



# **MARRICKVILLE BOWLING & RECREATION CLUB LIMITED**

ABN 30 001 037 029

**ANNUAL REPORT**

**2019**

# **MARRICKVILLE BOWLING & RECREATION CLUB LTD**

**ABN 30 001 037 029**

**Founded 1905**

## **114th ANNUAL REPORT AND BALANCE SHEET**

### **Office Bearers for 2018/2019**

|                       |                 |
|-----------------------|-----------------|
| <b>President</b>      | Leo Bergagnin   |
| <b>Treasurer</b>      | Clyde Collier   |
| <b>Vice President</b> | Stephen O'Neill |
| <b>Directors</b>      | Terence Fox     |
|                       | Ronald Cook     |
|                       | Benjamin Whipp  |
|                       | Phillip Vernon  |

# ANNUAL GENERAL MEETING AGENDA

**17<sup>th</sup> November 2019**

Notice is hereby given that the Annual General Meeting of Marrickville Bowling & Recreation Club Ltd will be held in the Clubs auditorium on Sunday, 17th November 2019 at 11.00am.


The Business of the meeting shall be:

1. Apologies.
2. To confirm the Minutes of the Annual General Meeting held 18th November 2018.
3. To receive, consider and adopt the financial statements of the club for the year 1st July 2018 to 30th June 2019.
4. To appoint an Auditor or Auditors for 2019/2020.
5. To determine the number of teams to be entered by the club in the forthcoming Pennant Competition conducted by the RNSWBA and to determine respective grades in which such teams shall be entered.
6. To receive the result of the election of Selectors.
7. General Business.

Please Note:

Nominations for Selectors will close on the Saturday 8th November 2019 at 6.00pm. Forms are available at the Bar or the Office. The ballot for the election of Selectors will be held on Friday 8th November 2019 between 4.00pm and 7.00pm and Saturday 9th November 2019 between 11.00am and 4.00pm. In accordance with the Constitution of Marrickville Bowling & Recreation Club Ltd adopted 2013 which states that the Board of Directors shall be elected biennially (for a two (2) year term of office) at each Annual General Meeting falling on an even numbered year, there shall be no election for members of the Board of Directors in the year 2019. Social members shall be entitled to be social privileges of the club and shall be entitled to vote in any election of the Board and on any honorariums to be paid to any member of the Board. However, social members have no rights to nominate, propose, second or to vote on any special resolution to amend the Constitution. Social members have no right to vote, nominate, propose, second or to be elected to the position of Selector. Social members have no right to nominate, propose or second for Life Membership.

By Order of the Board.



**Tom Jones**  
**Secretary Manager**

# PRESIDENT'S REPORT

Dear Members,

In the Financial Year 2018-2019 the club has produced a favourable result with a surplus of around \$40,000.00. Considering the amount of maintenance work which has been performed over the financial year it was a good result. Much of this work is unseen. We have replaced the box gutter over the front entrance, the box gutter over the poker machine room and the box gutter over the sliding windows. The roof over the club's cool room and gutter was also replaced. One of the old air condition units was removed off the roof revealing the source of yet another leak. More work is needed on the roof and as funds become available this work will be undertaken.

The more obvious work undertaken around the club and grounds have been the replacement of the carpets and the sun shades on the western boundary. A new glass washer for the bar was purchased as well as new outdoor seating.

Despite the continuing rise in costs such as insurance, electricity, gas, water rates, council rates, rubbish removal, to name a few the club continues to improve its financial position. Bar trading increased by 13%, and income from the barefoot bowlers increased by 9%. Unfortunately, our poker machine income declined slightly. The club's debt has dropped and it is anticipated the loan to the credit union will be finished sometime early next year. The next challenge ahead is to post a profit for the fourth year in succession. Bar trading is certainly improving because of the increase in patronage of our live music and general weekend patrons. Our secretary manger, Tom Jones has continued to improve the quality of our live music artists hence the reason why our bar trading has increased so much in the last 3 years.

