

Alstonville Plateau Bowls & Sports Club Limited

Directors' Report and Financial Statements

for the Year Ended 30 June 2011

Alstonville Plateau Bowls & Sports Club Limited
Directors' Report for the Year Ended 30 June 2011

The directors present their report and the audited financial statements of the company for the year ended 30 June 2011.

The directors who held office during the year were as follows:

- B. Wilson (appointed 26 September 2010)
- A. Meres
- A. Pollack
- P. Coulson (appointed 9 December 2010)
- A. Gear
- N. Heagney
- D. Lowien (appointed 9 December 2010)
- D. Backhouse (resigned 9 December 2010)
- J. Honey (resigned 9 December 2010)
- R. Moxey (resigned 26 September 2010)

OBJECTIVES

The Alstonville Plateau Bowls and Sports Club Limited objectives are:

- a) to promote and conduct the game of bowls and other such sports, games and amusements and entertainment and entertainers, pastimes and recreation indoor and outdoor as the Club may deem expedient;
- b) to purchase, lease or otherwise acquire and hold freehold or leasehold property or any easements right or privileges which the Club may think requisite for the purpose of or capable of being conveniently used in connection with any of the objectives of the Club;
- c) to construct, establish, provide, maintain and conduct playing area and grounds as the Club may determine and to construct, provide, establish, furnish and maintain club houses, pavilions and other buildings containing such amenities, conveniences and accommodation either residential or otherwise as the Club may from time to time determine;
- d) to construct, maintain and alter any buildings or works necessary or convenient for the purposes of the Club;
- e) any other objectives as listed in the Club's Constitution.

Alstonville Plateau Bowls & Sports Club Limited
Directors' Report for the Year Ended 30 June 2011

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PRINCIPAL ACTIVITIES

The Club endeavours to provide quality service, products and amenities to its members and their guests to ensure continual growth to membership subscriptions and to ensure it provides a continued family friendly atmosphere for its members and the community.

This is assisted through the clubs principal activities of supplying, maintaining and operating quality sporting facilities, operation of Bar, Poker Machines, KENO and TAB, and providing quality entertainment.

MEASUREMENT OF PERFORMANCE

The Club measures its performance using various key performance indicators which include financial tools to assist with identifying profit margins and measure performance against trends and benchmarks. Membership growth and members feedback on service, product and facilities is also used to measure performance in line with the Clubs short and long term objectives.

REAL PROPERTY

The core property of the Club as at the end of the financial year was the Club premises at 10-14 Deegan Drive, Alstonville, NSW, 2477. There was no non-core property held by the Club at the end of the financial year.

DIRECTORS

The qualifications, experience and special responsibilities of the company's directors are as follows:

	Qualifications	Experience	Special Responsibilities
B.Wilson	Retired Business Proprietor	Board member 5 years	Chairman
A. Meres	Retired Managing Director	Board member 8 years	Vice Chairman
A. Pollack	Laboratory Manager	Board member 2 years	Treasurer
P. Coulson	Retired Business Proprietor	Board member 4 years	
A. Gear	Business Manager	Board member 3 years	
N. Heagney	Retired Office Administrator	Board member 5 years	
D. Lowein	Retired School Teacher	Board member 1 year	

Alstonville Plateau Bowls & Sports Club Limited
Directors' Report for the Year Ended 30 June 2011

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MEETINGS OF DIRECTORS

During the financial year 19 meetings of directors were held.
Attendance's were:

	Number attended	Number eligible to attend
B. Wilson	15	15
A. Meres	17	19
A. Pollack	15	19
P. Coulson	10	11
A. Gear	17	19
N. Heagney	15	19
D. Lowien	11	11
D. Backhouse	7	8
J. Honey	6	7
R. Moxey	4	4

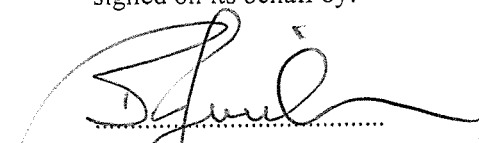
MEMBERS LIABILITY

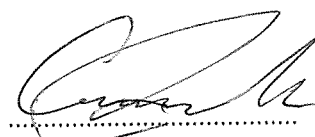
If the company is wound up, the articles of association state that each member of the Club is required to contribute a maximum of \$10 each toward meeting any outstanding obligations of the Club. At 30 June 2011 the maximum amount that members of the company would be liable to contribute if the company is wound up is \$17,440.

AUDITOR'S INDEPENDENCE DECLARATION

The directors received an independence declaration from the auditor of Alstonville Plateau Bowls & Sports Club Limited. A copy of the independence declaration is attached on page 4.

