

# Alstonville Plateau Bowls & Sports Club Limited

Directors' Report and Financial Statements

for the Year Ended 30 June 2012

**Alstonville Plateau Bowls & Sports Club Limited**  
**Directors' Report for the Year Ended 30 June 2012**

The directors present their report and the audited financial statements of the company for the year ended 30 June 2012.

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

- A. Meres
- P. Coulson
- B. Wilson
- D. Brown (appointed 25 September 2011)
- D. Johnston (appointed 25 September 2011)
- D. Lowien (resigned 25 September 2011)
- D. Lowien (appointed 12 December 2011)
- A. Orchard (appointed 25 September 2011)
- A. Gear (resigned 12 December 2011)
- N. Heagney (resigned 25 September 2011)
- A. Pollack (resigned 25 September 2011)

**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 2012**

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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:

	<b>Qualifications</b>	<b>Experience</b>	<b>Special Responsibilities</b>
A. Meres	Retired Managing Director	Board member 9 years	Chairman
P. Coulson	Retired Business Proprietor	Board member 5 years	Vice Chairman
B. Wilson	Retired Business Proprietor	Board member 6 years	Treasurer
D. Brown	Business Proprietor	Board member 1 year	
D. Johnston	Retired Farmer & Transport Operator	Board member 5 years	
D. Lowein	Retired School Teacher	Board member 2 years	
A. Orchard	Retired Sub Contractor	Board member 1 year	

**Alstonville Plateau Bowls & Sports Club Limited**  
**Directors' Report for the Year Ended 30 June 2012**

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**MEETINGS OF DIRECTORS**

During the financial year 14 meetings of directors were held.  
Attendance's were:

	Number attended	Number eligible to attend
A. Meres	14	14
P. Coulson	14	14
B. Wilson	13	14
D. Brown	8	11
D. Johnston	10	11
D. Lowien	10	10
A. Orchard	11	11
A. Pollack	2	3
A. Gear	6	7
N. Heagney	2	3

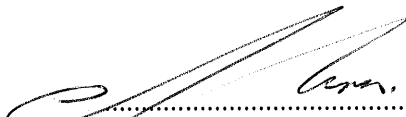
**MEMBERS LIABILITY**

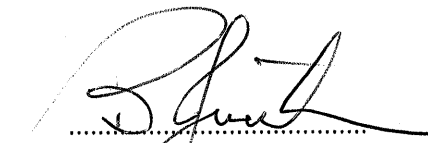
If the company is wound up, the articles of association state that each member of the Club is required to contribute a maximum of \$10 each toward meeting any outstanding obligations of the Club. At 30 June 2012 the maximum amount that members of the company would be liable to contribute if the company is wound up is \$21,210.

**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 7 August 2012 and signed on its behalf by:

  
.....  
A. Meres  
Director

  
.....  
B. Wilson  
Director

**Alstonville Plateau Bowls & Sports Club Limited**

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

7 August 2012

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 2012 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 2012 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



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.

**Alstonville Plateau Bowls & Sports Club Limited**  
**Detailed Trading Statement for the Year Ended 30 June 2012**

	2012	2011
	\$	\$
<b>Bar Trading</b>		
Sales	638,648	551,949
<b>Less Cost of Goods Sold</b>		
Opening Stock	21,264	19,545
Purchases	271,769	253,435
	<u>293,033</u>	<u>272,980</u>
Closing Stock	22,021	21,264
Total	<u>271,012</u>	<u>251,716</u>
<b>Gross Profit</b>	<u>367,636</u>	<u>300,233</u>
	57.56%	54.39%
<b>Less Direct Expenses</b>		
Bar Repair, Replacements & Cleaning	7,165	15,245
Beer Gas	4,240	3,721
Capital Expenditure < \$1,000	-	246
Depreciation - Bar Plant & Equipment	5,098	5,660
Bar Wage Costs		
- Provision for Employee Benefits	3,939	2,262
- Superannuation	17,164	15,740
- Wages	196,369	178,570
- Workers Compensation Insurance	4,699	3,925
<b>Total Direct Expenses</b>	<u>238,674</u>	<u>225,369</u>
<b>Gross Profit After Direct Expenses</b>	<u>128,962</u>	<u>74,864</u>

The notes on pages 15 to 29 form an integral part of these financial statements.