On behalf of all our members I congratulate Tom and offer a big thank you to Tom and his friendly and dedicated team for another great year. To Janet and her staff of "Fitzroy's Kitchen" many thanks. On behalf of the bowlers many thanks to Billy Jr. for his work getting our greens up to speed, it is a pleasure to play on them. To fellow Board Members thank you for your support and many hours you all put into the various chores that need to be done and even though we have had some spirited debates at Board Meetings we still communicate with each other. A special thank you to Clyde who has the worst task as "Bowls Secretary" job well done.

Without you the members of our club there would be no club. To all our members for your ongoing support, THANK YOU.



**Leo Bergagnin**  
**President**

## TREASURER'S REPORT

Dear Members,

The 2018/19 year recorded a profit of \$40,910.90. The club's net debt is now at \$107,653 down from last year's figure of \$118,355. Bar trading increased this year as did green fees from the barefoot bowlers. Net trading from the poker machines decreased slightly.

The Club received two grants from the NSW Government Office of Sport totalling \$20,250 to assist with the purchase of an Automated External Defibrillator (AED) and shades along the Faversham Street end of both greens to replace the old ones.

To return a profit for the third year in a row, despite the ongoing costs of repairs and maintenance to the greens and the building is a great result. This is due in no small part to the dedication and commitment to the Club of our Manager, Tom and all our staff, and the voluntary work put in by all members of the Board.

A handwritten signature in black ink, appearing to read 'C. Collier', with a long horizontal flourish extending to the right.

**Clyde Collier**  
**Treasurer**

# SECRETARY MANAGER'S REPORT

Dear Members,

It has been another promising year at The Marrickville Bowling and Recreation Club. The steadily increase of patronage has continued throughout the 2018-19 year, which is shown in the bar trade and barefoot bowls income. I believe this is an encouraging sign for the future of our Club, especially given that it has become a seemingly challenging landscape for Clubs of our size. I feel it worth noting that this increase in patronage has been due to social activities, that I feel are a benefit to our Members and the local community as a whole.

The year has seen a huge amount of work undertaken on The Club and while much of this is unseen, it has been crucial to the comfort of our Members and guests. It should also be noted that the successful grant to replace the carpets from The Inner West Council, which The Club received the funds for in 17-18, was actually spent in this financial year. Taken into account, this reflects an upward trajectory in profits, in line with the overall increase in revenue.

I'd like to express my thanks and gratitude, to Barb Hunnam and Emmah McNamara, who joined me in the office towards the start of the financial year. They have considerably raised the service offered by The Club and have taken on a massive amount of work dealing with administration, the multitude of functions and not at least, me.

A great deal of thanks to our dedicated bar staff. As we continually get busier, a huge amount of effort is made by all, in occasionally onerous circumstances.

Most of all, I wish to thank you, The Members. You all make *The Bowlo* an amazing and unique place that I'm honoured to be a part of.

The forthcoming year ought to see us in the black financially and I think everyone should be excited at the future of The Club.



**Tom Jones**  
**Secretary Manager**

# WOMEN'S BOWLING CLUB REPORT

It is with pleasure that I submit this year's report on behalf of the Women's Bowling Club.

Congratulations to everyone who participated in pennants this year. We put in another fantastic effort and came 2nd in Grade 4. We hope to go one better next year and bring home the flag.

A huge congratulations to Coral Lahood for taking out this year's Minor Singles. An achievement which has been a long time coming!! Major Singles was won by myself (Sam Knight) with Sabrina Sharp putting a brilliant effort as runner-up. All other club championships are still being played at present. Good-luck to everyone still participating.

Marrickville again hosted another successful year of the Inner West Triples. The tournament saw almost two full greens of players from various clubs from across Sydney. Congratulations to Sherron Wilson for all her efforts in organising this event and ensuring everything ran smoothly. Thank you to all the ladies who helped out over the course of the tournament.