This report is made in accordance with a resolution of the Board of Directors on 11 August 2011 and signed on its behalf by:


.....
B. Wilson
Director


.....
A. Pollack
Director

Alstonville Plateau Bowls & Sports Club Limited

Auditor's Independence Declaration under section 307C of the Corporations Act 2001

11 August 2011

The Board of Directors
Alstonville Plateau Bowls and Sports Club Limited
Deegan Drive
ALSTONVILLE NSW 2477


This declaration is made in connection with our audit of the financial report of the Alstonville Plateau Bowls & Sports Club Limited for the year ended 30 June 2011 and in accordance with the provisions of the Corporations Act 2001.

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2011 there have been:

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

Yours faithfully,

WAPPETT & PARTNERS


Trevor W Graham
Partner



COVER OF
EXCELLENCE

Liability limited by a scheme approved under Professional Standards Legislation

PARTNERS

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G.J. Smith B.Bus., LL.B., C.A.
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S.I. Trustum B.Bus., C.A.
A. Bazzana B.Bus., C.A.

Alstonville Plateau Bowls & Sports Club Limited
Detailed Trading Statement for the Year Ended 30 June 2011

	2011 \$	2010 \$
Bar Trading		
Sales	551,949	585,483
Less Cost of Goods Sold		
Opening Stock	19,545	20,717
Purchases	253,435	250,932
	272,980	271,649
Closing Stock	21,264	19,544
Total	251,716	252,105
Gross Profit	300,233	333,378
	54.39%	56.94%
Less Direct Expenses		
Bar Repair, Replacements & Cleaning	15,245	11,010
Beer Gas	3,721	4,081
Capital Expenditure < \$1,000	246	874
Depreciation - Bar Plant & Equipment	5,660	5,928
Bar Wage Costs		
- Provision for Employee Benefits	2,262	(4,007)
- Superannuation	15,740	15,146
- Wages	178,570	184,132
- Workers Compensation Insurance	3,925	5,979
Total Direct Expenses	225,369	223,143
Gross Profit After Direct Expenses	74,864	110,235

The notes on pages 15 to 28 form an integral part of these financial statements.

Alstonville Plateau Bowls & Sports Club Limited
Detailed Trading Statement for the Year Ended 30 June 2011

	2011 \$	2010 \$
Catering Trading		
Catering Sales	3,681	8,987
Utilities Reimbursed	4,280	4,104
	7,961	13,091
Less Direct Expenses		
Capital Expenditure < \$1,000	491	-
Catering Purchases	2,502	10,370
Cleaning	1,828	1,017
Depreciation - Catering Equipment	6,270	5,774
Electricity	2,673	2,907
Repairs & Maintenance	3,437	1,361
	17,201	21,429
Total Direct Expenses	(9,240)	(8,338)
Gross Profit/(Loss) after Direct Expenses	(9,240)	(8,338)
Club Keno Trading		
Club Keno Sales	19,981	20,641
Less Direct Expenses		
Keno Depreciation	842	846
Keno Promotional Expenses	700	1,050
Keno Repairs and Maintenance	1,506	1,457
Keno Wage Costs		
- Provision for Employee Benefits	66	(52)
- Superannuation	460	442
- Wages	5,087	5,396
- Workers Compensation Insurance	167	125
	8,828	9,264
Total Direct Expenses	(9,240)	(8,338)
Gross Profit After Direct Expenses	11,153	11,377

The notes on pages 15 to 28 form an integral part of these financial statements.

Alstonville Plateau Bowls & Sports Club Limited
Detailed Trading Statement for the Year Ended 30 June 2011

	2011	2010
	\$	\$
Poker Machine Trading		
Poker Machine Revenue	446,946	462,644
Poker Machine GST Compensation Received	17,180	17,180
	464,126	479,824
Less Direct Expenses		
Data Monitoring Services	8,706	8,488
Poker Machine Depreciation	20,895	25,592
Repairs & Maintenance	5,763	5,069
Poker Machine Wage Costs		
- Provision for Employee Benefits	266	(206)
- Superannuation	1,839	1,769
- Wages	21,215	21,582
- Workers Compensation Insurance	667	498
Total Direct Expenses	59,351	62,792
Gross Profit After Direct Expenses	404,775	417,032
TAB Trading		
TAB Commission	6,814	3,578
Less Direct Expenses		
Sky Channel	15,750	12,978
TAB Wage Costs		
- Provision for Employee Benefits	66	(52)
- Superannuation	460	442
- Wages	5,087	5,396
- Workers Compensation Insurance	167	125
Total Direct Expenses	21,530	18,889
Gross Profit After Direct Expenses	(14,716)	(15,311)

The notes on pages 15 to 28 form an integral part of these financial statements.

