operating assets and liabilities:		
(Increase)/Decrease in other debtors	2,136	(4,362)
(Increase)/Decrease in inventories	230	(9,081)
(Increase)/Decrease in prepayments	1,421	5,486
Increase/(Decrease) in creditors and accruals	45,481	37,604
Increase/(Decrease) in other operating liabilities	4,913	(9,199)
Increase/(Decrease) in provisions	21,817	(47,399)
Net cash inflow (outflow) from operating activities	47,181	136,085

Directors' Declaration

In accordance with a resolution of the directors of Asquith Bowling & Recreation Club Limited (the Company), the directors of the company declare that:

The financial statements and notes, as set out on pages 15 to 33, are in accordance with the Corporations Act 2001 and:

- (a) comply with Australian Accounting Standards – Reduced Disclosure Requirements; and
- (b) give a true and fair view of the financial position of the Company as at 30 June 2018 and of its performance for the year ended on that date.

In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



M Prosper
Director



R Pilgrim
Director

Asquith
7 September 2018

Independent Audit Report to the Members of Asquith Bowling & Recreation Club Limited

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report of Asquith Bowling & Recreation Club Limited (the Company), as set out on pages 15 to 33, which comprises the balance sheet as at 30 June 2018, the income statement, cash flow statement and statement of changes in equity for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of Asquith Bowling & Recreation Club Limited is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2018 and of its financial 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 company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Asquith Bowling & Recreation Club Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the company's annual report for the year ended 30 June 2018, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent Audit Report to the Members of Asquith Bowling & Recreation Club Limited (continued)

Responsibilities of the Directors for the Financial Report

The directors of the company 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 company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 company'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 or, 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 company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

Independent Audit Report to the Members of Asquith Bowling & Recreation Club Limited (continued)

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



Ben McEwan
Newcastle
7 September 2018

McEwan and Partners Pty Limited
Chartered Accountants

Auditor's Independence Declaration

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2018 there have been no contraventions of:

- (i) the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Asquith Bowling & Recreation Club Limited for the year ended 30 June 2018.



Ben McEwan
Newcastle
7 September 2018

McEwan and Partners Pty Limited
Chartered Accountants

Disclaimer of Opinion on Additional Financial Data of Asquith Bowling & Recreation Club Limited

The additional financial data set out on page 40 is in accordance with the books and records of Asquith Bowling & Recreation Club Limited (the Company) and is made subject to the auditing procedures applied in the statutory audit of the Company for the year ended 30 June 2018.

It will be appreciated that the statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and no warranty of accuracy or reliability is given.

In accordance with our firm policy, we advise that neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any person (other than the Company) in respect of the additional financial data, including any errors or omissions therein however caused.



Ben McEwan
Newcastle
7 September 2018

McEwan and Partners Pty Limited
Chartered Accountants

Profit & Loss Account 30 June 2018

	2018 \$	2017 \$
Income		
Bar Trading	430,007	328,551
TAB Trading Centre	(48,365)	(63,114)
Poker Machine Trading	653,489	773,351
Men's Bowling Club	39	2,988
Women's Bowling Club	(1,864)	6,550
Keno Account	13,495	20,284
Total Income	1,047,155	1,068,610
Expenses		
Administration	346,421	244,092
Greens	98,396	121,377
Repairs & Maintenance	122,771	104,570
Social	219,580	192,433
Kitchen	80,541	9,026
Utilities	449,583	460,725
Total Expenses	1,317,292	1,132,223
Gain/(Loss) on Disposal of Property/Plant	(43,087)	978,581
Total Extraordinary Items	(43,087)	978,581
Yearly Profit/Loss	(313,224)	914,968

The above operating statement has not been subject to audit – refer to the Disclaimer on page 39.