Thank you to all the ladies for your help throughout the year. It fantastic to be part a wonderful group of ladies who are always willing to lend a hand.

We look forward to an exciting year ahead with the changes in bowls now becoming open format.

All the best to everyone for the year ahead and good bowling to you all.

**Sam Knight**

**President Marrickville Women's Bowling Club**

# BOWLS SECRETARY'S CLUB REPORT

Dear Bowlers,

Marrickville entered a side in Grades 4 and 6 for the 2019 Pennants Competition. Unfortunately it wasn't a good year for our pennants sides with them finishing last and second last respectively in their Sections, however it was good to see all our players continue to play with enthusiasm to the last game despite many losses. Since Billy Goodall Jnr took on the position of greenskeeper, there has been a vast improvement in the condition of the greens and surroundings, making for much more pleasant bowling conditions.

I was also pleased with the number of entries we received for our Club Championships this year and with the friendly, but competitive nature in which they have been played. We also continue to have a regular group of bowlers for our Tuesday Jackpot Competition and Unbiased Bowlers on Sundays.

## **Mens Club Championships 2019**

### ***Fours***

Winners: M. Ivezic, P. Lange, J. O'Malley, J. Warburton

Runners up: T. Fox, B. Goodall Jnr, B. Goodall Snr, T. Hunnam

### ***Triples***

Winners: B. Goodall Snr, P. Lange & J. Warburton

Runners up: B. Goodall Jnr, T. Hunnam & P. Vernon

### **Pairs**

Winners: M. Rennie, B. Whipp

Runners up: C. Jackson & P. Vernon

### ***Major Singles***

Not yet finalised

### ***Minor Singles***

Winner: D. Gregg

Runner up: E. Sheard

### ***Mixed Pairs***

Not yet finalised

Thank you for your support

**Clyde Collier**  
**Bowls Secretary**



**MARRICKVILLE BOWLING & RECREATION CLUB  
LIMITED**

**ABN 30 001 037 029**

**FINANCIAL REPORT  
FOR THE YEAR ENDED**

**30 JUNE 2019**

**Liability limited by a scheme approved under**

**Professional Standards Legislation**

|  |    |
|--|----|
| Directors' Report  | 1  |
| Auditor's Independence Declaration                         | 3  |
| Statement of Profit or Loss And Other Comprehensive Income | 4  |
| Statement of Financial Position                            | 5  |
| Statement of Changes in Equity                             | 6  |
| Statement of Cash Flows                                    | 7  |
| Notes to the Financial Statements                          | 8  |
| Directors' Declaration                                     | 15 |
| Auditor's Report   | 16 |
| Detailed Profit and Loss Statement                         | 19 |

# DIRECTORS' REPORT

Your directors present their report on the company for the financial year ended 30 June 2019.

## Directors

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

Leo Bergagnin

Stephen O'Neill

Terence Fox

Ronald Cook

Benjamin Whipp

Phillip Vernon

Clyde Collier

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

## Review of Operations

The profit of the company for the financial year after providing for income tax amounted to \$40,910.

## Significant Changes in the State of Affairs

No significant changes in the company's state of affairs occurred during the

## Principal Activities

The principal activities of the company during the financial year were the promotion of the sport of lawn bowls and the maintenance of licensed premises..

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

## Events Subsequent to the End of the Reporting Period

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

## **Likely Developments and Expected Results of Operations**

Likely developments in the operations of the company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company.

## **Environmental Regulation**

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

## **Dividends**

The Club is a company limited by guarantee. As such it is not able to pay or credit dividends as defined by its constitution.

## **Options**

No options over issued shares or interests in the company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

## **Indemnification of Officers**

Except for standard commercial Directors' and Officers' Insurance whilst acting in their capacity on behalf of the company, no indemnities have been given nor other insurance premiums were paid in relation to such persons .