**Alstonville Plateau Bowls & Sports Club Limited**  
**Detailed Trading Statement for the Year Ended 30 June 2012**

	2012	2011
	\$	\$
<b>Catering Trading</b>		
Catering Sales	26,715	3,681
Utilities Reimbursed	26,264	4,280
	52,979	7,961
<b>Less Direct Expenses</b>		
Capital Expenditure < \$1,000	581	491
Catering Purchases	28,765	2,502
Cleaning	2,365	1,828
Depreciation - Catering Equipment	8,133	6,270
Electricity	6,038	2,673
Repairs & Maintenance	1,074	3,437
<b>Total Direct Expenses</b>	46,956	17,201
<b>Gross Profit/(Loss) after Direct Expenses</b>	6,023	(9,240)
<b>Club Keno Trading</b>		
Club Keno Sales	19,350	19,981
<b>Less Direct Expenses</b>		
Keno Depreciation	839	842
Keno Promotional Expenses	1,298	700
Keno Repairs and Maintenance	1,534	1,506
Keno Wage Costs		
- Provision for Employee Benefits	116	66
- Superannuation	505	460
- Wages	5,786	5,087
- Workers Compensation Insurance	214	167
<b>Total Direct Expenses</b>	10,292	8,828
<b>Gross Profit After Direct Expenses</b>	9,058	11,153

The notes on pages 15 to 29 form an integral part of these financial statements.

**Alstonville Plateau Bowls & Sports Club Limited**  
**Detailed Trading Statement for the Year Ended 30 June 2012**

	2012	2011
	\$	\$
<b>Poker Machine Trading</b>		
Poker Machine Revenue	507,714	446,946
Poker Machine GST Compensation Received	17,180	17,180
	<u>524,894</u>	<u>464,126</u>
<b>Less Direct Expenses</b>		
Data Monitoring Services	8,990	8,706
Poker Machine Depreciation	21,105	20,895
Repairs & Maintenance	5,605	5,763
Poker Machine Wage Costs		
- Provision for Employee Benefits	463	266
- Superannuation	2,016	1,839
- Wages	23,020	21,215
- Workers Compensation Insurance	858	667
<b>Total Direct Expenses</b>	<u>62,057</u>	<u>59,351</u>
<b>Gross Profit After Direct Expenses</b>	<u>462,837</u>	<u>404,775</u>
<b>TAB Trading</b>		
TAB Commission	11,053	6,814
<b>Less Direct Expenses</b>		
Sky Channel	13,997	15,750
TAB Wage Costs		
- Provision for Employee Benefits	116	66
- Superannuation	505	460
- Wages	5,785	5,087
- Workers Compensation Insurance	215	167
<b>Total Direct Expenses</b>	<u>20,618</u>	<u>21,530</u>
<b>Gross Profit After Direct Expenses</b>	<u>(9,565)</u>	<u>(14,716)</u>

The notes on pages 15 to 29 form an integral part of these financial statements.



**Alstonville Plateau Bowls & Sports Club Limited**  
**Detailed Trading Statement for the Year Ended 30 June 2012**

	<b>2012</b>	<b>2011</b>
	\$	\$
<b>Greens Trading</b>		
Greens Maintenance Donation	35,791	34,358
	<u>35,791</u>	<u>34,358</u>
 <b>Less Direct Expenses</b>		
Electricity	1,590	1,279
Maintenance - Greens	18,866	19,616
Greens Wage Costs		
- Provision for Employee Benefits	(3,890)	5,679
- Superannuation	7,175	6,842
- Wages	84,110	77,786
- Workers Compensation Insurance	3,120	2,424
	<u>110,971</u>	<u>113,626</u>
<b>Total Direct Expenses</b>		
	<u>110,971</u>	<u>113,626</u>
<b>Gross Profit/(Loss) after Direct Expenses</b>	<u>(75,180)</u>	<u>(79,268)</u>

The notes on pages 15 to 29 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 2012**