ASQUITH MEN'S BOWLING CLUB

OFFICE BEARERS 2017-2018

President	John Wilson
Senior Vice President	Nick West
Vice President	Greg Loomes
Treasurer	Doug Taylor
Secretary	Barry Anstiss
Bowls Secretary	Carl Perry
Chairman of Selectors	Mark Davern
Committee	Mark Conroy, Allan Forder, Steve Wilson
Match Committee	Wal Hamilton (c), Carl Perry, Greg Loomes
Finance Committee	Doug Taylor, Wal Hamilton
Publicity Officer	Steve Wilson
Welfare Officer	-
Bowls Selectors	Mark Davern, Danny Beecroft, Tony Macri, Phil McGowan, Bill Miller
Delegate to Zone 9	Wal Hamilton
Catering	Greg Loomes
Flag Officers	Mark Conroy
Coaches	Danny Beecroft, Wal Hamilton, Jim Glanville
Umpires	John Rodick (c), Wal Hamilton, Doug Taylor, Scott Pollock, Carl Perry, Bruce Lee, Tony Macri, Peter Hines, Matt McGowan, Mick Gosson, Allan Forder, John Wilson

PRESIDENT'S REPORT: ASQUITH MEN'S BOWLING CLUB

We have had a good year at the ABC in 2017/18. The men in general terms appear to be happy and enjoying their bowls, and why not when they are ply on such a great surface and with so many great players.

I would like to thank the Committee for all the hard work they have done this year. No Club can operate without the hard work of a dedicated Committee. A few members of the Committee really stand out for their hard work. Doug Taylor as treasurer has been the envy of all NSW Clubs. The time and effort he puts into his task is amazing. Allan Forder has done so much to see the success of Monday and Thursday bowls. Mark Davern as Chairman of Selectors and Chairman of the Match Committee works hard to meld sides and must be complimented for his efforts in difficult circumstances. No Club can succeed without an efficient Bowls Secretary. The task of preparing all Pennant matches, interclub and internal competitions is staggering. However Carl Perry has done a wonderful job. Thanks must go to Barry Anstiss for taking over the Secretary job and doing a fine job here. Thanks to all the other Committee members.

Steve Wilson did a wonderful job with the "Roos Noos". It was informative and very interesting. He also publicised the Men's Club in the Bush Telegraph. Thanks Steve. Steve also initiated the "Turn-Around" Triples. It was a fantastic day and brought many visitors to the Club. Steve is planning to run another carnival in October/November.

Greg Loomes did a great job with the catering. The post pennant match sausages were great and the lunches on the "Turn-Around" Triples and Gourmet Day were enjoyed by all.

We are very fortunate that Ross Irwin provides us with some of the best greens in the State. When we travel away we realise how lucky we are. The surrounds are also of the highest standard and so many visitors to the Club comment on how we must be the best kept secret on the North Shore.

The selectors worked hard trying to find combinations for all sides and grades. Their efforts often were marred by players pulling out at the last minute. Please guys, when you enter Pennants, try to make it a full commitment. It was disappointing not to have a side in the playoffs for the first time in 5 years. Perhaps our sides could follow the example of Pittwater Club by having formal practices for all grades twice a week and in this way make up the slack we had this year. The selectors were Mark Davern (Chairman), Phil McGowan, Bill Miller, Tony Macri and the stalwart Danny Beecroft.

Danny Beecroft continued to work coaching the "Intro to Bowls" members, and many have now joined full time. Wal Hamilton has also put in a lot of time with new bowlers. Tony Macri and Matt McGowan have worked hard with the Wednesday night and barefoot bowls. These are a valuable source of income for the Club.

The Monday Bowlers have done some wonderful work in raising funds for the Children's ward in the Hornsby Hospital. They have provided TVs, iPads and a special monitor to the Ward. Well done guys and ladies, we are very proud of you.

One of the most pleasing aspects of the Club is the close association of the Ladies and Men's Clubs. We are really grateful to the ladies that come out and help at our Carnivals and by umpiring our matches. The hard work they did at the Gourmet Day made it a real success. We hope the ladies know that if they need the men's support it will be promptly forthcoming.

I believe it is important to thank the Club staff who work so hard to make our lives at the Club so fruitful and enjoyable. The office ladies do so much to support us in the year. The bar staff are so willing to help and even open up the Club early for our activities. Barry is also very good at tidying up and making things work and Anthony Ryan for all the time he puts into so many areas of our bowling.

We have missed having a Welfare Officer and I have tried to cover some aspects of this important role. I hope that someone tries to step in and take this rewarding task on.

I wish all of you the very best in bowling and pray that God blesses all of us.

John Wislon
President A. M. B. C.