Alstonville Plateau Bowls & Sports Club Limited
Detailed Trading Statement for the Year Ended 30 June 2011

	2011	2010
	\$	\$
Greens Trading		
Greens Maintenance Donation	34,358	39,663
	<u>34,358</u>	<u>39,663</u>
 Less Direct Expenses		
Electricity	1,279	1,023
Maintenance - Greens	19,616	16,485
Greens Wage Costs		
- Provision for Employee Benefits	5,679	2,895
- Superannuation	6,842	6,309
- Wages	77,786	73,852
- Workers Compensation Insurance	2,424	2,393
Total Direct Expenses	<u>113,626</u>	<u>102,957</u>
Gross Profit/(Loss) after Direct Expenses	<u>(79,268)</u>	<u>(63,294)</u>

The notes on pages 15 to 28 form an integral part of these financial statements.

Alstonville Plateau Bowls & Sports Club Limited

Detailed Profit and Loss Statement for the Year Ended 30 June 2011

	2011	2010
	\$	\$
Income		
Income from Bar Trading	74,863	110,236
Income from Catering Trading	(9,239)	(8,338)
Income from Club Keno Trading	11,153	11,377
Income from Poker Machine Trading	404,776	417,032
Income from TAB Trading	(14,717)	(15,311)
Income from Greens Trading	(79,267)	(63,294)
Advertising Income	218	218
Commissions Received	7,069	7,216
Donations Received	3,547	2,000
Members Entertainment Income	2,303	10,538
Members Subscriptions	19,320	19,812
Insurance Refund	8,524	-
Interest Received	26,105	22,807
Raffle Income	46,022	49,784
Profit on sale of non-current assets	-	11,000
Sponsorship Received	3,164	2,287
Sundry Income	9,522	7,122
Vending Machine Income	6,655	7,166
	<u>520,018</u>	<u>591,652</u>
 Expenditure		
Accountancy Fees	6,760	6,500
Advertising	17,622	19,077
Affiliation Fees	9,605	10,322
Audit Fees	9,760	9,400
Bank Charges	8,414	1,699
Capital Expenditure < \$1,000	1,449	1,643
Cleaning	12,511	13,266
Computer Expenses	-	55
Consultancy Fees	2,360	500
Directors' Expenses	5,436	5,458
Donations	6,210	5,570
Insurance	24,347	26,892
Light & Power	40,676	40,253
Loss on Sale of Non-Current Asset	8,154	532
Members Entertainment & Amenities	24,410	44,094
Maintenance - House	4,229	9,460
Maintenance - Plant & Buildings	-	1,413

The notes on pages 15 to 28 form an integral part of these financial statements.

Alstonville Plateau Bowls & Sports Club Limited

Detailed Profit and Loss Statement for the Year Ended 30 June 2011

Merchandise Expenses	743	562
Plant Hire	791	1,582
Raffle Expenses	47,619	44,010
Rates	17,274	16,234
Rent	886	-
Security	11,870	11,314
Sponsorship	1,300	3,438
Staff Amenities	1,372	1,368
Staff & Directors Training	1,550	5,804
Staff Uniforms	422	1,186
Stationery, Printing & Postage	9,404	13,408
Subscriptions & Licences	11,349	13,330
Sundry Expenses	5,703	3,960
Telephone	9,886	9,315
Travelling Expenses	-	1,379
Under/(Over) Banking	(243)	226
Vending Machine Expenses	2,999	6,762
Waste Disposal	7,112	6,197
Interest Paid	4,793	1,365
Amortisation Expense	2,816	2,607
Depreciation - Buildings	18,170	17,934
Depreciation - Plant and Furnishings	33,048	34,838
Administration - Provision for Employee Benefits	(5,345)	8,320
Administration - Superannuation	10,464	9,440
Administration - Wages	118,398	106,729
Administration - Workers Compensation Insurance	3,030	5,754
	497,354	523,196
Operating Profit/(Loss) for the year	22,664	68,456
Profit/(Loss) from Sub Entities	3,282	(2,542)
Profit/(Loss) for the year	25,946	65,914

The notes on pages 15 to 28 form an integral part of these financial statements.

Alstonville Plateau Bowls & Sports Club Limited
Statement of Comprehensive Income for the Year Ended 30 June 2011

	2011	2010
	\$	\$
Revenue from ordinary activities (note 2)	1,316,573	1,400,230
Expenses from ordinary activities, excluding finance costs and depreciation (note 3)	(1,198,133)	(1,239,432)
Profit/(loss) from ordinary activities before depreciation, finance costs and income tax expense	<u>118,440</u>	<u>160,798</u>
Finance costs expense (note 3)	(4,793)	(1,365)
Depreciation expense (note 3)	(87,701)	(93,519)
Profit before income tax	<u><u>25,946</u></u>	<u><u>65,914</u></u>
Income tax expense relating to ordinary activities (note 1)	-	-
Profit/(loss) after income tax	<u><u>25,946</u></u>	<u><u>65,914</u></u>

The notes on pages 15 to 28 form an integral part of these financial statements.