## **Proceedings on Behalf of the Company**

No person has applied for leave of court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

## **Auditor's Independence Declaration**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 3.

Signed in accordance with a resolution of the Board of Directors:



**Director:** Leo Bergagnin



**Director:** Clyde Collier

**Dated this 2nd day of October 2019**

**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATIONS ACT  
2001  
TO THE DIRECTORS OF  
MARRICKVILLE BOWLING & RECREATION CLUB  
LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2019 there have been:

- (i) no contraventions of the auditor 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.

**Name of Firm:** Lonnon & Co  
Chartered Accountants



**Name of Partner:** K.J.Lonnon

**Address:** Suite 28, 556 Forest Road Penshurst NSW 2222

**Dated this 2nd day of October 2019**

**STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2019**

|  | Note | 2019<br>\$       | 2018<br>\$       |
|--|------|------------------|------------------|
| Revenue  |      | 2,032,691.78     | 1,849,938.51     |
| Raw materials and consumables used                               |      | (618,388.72)     | (572,225.64)     |
| Depreciation and amortisation expenses                           |      | (17,656.76)      | (13,903.00)      |
| Employee benefits expenses                                       |      | (611,780.75)     | (602,985.31)     |
| Finance costs  |      | (6,956.84)       | (8,040.05)       |
| Other expenses   |      | (736,998.62)     | (564,899.52)     |
| <b>Profit</b>  |      | <b>40,910.09</b> | <b>87,884.99</b> |
| <b>Total comprehensive income for the year</b>                   |      | <b>40,910.09</b> | <b>87,884.99</b> |
| Total comprehensive income attributable to members of the entity |      | 40,910.09        | 87,884.99        |

## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019

|                                      | Note | 2019<br>\$   | 2018<br>\$   |
|--------------------------------------|------|--------------|--------------|
| <b>ASSETS</b>                        |      |              |              |
| <b>CURRENT ASSETS</b>                |      |              |              |
| Cash and cash equivalents            | 3    | 100,827.66   | 85,049.85    |
| Trade and other receivables          | 4    | 11,514.51    | 13,992.06    |
| Inventories                          | 5    | 25,103.62    | 26,323.16    |
| Other current assets                 | 6    | 13,285.52    | 13,881.55    |
| <b>TOTAL CURRENT ASSETS</b>          |      | 150,731.31   | 139,246.62   |
| <b>NON-CURRENT ASSETS</b>            |      |              |              |
| Property, plant and equipment        | 7    | 1,312,573.73 | 1,285,315.49 |
| <b>TOTAL NON-CURRENT ASSETS</b>      |      | 1,312,573.73 | 1,285,315.49 |
| <b>TOTAL ASSETS</b>                  |      | 1,463,305.04 | 1,424,562.11 |
| <b>LIABILITIES</b>                   |      |              |              |
| <b>CURRENT LIABILITIES</b>           |      |              |              |
| Trade and other payables             | 8    | 174,689.03   | 170,031.60   |
| Borrowings                           | 9    | 51,697.75    | 56,794.68    |
| Provisions                           | 10   | 29,383.78    | 28,463.17    |
| Other current liabilities            | 11   | 5,479.09     | 3,300.00     |
| <b>TOTAL CURRENT LIABILITIES</b>     |      | 261,249.65   | 258,589.45   |
| <b>NON-CURRENT LIABILITIES</b>       |      |              |              |
| Borrowings                           | 9    | 7,436.59     | 12,263.95    |
| <b>TOTAL NON-CURRENT LIABILITIES</b> |      | 7,436.59     | 12,263.95    |
| <b>TOTAL LIABILITIES</b>             |      | 268,686.24   | 270,853.40   |
| <b>NET ASSETS</b>                    |      | 1,194,618.80 | 1,153,708.71 |
| <b>EQUITY</b>                        |      |              |              |
| Retained earnings                    | 12   | 1,194,618.80 | 1,153,708.71 |
| <b>TOTAL EQUITY</b>                  |      | 1,194,618.80 | 1,153,708.71 |