	2012	2011
	\$	\$
<b>Income</b>		
Income from Bar Trading	128,964	74,863
Income from Catering Trading	6,022	(9,239)
Income from Club Keno Trading	9,059	11,153
Income from Poker Machine Trading	462,837	404,776
Income from TAB Trading	(9,566)	(14,717)
Income from Greens Trading	(75,181)	(79,267)
Advertising Income	218	218
Commissions Received	9,543	7,069
Donations Received	1,964	3,547
Members Entertainment Income	3,949	2,303
Members Subscriptions	19,494	19,320
Insurance Refund	-	8,524
Interest Received	11,508	26,105
Raffle Income	50,357	46,022
Social Group Income	2,935	-
Sponsorship Received	4,486	3,164
Sundry Income	7,104	9,522
Vending Machine Income	8,389	6,655
Wage Subsidy Received	2,598	-
	644,680	520,018
<b>Expenditure</b>		
Accountancy Fees	7,020	6,760
Advertising	21,925	17,622
Affiliation Fees	9,934	9,605
Audit Fees	10,120	9,760
Bank Charges	2,060	8,414
Capital Expenditure < \$1,000	3,015	1,449
Cleaning	16,898	12,511
Consultancy Fees	1,066	2,360
Directors' Expenses	5,661	5,436
Donations	6,304	6,210
Insurance	24,009	24,347
Legal Costs	3,541	-
Light & Power	51,989	40,676
Loss on Sale of Non-Current Asset	62	8,154
Members Entertainment & Amenities	42,938	24,410
Maintenance - House	14,436	4,229

The notes on pages 15 to 29 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 2012**

Merchandise Expenses	1,017	743
Plant Hire	-	791
Raffle Expenses	44,515	47,619
Rates	23,369	17,274
Rent	274	886
Security	10,629	11,870
Sponsorship	4,657	1,300
Staff Amenities	1,398	1,372
Staff & Directors Training	3,990	1,550
Staff Uniforms	257	422
Stationery, Printing & Postage	12,315	9,404
Subscriptions & Licences	11,750	11,349
Sundry Expenses	8,740	5,703
Telephone	10,034	9,886
Travelling Expenses	163	-
Under/(Over) Banking	761	(243)
Vending Machine Expenses	4,318	2,999
Waste Disposal	7,702	7,112
Interest Paid	28,041	4,793
Amortisation Expense	2,816	2,816
Depreciation - Buildings	41,906	18,170
Depreciation - Plant and Furnishings	38,496	33,048
Administration - Provision for Employee Benefits	7,460	(5,345)
Administration - Superannuation	10,696	10,464
Administration - Wages	118,652	118,398
Administration - Workers Compensation Insurance	1,196	3,030
	<u>616,130</u>	<u>497,354</u>
<b>Operating Profit/(Loss) for the year</b>	<u>28,550</u>	<u>22,664</u>
Profit/(Loss) from Sub Entities	(943)	3,282
<b>Profit/(Loss) for the year</b>	<u>27,607</u>	<u>25,946</u>

The notes on pages 15 to 29 form an integral part of these financial statements.

**Alstonville Plateau Bowls & Sports Club Limited**  
**Statement of Comprehensive Income for the Year Ended 30 June 2012**

	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>
Revenue from ordinary activities (note 2)	1,516,916	1,316,573
Expenses from ordinary activities, excluding finance costs and depreciation (note 3)	(1,342,875)	(1,198,133)
<b>Profit/(loss) from ordinary activities before depreciation, finance costs and income tax expense</b>	174,041	118,440
Finance costs expense (note 3)	(28,041)	(4,793)
Depreciation expense (note 3)	(118,393)	(87,701)
<b>Profit before income tax</b>	<b>27,607</b>	<b>25,946</b>
Income tax expense relating to ordinary activities (note 1)	-	-
<b>Profit/(loss) after income tax</b>	<b>27,607</b>	<b>25,946</b>

The notes on pages 15 to 29 form an integral part of these financial statements.