Alstonville Plateau Bowls & Sports Club Limited
Statement of Financial Position as at 30 June 2011

		2011	2010
	Note	\$	\$
Assets			
Current Assets			
Cash and cash equivalents	4	360,849	168,774
Trade and other receivables	6	34,094	27,266
Inventories	7	24,690	22,037
Financial assets	5	28,587	457,836
Total Current Assets		<u>448,220</u>	<u>675,913</u>
Non Current Assets			
Property, plant and equipment	8	<u>1,271,860</u>	<u>784,864</u>
Total Assets		<u><u>1,720,080</u></u>	<u><u>1,460,777</u></u>
Current Liabilities			
Trade and other payables	9	116,604	66,068
Financial liabilities	11	31,843	13,392
Other liabilities	10	19,682	20,375
Provisions	12	38,241	33,519
Total Current Liabilities		<u>206,370</u>	<u>133,354</u>
Non Current Liabilities			
Financial liabilities	11	187,985	25,916
Provisions	12	4,934	6,662
Total Non Current Liabilities		<u>192,919</u>	<u>32,578</u>
Total Liabilities		<u><u>399,289</u></u>	<u><u>165,932</u></u>
Net assets		<u><u>1,320,791</u></u>	<u><u>1,294,845</u></u>
Equity			
Retained earnings		<u>1,320,791</u>	<u>1,294,845</u>
Total Equity		<u><u>1,320,791</u></u>	<u><u>1,294,845</u></u>

The notes on pages 15 to 28 form an integral part of these financial statements.

Alstonville Plateau Bowls & Sports Club Limited
Statement of Changes in Equity for the Year Ended 30 June 2011

	Note	2011 \$	2010 \$
Total Equity at the beginning of the financial year		1,294,845	1,228,931
Profit/(Loss) from ordinary activities after income tax		25,946	65,914
Total Equity at the end of the financial year	13	<u><u>1,320,791</u></u>	<u><u>1,294,845</u></u>

The notes on pages 15 to 28 form an integral part of these financial statements.

Alstonville Plateau Bowls & Sports Club Limited
Statement of Cash Flows for the Year Ended 30 June 2011

	Note	2011 \$	2010 \$
Cash Flows From Operating Activities			
Cash receipts in the course of operations		1,401,441	1,472,961
Cash payments in the course of operations		(1,317,876)	(1,357,199)
Interest received		29,844	23,106
Interest paid		<u>(3,725)</u>	<u>(1,365)</u>
Net cash provided by/(used in) operating activities	15(b)	<u>109,684</u>	<u>137,503</u>
Cash Flows From Investing Activities			
Proceeds on sale of property, plant and equipment		110	-
Payments for property, plant and equipment		(520,155)	(60,507)
Additional funds invested		-	(180,000)
Funds Withdrawn from investment		<u>430,000</u>	<u>9,258</u>
Net cash provided by/(used in) investing activities		<u>(90,045)</u>	<u>(231,249)</u>
Cash Flows From Financing Activities			
Proceeds on loan advances		186,141	-
Repayment of loan		(313)	-
Repayment of lease liabilities		<u>(13,392)</u>	<u>(15,478)</u>
Net cash provided by/(used in) financing activities		<u>172,436</u>	<u>(15,478)</u>
Net increase/(decrease) in cash held		192,075	(109,224)
Cash at the beginning of the financial year		<u>168,774</u>	<u>277,998</u>
Cash at the end of the financial year	15(a)	<u>360,849</u>	<u>168,774</u>

The notes on pages 15 to 28 form an integral part of these financial statements.

Alstonville Plateau Bowls & Sports Club Limited
Notes to the Financial Statements for the Year Ended 30 June 2011

Note 1: Statement of Significant Accounting policies

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, and other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (AIFRSs).

Historical Cost Convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss and certain classes of property, plant and equipment.

Critical Accounting Estimates

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions or estimates are significant to the financial statements are disclosed in note 1m.

a. **Revenue**

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

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

b. **Inventories**

Inventories on hand consist of beer, wines, spirits, cordials, cigarettes, food and other items purchased for resale.

Inventories are measured at the lower of cost and net realisable value using the first in first out method of assigning costs.

Alstonville Plateau Bowls & Sports Club Limited
Notes to the Financial Statements for the Year Ended 30 June 2011

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c. Property, Plant and Equipment

Plant and equipment are carried at cost less, where applicable, any accumulated depreciation or amortisation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation

Depreciation on plant and equipment is calculated using the straight line or diminishing value method to allocate their cost, net of their residual values, over their estimated useful lives, as follows:

Clubhouse Buildings	- up to 50 years
Floor Coverings	- up to 4 years
Fixtures & Fittings	- up to 15 years
Plant & Equipment	- up to 15 years
Poker Machines	- 5 years

d. Financial Instruments

Recognition

The company classifies its investments in the following categories: loans and receivables, held-to-maturity investments and available-for-sale financial assets. Management determines the classification of its investments at initial recognition and re-evaluates this designation at each reporting date.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the company provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets as receivables in the balance sheet (note 6).