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2019

|  | <b>Retained<br/>earnings</b> | <b>Total</b> |
|--|------------------------------|--------------|
|  | <b>\$</b>                    | <b>\$</b>    |
| <b>Balance at 1 July 2017</b>              | 1,065,824                    | 1,065,824    |
| Profit attributable to equity shareholders | 87,885                       | 87,885       |
| <b>Balance at 30 June 2018</b>             | 1,153,709                    | 1,153,709    |
| Profit attributable to equity shareholders | 40,910                       | 40,910       |
| <b>Balance at 30 June 2019</b>             | 1,194,619                    | 1,194,619    |



## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2019

|  | Note      | 2019<br>\$         | 2018<br>\$         |
|--|-----------|--------------------|--------------------|
| <b>CASH FLOWS FROM OPERATING</b>                 |           |                    |                    |
| Receipts from customers                          |           | 1,992,022.47       | 1,791,852.20       |
| Payments to suppliers and employees              |           | (1,962,074.68)     | (1,759,924.80)     |
| Interest received                                |           | 387.29             | 453.09             |
| Other Receipts                                   |           | 20,250.00          | 35,000.00          |
| Commission Received                              |           | 20,032.02          | 22,633.22          |
| <b>Net cash provided by operating activities</b> | <b>13</b> | <b>70,617.10</b>   | <b>90,013.71</b>   |
| <b>CASH FLOWS FROM INVESTING</b>                 |           |                    |                    |
| Payments for property, plant and equipment       |           | (44,915.00)        | (44,045.00)        |
| <b>Net cash used in investing activities</b>     |           | <b>(44,915.00)</b> | <b>(44,045.00)</b> |
| <b>CASH FLOWS FROM FINANCING<br/>ACTIVITIES</b>  |           |                    |                    |
| Repayment of borrowings                          |           | (9,924.29)         | (29,820.29)        |
| <b>Net cash used in financing activities</b>     |           | <b>(9,924.29)</b>  | <b>(29,820.29)</b> |
| Net increase in cash held                        |           | 15,777.81          | 16,148.42          |
| Cash at beginning of financial year              |           | 85,049.85          | 68,901.43          |
| Cash at end of financial year                    | <b>3</b>  | <b>100,827.66</b>  | <b>85,049.85</b>   |

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

## 1 Statement of Significant Accounting Policies

The financial report is a general purpose financial report and it has been prepared in accordance with Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Corporations Act 2001.

The financial report is for an entity known as Marrickville Bowling & Recreation Club Limited as an individual entity, limited by guarantee. The company was incorporated and has its domicile in Australia.

The financial report complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report. Unless otherwise stated, the accounting policies have been consistently applied.

### **Reporting basis and conventions**

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of financial assets, financial liabilities and selected non-current assets for which the fair value basis of accounting has been applied.

### **Accounting Policies**

#### **Employee Benefits**

Provision is made for the company's liability for employee benefits arising from services rendered by employees at the end of the reporting period. 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.

#### **Cash and Cash Equivalents**

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

## **Property, Plant and Equipment**

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

Asset are carried at cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

### **Land and buildings**

Land and Buildings are carried at cost. The directors believe that market valuation at year end would far exceed the cost amount of the asset. As such, no Depreciation or Amortisation expense has been booked against the Building and Clubhouse Renovations Assets. No valuation increase to market value has also been booked in the accounts. The posting of valuation increments to land, buildings and renovation assets may lead to misinterpretation of the financial results achieved.

The directors believe that any revaluation would far exceed the current carrying amount for the aggregate of land and buildings.

### **Plant and equipment**

Plant and equipment are measured using the cost model.

### **Depreciation**

Property, plant and equipment excluding freehold land and buildings, are depreciated on a straight line basis over the assets useful life to the Company, commencing when the asset is ready for use.