**Alstonville Plateau Bowls & Sports Club Limited**  
**Statement of Financial Position as at 30 June 2012**

	2012	2011
Note	\$	\$
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	4      246,996	360,849
Trade and other receivables	6      19,512	34,094
Inventories	7      24,028	24,690
Financial assets	5      18,867	28,587
<b>Total Current Assets</b>	<u>309,403</u>	<u>448,220</u>
<b>Non Current Assets</b>		
Property, plant and equipment	8 <u>1,446,534</u>	<u>1,271,860</u>
<b>Total Assets</b>	<u><u>1,755,937</u></u>	<u><u>1,720,080</u></u>
<b>Current Liabilities</b>		
Trade and other payables	9      65,529	116,604
Financial liabilities	11     21,842	31,843
Other liabilities	10     27,877	19,682
Provisions	12     47,403	38,241
<b>Total Current Liabilities</b>	<u>162,651</u>	<u>206,370</u>
<b>Non Current Liabilities</b>		
Financial liabilities	11     240,911	187,985
Provisions	12      3,977	4,934
<b>Total Non Current Liabilities</b>	<u>244,888</u>	<u>192,919</u>
<b>Total Liabilities</b>	<u><u>407,539</u></u>	<u><u>399,289</u></u>
<b>Net assets</b>	<u><u>1,348,398</u></u>	<u><u>1,320,791</u></u>
<b>Equity</b>		
Retained earnings	<u>1,348,398</u>	<u>1,320,791</u>
<b>Total Equity</b>	<u><u>1,348,398</u></u>	<u><u>1,320,791</u></u>

The notes on pages 15 to 29 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 2012**

	Note	2012 \$	2011 \$
Total Equity at the beginning of the financial year		1,320,791	1,294,845
Profit/(Loss) from ordinary activities after income tax		27,607	25,946
<b>Total Equity at the end of the financial year</b>	13	<u>1,348,398</u>	<u>1,320,791</u>

The notes on pages 15 to 29 form an integral part of these financial statements.

**Alstonville Plateau Bowls & Sports Club Limited**  
**Statement of Cash Flows for the Year Ended 30 June 2012**

	Note	2012 \$	2011 \$
<b>Cash Flows From Operating Activities</b>			
Cash receipts in the course of operations		1,673,206	1,401,441
Cash payments in the course of operations		(1,469,316)	(1,317,876)
Interest received		11,508	29,844
Interest paid		(28,041)	(3,725)
<b>Net cash provided by/(used in) operating activities</b>	15(b)	187,357	109,684
<b>Cash Flows From Investing Activities</b>			
Proceeds on sale of property, plant and equipment		-	110
Payments for property, plant and equipment		(355,935)	(520,155)
Bonds received		1,800	-
Funds Withdrawn from investment		10,000	430,000
<b>Net cash provided by/(used in) investing activities</b>		(344,135)	(90,045)
<b>Cash Flows From Financing Activities</b>			
Proceeds on loan advances		286,859	186,141
Repayment of loan		(228,965)	(313)
Repayment of lease liabilities		(14,969)	(13,392)
<b>Net cash provided by/(used in) financing activities</b>		42,925	172,436
<b>Net increase/(decrease) in cash held</b>		(113,853)	192,075
Cash at the beginning of the financial year		360,849	168,774
<b>Cash at the end of the financial year</b>	15(a)	246,996	360,849

The notes on pages 15 to 29 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 2012**

#### **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 2012

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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 2012**

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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 2012

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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 2012**

..... continued

**2 Revenues from Ordinary Activities**

	2012	2011
	\$	\$
Sales revenue	665,363	555,630
<i>Other Operating Revenue</i>		
Poker machine revenue	524,894	464,126
Club Keno commission	19,350	19,981
TAB commission	11,053	6,814
Greens Maintenance Donation	35,791	34,358
Profit on Sale of Non-Current Assets	-	-
Interest received	11,508	26,105
Members Subscriptions	19,493	19,321
Raffle Income	50,357	46,022
Sub Entities Income	111,656	98,935
Other revenue	67,451	45,281
Total	<u>1,516,916</u>	<u>1,316,573</u>