Held-to-maturity Investments

These investments have fixed maturities, and it is the Company's intention to hold these investments to maturity. Any held-to-maturity investments held by the Company are stated at amortised cost using the effective interest rate method.

Alstonville Plateau Bowls & Sports Club Limited

Notes to the Financial Statements for the Year Ended 30 June 2011

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Available-for-sale financial assets

Are non-derivative financial assets that are either designated as available-for-sale or are not classified as financial assets at fair value through profit and loss, held-to-maturity investments or loans and receivables.

Available-for-sale financial assets are carried at fair value. Loans and receivables are carried at amortised cost using the effective interest method.

Financial Liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Impairment

At each reporting date, the entity assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

e. Impairment of Assets

Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which an asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's net selling price and its value in use which is based on the depreciated replacement cost of the asset.

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.

f. Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related oncosts. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

g. 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 three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

Alstonville Plateau Bowls & Sports Club Limited

Notes to the Financial Statements for the Year Ended 30 June 2011

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h. **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 Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

i. **Borrowing Costs**

All borrowing costs are recognised in income in the period in which they are incurred.

j. **Income Tax**

The company has been granted exemption from income tax under the Income Tax Assessment Act.

k. **Intangibles**

Intangible assets include poker machine licences, which were previously granted to the entity. Intangible assets are required to be recognised under Accounting Standard AASB 138 Intangible Assets at fair value. The fair value of these licences cannot be reliably measured at the date of the grant of the licence. The company has therefore not assigned a value to the intangible assets in the balance sheet.

l. **Sub Entity Clubs**

The financial report includes the results of the Sub Entity bowling and social clubs.

m. **Critical accounting estimates and judgments**

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

Key estimates: Impairment

The company assesses impairment at each reporting date by evaluating conditions specific to the Company that may lead to the impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

n. **New Accounting Standards for Application in Future Periods**

The AASB has issued new, revised and amended standards and interpretations that have mandatory application dates for future reporting periods. The company has decided against early adoption of these standards. The new accounting standards are not expected to have a material effect on the financial statements of the company.

Alstonville Plateau Bowls & Sports Club Limited
Notes to the Financial Statements for the Year Ended 30 June 2011

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2 Revenues from Ordinary Activities

	2011	2010
	\$	\$
Sales revenue	555,630	594,470
<i>Other Operating Revenue</i>		
Poker machine revenue	464,126	479,824
Club Keno commission	19,981	20,641
TAB commission	6,814	3,578
Greens Maintenance Donation	34,358	39,663
Profit on Sale of Non-Current Assets	-	11,000
Interest received	26,105	22,807
Members Subscriptions	19,321	19,812
Raffle Income	46,022	49,784
Sub Entities Income	98,935	118,000
Other revenue	45,281	40,651
Total	<u>1,316,573</u>	<u>1,400,230</u>

3 Expenses from Ordinary Activities

Cost of Sales	254,218	262,475
Depreciation & Amortisation	87,701	93,519
Salaries & wages and related costs	452,327	445,510
Finance Costs	4,792	1,365
Insurance	24,347	26,893
Light & Power	44,628	44,183
Loss on sale of non-current asset	8,154	532
Provision for employee benefits	2,994	6,897
Raffle Expenses	47,619	44,010
Repairs & Maintenance	49,796	46,255
Sub Entities Expenses	95,653	120,542
Auditor's remuneration		
- Auditing financial report	9,760	9,400
- Accounting services	3,275	3,150
- Financial Report assistance	3,275	3,150
- Other Services	210	200
Other expenses from ordinary activities	201,878	226,235
Total	<u>1,290,627</u>	<u>1,334,316</u>

Alstonville Plateau Bowls & Sports Club Limited

Notes to the Financial Statements for the Year Ended 30 June 2011

..... *continued*

4 Cash and cash equivalents

	2011	2010
	\$	\$
CURRENT		
Cash at Bank	293,023	114,130
Cash at Bank - Sub Entities	19,507	16,976
Cash on Hand	48,319	37,668
	<u>360,849</u>	<u>168,774</u>

5 Financial assets

		2011	2010
		\$	\$
CURRENT			
Available-for-sale financial assets	(5a)	10	10
Held-to-maturity financial assets	(5b)	28,577	457,826
		<u>28,587</u>	<u>457,836</u>
a. Available-for-sale financial assets			
Shares - Summerland Credit Union		10	10
		<u>10</u>	<u>10</u>
b. Held-to-maturity financial assets			
Held-to-Maturity Term Deposits - Club Ltd		5,000	435,000
Held-to-Maturity Term Deposit - Mens		15,078	14,327
Held-to-Maturity Term Deposit - Womens		8,499	8,499
		<u>28,577</u>	<u>457,826</u>