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

|   | Note | 2019<br>\$ | 2018<br>\$  |
|---|------|------------|-------------|
| <b>2 Auditor's Remuneration</b>   |      |            |             |
| <b>Auditor's Remuneration</b>   |      |            |             |
| Audit Fees  |      | 9,000.00   | 9,000.00    |
| <b>3 Cash and Cash Equivalents</b>  |      |            |             |
| Cash at Bank  |      | 3,633.36   | 3,519.89    |
| Cash at Bank  |      | 68,500.15  | 50,066.35   |
| Cash at Bank - Keno   |      | 115.01     | 3,224.83    |
| Cash at Bank - ATM  |      | 2,620.44   | 1,244.22    |
| Cash at Bank  |      | 7,105.34   | 6,699.11    |
| Cash at Bank  |      | 10,678.99  | 10,447.87   |
| WBC Cash Reserve  |      | 8,074.37   | 9,722.08    |
| Cash at Bank  |      | 100.00     | 125.50      |
|   |      | 100,827.66 | 85,049.85   |
| <b>Reconciliation of cash</b>   |      |            |             |
| Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows: |      |            |             |
| Cash and cash equivalents   |      | 100,827.66 | 85,049.85   |
|   |      | 100,827.66 | 85,049.85   |
| <b>4 Trade and Other Receivables</b>  |      |            |             |
| <b>Current</b>  |      |            |             |
| Trade Debtors   |      | 700.00     | 14,074.82   |
| Less: Provision for Doubtful Debts  |      | -          | (12,000.00) |
|   |      | 700.00     | 2,074.82    |
| GST Paid - Input Tax Credits  |      | 10,814.51  | 11,917.24   |
|   |      | 11,514.51  | 13,992.06   |
|   |      | 11,514.51  | 13,992.06   |

|  | Note | 2019<br>\$          | 2018<br>\$          |
|--|------|---------------------|---------------------|
| <b>5 Inventories</b>                       |      |                     |                     |
| <b>Current</b>                             |      |                     |                     |
| At cost:                                   |      |                     |                     |
| Bar Stock as per Independent Stocktaker    |      | <u>25,103.62</u>    | <u>26,323.16</u>    |
| <br>                                       |      |                     |                     |
| <b>6 Other Assets</b>                      |      |                     |                     |
| <b>Current</b>                             |      |                     |                     |
| Prepayments - Other                        |      | <u>13,285.52</u>    | <u>13,881.55</u>    |
| <br>                                       |      |                     |                     |
| <b>7 Property, Plant and Equipment</b>     |      |                     |                     |
| <b>BUILDINGS</b>                           |      |                     |                     |
| <b>Land and Buildings at cost:</b>         |      |                     |                     |
| Land and Building                          |      | 602,310.00          | 608,745.00          |
| Clubhouse Improvements                     |      | 588,067.57          | 581,632.57          |
| Less Provision for Depreciation            |      | <u>(1,750.00)</u>   | <u>(1,750.00)</u>   |
| <b>Total Buildings</b>                     |      | <u>1,188,627.57</u> | <u>1,188,627.57</u> |
| <br>                                       |      |                     |                     |
| <b>PLANT AND EQUIPMENT</b>                 |      |                     |                     |
| <b>Plant and Equipment:</b>                |      |                     |                     |
| At cost                                    |      | 332,830.37          | 287,915.37          |
| Accumulated depreciation                   |      | <u>(208,884.21)</u> | <u>(191,227.45)</u> |
| <b>Total Plant and Equipment</b>           |      | <u>123,946.16</u>   | <u>96,687.92</u>    |
| <b>Total Property, Plant and Equipment</b> |      | <u>1,312,573.73</u> | <u>1,285,315.49</u> |

|  | Note | 2019<br>\$ | 2018<br>\$ |
|--|------|------------|------------|
|--|------|------------|------------|

**Movements in Carrying Amounts of Property, plant and equipment**

Movement in the carrying amounts for each class of Property, plant and equipment between the beginning and the end of the current financial year.