**3 Expenses from Ordinary Activities**

Cost of Sales	299,777	254,218
Depreciation & Amortisation	118,393	87,701
Salaries & wages and related costs	482,084	452,327
Finance Costs	28,041	4,792
Insurance	24,009	24,347
Light & Power	59,617	44,628
Loss on sale of non-current asset	62	8,154
Provision for employee benefits	8,205	2,994
Raffle Expenses	44,515	47,619
Repairs & Maintenance	48,680	49,796
Sub Entities Expenses	112,599	95,653
Auditor's remuneration		
- Auditing financial report	10,120	9,760
- Accounting services	3,400	3,275
- Financial Report assistance	3,400	3,275
- Other Services	220	210
Other expenses from ordinary activities	246,187	201,878
Total	<u>1,489,309</u>	<u>1,290,627</u>

**Alstonville Plateau Bowls & Sports Club Limited**  
**Notes to the Financial Statements for the Year Ended 30 June 2012**

..... continued

**4 Cash and cash equivalents**

	<b>2012</b>	<b>2011</b>
	\$	\$
<b>CURRENT</b>		
Cash at Bank	171,162	293,023
Cash at Bank - Sub Entities	28,284	19,507
Cash on Hand	47,550	48,319
	246,996	360,849

**5 Financial assets**

	<b>2012</b>	<b>2011</b>
	\$	\$
<b>CURRENT</b>		
Available-for-sale financial assets (5a)	10	10
Held-to-maturity financial assets (5b)	18,857	28,577
	18,867	28,587
a. Available-for-sale financial assets		
Shares - Summerland Credit Union	10	10
	10	10
b. Held-to-maturity financial assets		
Held-to-Maturity Term Deposits - Club Ltd	5,000	5,000
Held-to-Maturity Term Deposit - Mens	5,358	15,078
Held-to-Maturity Term Deposit - Womens	8,499	8,499
	18,857	28,577

**6 Trade and other receivables**

	<b>2012</b>	<b>2011</b>
	\$	\$
<b>CURRENT</b>		
Trade debtors	14,352	30,747
Prepayments	5,160	3,347
	19,512	34,094

**Alstonville Plateau Bowls & Sports Club Limited**  
**Notes to the Financial Statements for the Year Ended 30 June 2012**

..... continued

**7 Inventories**

	<b>2012</b>	<b>2011</b>
	\$	\$
<b>CURRENT</b>		
Trading Stock - at cost	<u>24,028</u>	<u>24,690</u>

**8 Property, Plant and Equipment**

	<b>2012</b>	<b>2011</b>
	\$	\$
Freehold Land - at cost	1,093	1,093
Buildings - at cost	1,453,281	1,237,797
Less accumulated depreciation	<u>(343,782)</u>	<u>(301,876)</u>
	1,109,499	935,921
Greens, surrounds & road construction - at cost	118,135	118,135
Less accumulated depreciation	<u>(17,144)</u>	<u>(14,329)</u>
	100,991	103,806
Poker machines - at cost	336,050	294,150
Less accumulated depreciation	<u>(262,211)</u>	<u>(254,606)</u>
	73,839	39,544
Plant and equipment - at cost	566,967	556,455
Less accumulated depreciation	<u>(461,926)</u>	<u>(423,538)</u>
	105,041	132,917
Carpets - at cost	4,749	4,749
Less accumulated depreciation	<u>(4,496)</u>	<u>(4,387)</u>
	253	362
Furniture & Fittings - at cost	96,812	87,611
Less accumulated depreciation	<u>(40,994)</u>	<u>(29,394)</u>
	55,818	58,217
<b>Total Property, Plant and Equipment</b>	<u><u>1,446,534</u></u>	<u><u>1,271,860</u></u>

**Alstonville Plateau Bowls & Sports Club Limited**  
**Notes to the Financial Statements for the Year Ended 30 June 2012**

..... 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:

	<b>Land and Buildings</b>	<b>Greens, Surrounds &amp; Road Construction</b>	<b>Poker Machines</b>	<b>Plant, Equipment , Furniture &amp; Fittings</b>	<b>Total</b>
<b>2011</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance at the beginning of the year	937,013	103,806	39,544	191,497	1,271,860
Additions at cost	215,485	-	55,400	22,243	293,128
Disposals	-	-	-	(62)	(62)
Depreciation	(41,906)	(2,816)	(21,105)	(52,565)	(118,392)
Carrying amount at end of year	<u>1,110,592</u>	<u>100,990</u>	<u>73,839</u>	<u>161,113</u>	<u>1,446,534</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**

	<b>2012 \$</b>	<b>2011 \$</b>
<b>CURRENT</b>		
Trade creditors	34,791	104,817
GST Payable	13,281	-
Accrued Expenses	17,457	11,787
	<u>65,529</u>	<u>116,604</u>

**10 Other Liabilities**

	<b>2012 \$</b>	<b>2011 \$</b>
Subscriptions in Advance	26,076	19,557
Other Income in Advance	-	125
Bond Repayable	1,800	-
	<u>27,876</u>	<u>19,682</u>

**Alstonville Plateau Bowls & Sports Club Limited**  
**Notes to the Financial Statements for the Year Ended 30 June 2012**

..... continued

**11 Financial Liabilities**

	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>
<b>CURRENT</b>		
Lease Liabilities	10,947	14,969
Loan - Summerland Credit Union	10,895	16,874
	<u>21,842</u>	<u>31,843</u>
<b>NON CURRENT</b>		
Lease Liabilities	-	10,947
Loan - Summerland Credit Union	240,911	177,038
	<u>240,911</u>	<u>187,985</u>
	<u>262,753</u>	<u>219,828</u>

**12 Provisions**

	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>
<b>CURRENT</b>		
Provision for Employee Benefits	<u>47,403</u>	<u>38,241</u>
<b>NON CURRENT</b>		
Provision for Employee Benefits	<u>3,977</u>	<u>4,934</u>
	<u>51,380</u>	<u>43,175</u>



**Alstonville Plateau Bowls & Sports Club Limited**  
**Notes to the Financial Statements for the Year Ended 30 June 2012**

..... *continued*

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

	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>
Opening Balance	43,175	40,181
Plus Amounts Provided for	8,205	2,994
Closing Balance	<u>51,380</u>	<u>43,175</u>
 a) Aggregate Employee Benefits	 57,018	 46,889

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 2012.

**13 Retained Profits/Equity**

	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>
Net Profit/(Loss)	27,607	25,946
Retained profits at the beginning of the financial year	1,320,791	1,294,845
Retained profits at the end of the financial year	<u>1,348,398</u>	<u>1,320,791</u>

**14 Finance Lease Commitments**

	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>
Payable		
- Not later than one year	11,411	17,116
- Later than 1 year but not later than 5 years	-	11,411
Minimum Lease Payments	<u>11,411</u>	<u>28,527</u>
Less Future Finance Charges	(464)	(2,611)
<b>Total Lease Liability</b>	<u>10,947</u>	<u>25,916</u>

**Alstonville Plateau Bowls & Sports Club Limited**  
**Notes to the Financial Statements for the Year Ended 30 June 2012**

..... 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	2012 \$	2011 \$
Cash at Bank and on Hand	4	246,996	360,850
		<u>246,996</u>	<u>360,850</u>

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

<b>Operating profit/(loss) after income tax</b>	27,607	25,946
<b>Add/(less) non-cash items:</b>		
Loss on sale of non-current assets	62	8,154
Profit sale of non-current assets	-	-
Depreciation	118,393	87,701
Provision for employee benefits	8,205	2,994
Loan establishment costs and loan interest	-	8,083
Interest reinvested on term deposit	(280)	(751)
<b>Net cash provided by operating activities before changes in assets and liabilities</b>	<u>153,987</u>	<u>132,127</u>
<b>Changes in assets &amp; liabilities:</b>		
(Increase)/decrease in Trade and Other Receivables	(10,423)	18,177
(Increase)/decrease in Inventories	662	(2,653)
(Decrease)/increase in Trade and Other Payables	36,736	(37,275)
(Decrease)/increase in Other Liabilities	6,395	(692)
<b>Net cash provided by Operating Activities</b>	<u>187,357</u>	<u>109,684</u>