6 Trade and other receivables

	2011	2010
	\$	\$
CURRENT		
Trade debtors	30,747	11,099
Prepayments	3,347	11,677
Accrued income	-	4,490
	<u>34,094</u>	<u>27,266</u>

Alstonville Plateau Bowls & Sports Club Limited

Notes to the Financial Statements for the Year Ended 30 June 2011

..... *continued*

7 Inventories

	2011	2010
	\$	\$
CURRENT		
Trading Stock - at cost	<u>24,690</u>	<u>22,037</u>

8 Property, Plant and Equipment

	2011	2010
	\$	\$
Freehold Land - at cost	1,093	1,093
Buildings - at cost	1,237,797	743,758
Less accumulated depreciation	<u>(301,876)</u>	<u>(284,595)</u>
	935,921	459,163
Greens, surrounds & road construction - at cost	118,135	118,135
Less accumulated depreciation	<u>(14,329)</u>	<u>(11,513)</u>
	103,806	106,622
Poker machines - at cost	294,150	294,150
Less accumulated depreciation	<u>(254,606)</u>	<u>(233,711)</u>
	39,544	60,439
Plant and equipment - at cost	556,455	607,761
Less accumulated depreciation	<u>(423,538)</u>	<u>(481,380)</u>
	132,917	126,381
Carpets - at cost	4,749	22,423
Less accumulated depreciation	<u>(4,387)</u>	<u>(21,900)</u>
	362	523
Furniture & Fittings - at cost	87,611	83,344
Less accumulated depreciation	<u>(29,394)</u>	<u>(52,701)</u>
	58,217	30,643
Total Property, Plant and Equipment	<u><u>1,271,860</u></u>	<u><u>784,864</u></u>

Alstonville Plateau Bowls & Sports Club Limited

Notes to the Financial Statements for the Year Ended 30 June 2011

..... *continued*

Movement in Carrying Amounts

Movements in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

2011	Land and Buildings	Greens, Surrounds & Road Construction	Poker Machines	Plant, Equipment , Furniture & Fittings	Total
\$	\$	\$	\$	\$	\$
Balance at the beginning of the year	460,256	106,622	60,439	157,547	784,864
Additions at cost	496,758	-	-	86,202	582,960
Disposals	(1,830)	-	-	(6,433)	(8,263)
Depreciation	(18,171)	(2,816)	(20,895)	(45,819)	(87,701)
Carrying amount at end of year	<u>937,013</u>	<u>103,806</u>	<u>39,544</u>	<u>191,497</u>	<u>1,271,860</u>

The company's land and buildings were independently assessed by valuers Allsopp and Associates Pty Ltd on 20 April 2006 to have a replacement cost of \$3,730,000.

9 Trade and other payables

	2011 \$	2010 \$
CURRENT		
Trade creditors	104,817	44,495
GST Payable	-	8,471
Accrued Expenses	11,787	13,102
	<u>116,604</u>	<u>66,068</u>

10 Other Liabilities

	2011 \$	2010 \$
Subscriptions in Advance	19,557	19,950
Other Income in Advance	125	425
	<u>19,682</u>	<u>20,375</u>

Alstonville Plateau Bowls & Sports Club Limited
Notes to the Financial Statements for the Year Ended 30 June 2011

..... continued

11 Financial Liabilities

	2011	2010
	\$	\$
CURRENT		
Lease Liabilities	14,969	13,392
Loan - Summerland Credit Union	16,874	-
	<u>31,843</u>	<u>13,392</u>
NON CURRENT		
Lease Liabilities	10,947	25,916
Loan - Summerland Credit Union	177,038	-
	<u>187,985</u>	<u>25,916</u>
	<u>219,828</u>	<u>39,308</u>

12 Provisions

	2011	2010
	\$	\$
CURRENT		
Provision for Employee Benefits	<u>38,241</u>	<u>33,519</u>
NON CURRENT		
Provision for Employee Benefits	<u>4,934</u>	<u>6,662</u>
	<u>43,175</u>	<u>40,181</u>

Alstonville Plateau Bowls & Sports Club Limited
Notes to the Financial Statements for the Year Ended 30 June 2011

..... *continued*

The movement in Provision for Employee Benefits for the year was as follows:

	2011	2010
	\$	\$
Opening Balance	40,181	33,283
Plus Amounts Provided for	2,994	6,898
Closing Balance	<u>43,175</u>	<u>40,181</u>
a) Aggregate Employee Benefits	46,889	42,515

The aggregated employee benefits liability above includes amounts for wages and salaries, annual leave, long service leave and sick leave accrued as at 30 June 2011.