|                                 | Land and<br>Buildings | Clubhouse<br>Plant and<br>Furniture | Greens<br>and Bistro<br>Equipment | Poker<br>Machin<br>es | Total        |
|---------------------------------|-----------------------|-------------------------------------|-----------------------------------|-----------------------|--------------|
|                                 | \$                    | \$                                  | \$                                | \$                    | \$           |
| Balance at 1 July 2017          | 1,188,627.73          | 49,912.55                           | 16,633.50                         | -                     | 1,255,173.78 |
| Additions                       | -                     | -                                   | 44,045.00                         | -                     | 44,045.00    |
| Depreciation expense            | -                     | -                                   | (13,903.00)                       | -                     | (13,903.00)  |
| Balance at 30 June 2018         | 1,188,627.73          | 49,912.55                           | 46,775.50                         | -                     | 1,285,315.78 |
| Disposals                       | -                     | 44,915.00                           | -                                 | -                     | 44,915.00    |
| Depreciation expense            | -                     | (12,103.00)                         | (5,553.76)                        | -                     | (17,656.76)  |
| Carrying amount at 30 June 2019 | 1,188,627.73          | 82,724.55                           | 41,221.74                         | -                     | 1,312,574.02 |

**8 Trade and Other Payables**

**Current**

|                        |            |            |
|------------------------|------------|------------|
| Accrued Expense        | 11,903.66  | 10,999.96  |
| Trade Creditors        | 129,424.96 | 111,470.78 |
| GST Collected          | -          | 1,281.48   |
| Outstanding BAS Cheque | 33,360.41  | 46,279.38  |
|                        | 174,689.03 | 170,031.60 |

**9 Borrowings**

**Current**

|                 |           |           |
|-----------------|-----------|-----------|
| Loans - Secured | 51,697.75 | 56,794.68 |
|-----------------|-----------|-----------|

**Non-Current**

|                              |           |           |
|------------------------------|-----------|-----------|
| Loans - Secured              | -         | 12,263.95 |
| Chattel Mortgage - GAF       | 7,436.59  | -         |
| Total non-current borrowings | 7,436.59  | 12,263.95 |
| Total borrowings             | 59,134.34 | 69,058.63 |

|  | Note | 2019<br>\$          | 2018<br>\$          |
|--|------|---------------------|---------------------|
| <b>10 Provisions</b>                                     |      |                     |                     |
| Provision for Long Service Leave                         |      | 6,394.00            | 7,390.46            |
| Provision for Holiday Pay                                |      | 9,679.27            | 9,568.73            |
| Provision for Superannuation                             |      | <u>13,310.51</u>    | <u>11,503.98</u>    |
|  |      | <u>22,989.78</u>    | <u>21,072.71</u>    |
| <b>Total provisions</b>                                  |      | <u>29,383.78</u>    | <u>28,463.17</u>    |
| <b>Analysis of Total Provisions</b>                      |      |                     |                     |
| Current  |      | <u>29,383.78</u>    | <u>28,463.17</u>    |
|  |      | <u>29,383.78</u>    | <u>28,463.17</u>    |
| <b>11 Other Liabilities</b>                              |      |                     |                     |
| <b>Current</b>   |      |                     |                     |
| Subscriptions in Advance                                 |      | <u>5,479.09</u>     | <u>3,300.00</u>     |
| <b>12 Retained Earnings</b>                              |      |                     |                     |
| Retained earnings at the beginning of the financial year |      | 1,153,708.71        | 1,065,823.72        |
| Net profit attributable to members of the company        |      | 40,910.09           | 87,884.99           |
| Retained earnings at the end of the financial year       |      | <u>1,194,618.80</u> | <u>1,153,708.71</u> |