**(c) FINANCING ACTIVITIES**

	2012 \$	2011 \$
Loan facility	454,831	480,000
Amount utilised	(251,806)	(193,911)
<b>Unused loan facility</b>	<u>203,025</u>	<u>286,089</u>

**Alstonville Plateau Bowls & Sports Club Limited**  
**Notes to the Financial Statements for the Year Ended 30 June 2012**

..... *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:

	<b>Weighted Average Interest Rate</b>	<b>2012 \$</b>	<b>2011 \$</b>
<b>Financial Assets</b>			
Cash at Bank	3.01%	199,446	312,531
Trade and other receivables	-	19,512	34,093
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	5,000
- Held-to-maturity Term Deposit - Mens (due within 12 months)	5.15%	5,358	15,078
- Held-to-maturity Term Deposit - Womens (due within 12 months)	5.20%	8,499	8,499
		<u>237,825</u>	<u>375,211</u>
<b>Financial Liabilities</b>			
Trade and other payables	-	65,530	116,604
Lease Liabilities (due within 3 years)	11.19%	10,947	25,916
Loan - Summerland Credit Union (due within 15 years)	7.23%	251,806	193,911
		<u>328,283</u>	<u>336,431</u>

**Alstonville Plateau Bowls & Sports Club Limited**  
**Notes to the Financial Statements for the Year Ended 30 June 2012**

..... *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 decreased profit and equity by \$385 (2011: increase of \$1,422). A decrease in rates of 1% would have increased profit and equity by \$914 (2011: decrease of \$912).

**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 7 August 2012.

**18 Key Management Personnel Compensation**

***Key Management Personnel***

***Directors***

A. Meres  
P. Coulson  
B. Wilson  
D. Brown (appointed 25 September 2011)  
D. Johnston (appointed 25 September 2011)  
D. Lowien (resigned 25 September 2011,  
appointed 12 December 2011)  
A. Orchard (appointed 25 September 2011)  
A. Gear (resigned 12 December 2011)  
N. Heagney (resigned 25 September 2011)  
A. Pollack (resigned 25 September 2011)

***Secretary Manager***

M. Brooke

**Alstonville Plateau Bowls & Sports Club Limited**

**Notes to the Financial Statements for the Year Ended 30 June 2012**

..... *continued*

**Key Management Personnel Compensation**

	<b>Short-term benefits</b>	<b>Post- Employment Benefits</b>	<b>Total</b>
	\$	\$	\$
<b>2012</b>			
Total compensation	<u>86,301</u>	<u>7,205</u>	<u>93,506</u>
<b>2011</b>			
Total compensation	<u>95,434</u>	<u>7,901</u>	<u>103,335</u>

**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. For the year ended 30 June 2012, the total of goods and services provided by director-related entities to the Club was \$3,939.

**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 2012 the number of members was 2,121 (2011 - 1,744).

**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)**

	<b>2012</b>	<b>2011</b>
	\$	\$
Mens Bowling Club	(3,178)	3,399
Womens Bowling Club	266	862
Mixed Bowling Club	1,897	(842)
Social Golf Club	<u>72</u>	<u>(137)</u>
Total	<u><u>(943)</u></u>	<u><u>3,282</u></u>

**Alstonville Plateau Bowls & Sports Club Limited**  
**Notes to the Financial Statements for the Year Ended 30 June 2012**

..... *continued*

**23 Securities**

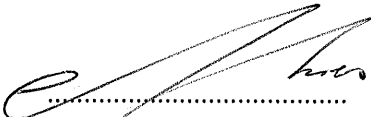
A registered first mortgage over the land and buildings of Alstonville Plateau Bowls and Sports Club Limited is held by the Summerland Credit Union to secure the company's loan facility of \$454,831.

**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 29, 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 2012 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 7 August 2012 and signed on its behalf by:



A. Meres  
Director



B. Wilson  
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 2012, 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.

**Independence**

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



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. ... ..



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

**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 2012 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

7 August 2012



Liability limited by a scheme approved under Professional Standards Legislation

PARTNERS

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