13 Retained Profits/Equity

	2011	2010
	\$	\$
Net Profit/(Loss)	25,946	65,914
Retained profits at the beginning of the financial year	1,294,845	1,228,931
Retained profits at the end of the financial year	<u>1,320,791</u>	<u>1,294,845</u>

14 Commitments for Expenditure

At the end of the financial year the Club was in the process of undertaking renovations. The total budgeted cost of these renovations was \$833,807 (excluding GST). At 30 June 2011, the total costs incurred in relation to the renovations were \$526,173 (excluding GST).

The above amounts include a building contract with Greg Clark Building of \$597,100 (excluding GST). At 30 June 2011, \$200,426 (excluding GST) of the building contract with Greg Clark Building remained unpaid. This amount is expected to be paid within the next 12 months.

Finance Lease Commitments

	2011	2010
	\$	\$
Payable		
- Not later than one year	17,116	17,116
- Later than 1 year but not later than 5 years	11,411	28,528
Minimum Lease Payments	<u>28,527</u>	<u>45,644</u>
Less Future Finance Charges	<u>(2,611)</u>	<u>(6,336)</u>
Total Lease Liability	<u>25,916</u>	<u>39,308</u>

Alstonville Plateau Bowls & Sports Club Limited

Notes to the Financial Statements for the Year Ended 30 June 2011

..... continued

15 Notes to the Cash Flow Statement

(a) RECONCILIATION OF CASH

For the purposes of the Cash Flow Statement, cash includes cash on hand and at bank and short-term deposits at call, net of outstanding bank overdrafts. Cash as at the end of the financial year as shown in the Cash Flow Statement is reconciled to the related items in the balance sheet as follows:

	Note	2011 \$	2010 \$
Cash at Bank and on Hand	4	360,850	168,774
		360,850	168,774

(b) RECONCILIATION OF OPERATING PROFIT AFTER INCOME TAX TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Operating profit/(loss) after income tax	25,946	65,914
Add/(less) non-cash items:		
Loss on sale of non-current assets	8,154	532
Profit sale of non-current assets	-	(11,000)
Depreciation	87,701	93,519
Provision for employee benefits	2,994	6,897
Loan establishment costs and loan interest	8,083	-
Interest reinvested on term deposit	(751)	-
Net cash provided by operating activities before changes in assets and liabilities	132,127	155,862
Changes in assets & liabilities:		
(Increase)/decrease in Trade and Other Receivables	18,177	(14,789)
(Increase)/decrease in Inventories	(2,653)	719
(Decrease)/increase in Trade and Other Payables	(37,275)	(4,239)
(Decrease)/increase in Other Liabilities	(692)	(50)
Net cash provided by Operating Activities	109,684	137,503

(c) FINANCING ACTIVITIES

	2011 \$	2010 \$
Loan facility	480,000	-
Amount utilised	(193,911)	-
Unused loan facility	286,089	-

Alstonville Plateau Bowls & Sports Club Limited
Notes to the Financial Statements for the Year Ended 30 June 2011

..... *continued*

16 Financial Risk Management

The company's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable. The company does not use derivative financial instruments.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Weighted Average Interest Rate	2011 \$	2010 \$
Financial Assets			
Cash at Bank	4.60%	312,531	131,106
Trade and other receivables	-	34,093	27,266
Available-for-sale financial assets			
- Shares in Summerland Credit Union	-	10	10
- Held-to-maturity Term Deposit - Club Ltd (due within 12 months)	-	5,000	435,000
- Held-to-maturity Term Deposit - Mens (due within 12 months)	5.15%	15,078	14,327
- Held-to-maturity Term Deposit - Womens (due within 12 months)	5.15%	8,499	8,499
		<u>375,211</u>	<u>616,208</u>
Financial Liabilities			
Trade and other payables	-	116,604	66,068
Lease Liabilities (due within 3 years)	11.19%	25,916	39,308
Loan - Summerland Credit Union (due within 15 years)	8.20%	193,911	-
		<u>336,431</u>	<u>105,376</u>

Alstonville Plateau Bowls & Sports Club Limited

Notes to the Financial Statements for the Year Ended 30 June 2011

..... *continued*

The main risks the company is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

Interest rate risk

The company's interest rate exposure is limited to the amounts invested at bank and in fixed term deposits. The interest rates change in line with changes in market rates. It is expected that an interest rate increase of 1% at balance date would have increased profit and equity by \$1,422 (2010: increase of \$5,382). A decrease in rates of 1% would have decreased profit and equity by \$912 (2010: decrease of \$5,382).

Foreign currency risk

The company is not exposed to fluctuations in foreign currencies.