ASQUITH WOMEN'S BOWLING CLUB OFFICE BEARERS 2017-2018

President	Sue Tully
Vice Presidents	Sandra Hamilton & Di Tracey
Treasurer	Carol Paterson
Secretary	Helen Maloney
Selection Committee	Joan Wilson (c) Rosemary Broadley Lena Coyne Lorraine Csonka Jan Kachel
Match Committee	Heather Dunlop (c) Helen McClure Francis McNicol
Social Committee	Adrienne Hannaford (c) Heather MacDonald Chris Madgwick Beryl Thompson Ann Hedger Lyn Drinkall
Delegates	Jackie Wilson Patricia Eagleton
Publicity Officer	Jackie Wilson
Welfare Officer	Shirley Andrew
Uniform	Christina Davis
Raffles	Christine Store Kay Zolnay
Trading Table	Janice Benke
Coaches	Paula Hand Christine Store Helen Maloney Marion Khamis
Umpires	Christina Davis Ann Hedger Mollie Rayner Sue Tully

PRESIDENT'S REPORT: ASQUITH WOMEN'S BOWLING CLUB

The older you get the quicker the years seem to pass but what a full packed year it has been. The Management Committee & Committee Members have all exceeded their expectations in various roles. I thank them all for their willing support and help.

With the closing of Northern Suburbs District and a majority vote by our members to transfer to North Shore District Women's Bowls a lot of work had to be done with motions, letters & emails as well as visits to enable acceptance on the 28th September 2017. The district president, Julie Hayden from Mosman, and her committee along with members from our new district have been very welcoming as well as tough opponents.

We have had an extremely busy year with Hornsby Shire Trophy (Ann H, Jackie, Jan B, Shirley, Marion & Helen) which they won, St Ives Five (Ann H, Jackie, Lorraine, Jan K & Joan W), State Pairs at Taren Point (Ann H & Annette for Jackie) 16/10, Anita Linden Day 25/9 Districts 15-16 (Marion, Jan B, Helen, Jan K, Lorraine) with Tina as Umpire, Veterans Day at Pennant Hills Bowling Club 6/10, AWBC Birthday 10/10, Presentation Day 17/11 at North Epping, In House Carnival 24/11 & Christmas Party with Lucky Star, Asquith's Boomerang Carnival 22/6, District Jean McKinnon Trophy (Nerida, Narelle, Joan W & Ann H as reserve, The Lindfield Six 3/8 (Chris M, Jackie, Nerida, Sandra, Narelle & Marion).

The NSW "Junior Bowler of the Year under 18" was an ex junior from Asquith – Louise Cronan. Congratulations Louise, a great effort.

Pennants started on the 8/2 and we had 3 teams 1s 3s & 4s in North Shore District with the 3s coming 2nd but it was a much harder competition than previous years.

Our Charity A/c money along with money from AMBC & the Monday Bowlers, \$4700-00 total, funded a monitor for the children's ward at Hornsby Hospital & was presented to Kathy Cooke from the hospital.

We were all shocked & saddened to hear of the sudden passing of Annette Wagstaff. Annette was secretary 2013 – 2017, a newly appointed Director of Asquith Club Ltd and also a coach & umpire. We also said goodbye to Mary Rassmussen 10/11/17, Joan McMamara 6/8/17, Edna Bloomfield at 96 years old & Joan Griffin.

We celebrated 80th birthdays for Jeanette, Maureen, Margaret H, Rosemary & Inka with a box of chocolates presented by Vice President Sandra.

We look forward to hosting a State Event "Champion of Club Champion Singles" next year (2-5 July 2019) which is a first for Asquith Bowling Club.

Our Trading Table is run by Jan Benke with Thelma assisting. It is our main fund raiser for our Charity A/c where we sell food, plants, craft & donated articles.

Dell's knitting group meets the 2nd Wednesday of the month and donates beanies, dolls, scarves & blankets to various hospitals & charities.

After quite a few years the green fees have increased along with the cost of living which has caused some discussion and unrest. We voted on lunches and the vote was 46 in favour of keeping the lunch being sandwiches or salads. It is a good outcome as the members like to sit and chat after lunch is finished and even perhaps have coffee or a wine.

A big thank you to Anthony Ryan for his continued support to our ladies club with bowlo bucks, bottles of wine, morning tea requirements and non payment of green fees in some instances.

As Vice President Di says, join a bowling club and make a 100 new friends. In our later years in life you need friendship, exercise and good health to hopefully get to a good age like our dear member, Mary Power. Keep bowling and I'm sure we shall all get there.

Susanne Tully
President A. W. B. C.