Liquidity risk

The company manages liquidity risk by monitoring forecast cash flows and ensuring that adequate cash balances are maintained.

17 Events occurring after the Balance Sheet Date

There have been no events that have occurred after the balance sheet date which require adjustment or disclosure in the financial statements.

The Board of Directors of Alstonville Plateau Bowls & Sports Club Limited have authorised the issue of this financial report on 11 August 2011.

18 Key Management Personnel Compensation

Key Management Personnel

Directors

B. Wilson (appointed 26 September 2010)
A. Meres
A. Pollack
P. Coulson (appointed 9 December 2010)
A. Gear
N. Heagney
D. Lowien (appointed 9 December 2010)
J. Honey (resigned 9 December 2010)
D. Backhouse (resigned 9 December 2010)
R. Moxey (resigned 26 September 2010)

Secretary Manager

M. Brooke
S. Jones (acting secretary manager 4 October 2010 to 31 March 2011)

Alstonville Plateau Bowls & Sports Club Limited

Notes to the Financial Statements for the Year Ended 30 June 2011

..... *continued*

Key Management Personnel Compensation

	Short-term benefits	Post- Employment Benefits	Total
	\$	\$	\$
2011			
Total compensation	95,434	7,901	103,335
2010			
Total compensation	85,918	7,169	93,087

19 Related parties

Related party transactions

From time to time the directors of the company, or director-related entities may purchase/supply goods or services from/to the company. These purchases/ supplies are on the same terms and conditions as those entered into by other company employees, members, customers or suppliers.

20 Company Information

The company is a company limited by guarantee and incorporated in Australia. The registered office and principal place of business of the company is 10-14 Deegan Drive, Alstonville, NSW, 2477. If the company is wound up, the articles of association state that each member is required to contribute a maximum of \$10 each toward meeting any outstanding obligations of the Club. At 30 June 2011 the number of members was 1,744 (2009 - 1,782).

21 Segment Reporting

Alstonville Plateau Bowls & Sports Club Limited operates in one business and geographical segment being in the Registered Club industry in North Eastern New South Wales.

22 Sub Entities Profit/(Loss)

	2011	2010
	\$	\$
Mens Bowling Club	3,399	(6,354)
Womens Bowling Club	862	2,423
Mixed Bowling Club	(842)	825
Social Golf Club	(137)	564
Total	3,282	(2,542)

23 Securities

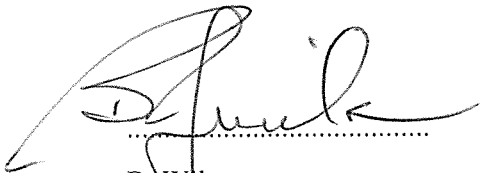
A registered first mortgage over the land and buildings of Alstonville Plateau Bowls and Sports Club Limited is held by the Summerland Credit Union to secure the company's loan facility of \$480,000.

Alstonville Plateau Bowls & Sports Club Limited
Director's Declaration

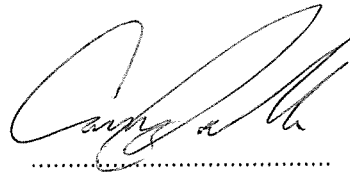
The directors of the company declare that:

1. The financial statements and notes, as set out on pages 11 to 28, are in accordance with the Corporations Act 2001 and;
 - a. comply with Accounting Standards and the Corporations Act 2001; and
 - b. give a true and fair view of the financial position as at 30 June 2011 and of the performance for the year ended on that date of the company.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors on 11 August 2011 and signed on its behalf by:



B. Wilson
Director



A. Pollack
Director

**Independent Audit Report to the members of
Alstonville Plateau Bowls & Sports Club Limited**

Report on the financial report

We have audited the accompanying financial report of Alstonville Plateau Bowls & Sports Club Limited, which comprises the statement of financial position as at 30 June 2011, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration.

Directors' responsibility for the financial report

The Directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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



**COVER OF
EXCELLENCE**

Liability limited by a scheme approved under Professional Standards Legislation

PARTNERS

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G.J. Smith B.Bus., LLB., C.A.
T.W. Graham B.Bus., C.A., FFin.
A.M. Jones B.Bus., C.P.A.
S.I. Trustum B.Bus., C.A.
A. Bazzana B.Bus., C.A.

**Independent Audit Report to the members of
Alstonville Plateau Bowls & Sports Club Limited**

Independence

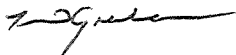
In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

Auditor's Opinion

In our opinion, the financial report of Alstonville Plateau Bowls & Sports 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 2011 and of its performance for the year ended on that date; and
- ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

Wappett & Partners
Chartered Accountants



Trevor Graham - Partner
Registered Company Auditor

11 August 2011



COVER OF
EXCELLENCE

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PARTNERS

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