|  | Note | 2019<br>\$       | 2018<br>\$        |
|--|------|------------------|-------------------|
| <b>13 Cash Flow Information</b>  |      |                  |                   |
| <b>Reconciliation of result for the year to cashflows from operating activities.</b> |      |                  |                   |
| <b>Reconciliation of net income to net cash provided by operating activities:</b>    |      |                  |                   |
| Profit after income tax  |      | 40,910.09        | 87,884.99         |
| Cash flows excluded from profit attributable to operating activities                 |      |                  |                   |
| <b>Non-cash flows in profit</b>  |      |                  |                   |
| Depreciation   |      | 17,656.76        | 13,903.00         |
| Charges to Provisions  |      | 920.61           | -                 |
| <b>Changes in assets and liabilities</b>   |      |                  |                   |
| (Increase) Decrease in current   |      | 1,219.54         | (2,067.16)        |
| (Increase) Decrease in current   |      | 2,477.55         | (6,792.06)        |
| (Increase) Decrease in prepayments   |      | 596.03           | (1,266.49)        |
| Increase (Decrease) in trade creditors   |      | 4,657.43         | 19,382.92         |
| Increase (Decrease) in other creditors   |      | 2,179.09         | (2,593.18)        |
|  |      | <u>70,617.10</u> | <u>108,452.02</u> |



# DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 1 to 14, for the year ended 30 June 2019 are in accordance with the Corporations Act 2001 and:
  - (a) comply with Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
  - (b) give a true and fair view of the financial position and performance 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.



**Director:** Leo Bergagnin



**Director:** Clyde Collier

**Dated this 2nd day of October 2019**

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF MARRICKVILLE BOWLING &  
RECREATION CLUB LIMITED  
ABN 30 001 037 029**

**Report on the Audit of the Financial Report**

**Opinion**

I have audited the financial report of Marrickville Bowling & Recreation Club Limited, (the company) which comprises the statement of financial position as at 30 June 2019 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In my opinion, the accompanying financial report of the company 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 2019 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

**Basis for Opinion**

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am 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 my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the code.

I confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

**Responsibilities of 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 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 Responsibility for the Audit of the Financial Report**

My 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 my 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 I conclude that a material uncertainty exists, I am 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 my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

I 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 I identify during my audit.

I also provide the directors with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation preclude public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Name of Firm:**

Lonnon & Co

Chartered Accountants

**Name of Partner:**



K.J.Lonnon

**Address:**

Suite 28, 556 Forest Road  
Penshurst NSW 2222

**Dated this 2nd day of October 2019**

## PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 30 JUNE 2019

|  | Note | 2019<br>\$   | 2018<br>\$   |
|--|------|--------------|--------------|
| <b>BAR TRADING STATEMENT</b>           |      |              |              |
| <b>SALES</b>                           |      |              |              |
| Sales                                  |      | 1,573,678.23 | 1,389,704.55 |
| <b>LESS: COST OF GOODS SOLD</b>        |      |              |              |
| Opening Stock                          |      | 26,323.16    | 24,256.00    |
| Purchases                              |      | 617,169.18   | 574,292.80   |
|  |      | 643,492.34   | 598,548.80   |
| Closing Stock                          |      | (25,103.62)  | (26,323.16)  |
|  |      | 618,388.72   | 572,225.64   |
| <b>GROSS BAR PROFIT</b>                |      | 955,290      | 817,479      |
| <b>LESS: DIRECT COSTS</b>              |      |              |              |
| Bar Wages                              |      | 314,430      | 280,376      |
|  |      | 314,430.02   | 280,375.62   |
| <b>NET PROFIT FROM BAR</b>             |      | 640,859      | 537,103      |
| <b>POKER MACHINE TRADING STATEMENT</b> |      |              |              |
| <b>INCOME</b>                          |      |              |              |
| Net Takings                            |      | 167,463.93   | 189,077.35   |
| <b>LESS: EXPENSES</b>                  |      |              |              |
| Repairs to Poker Machines              |      | 5,092.68     | 16,431.15    |
| Rebate Poker Machines                  |      | (16,103.74)  | (17,354.42)  |
| Monitoring Costs                       |      | 16,503.43    | 15,889.08    |
| Poker Machine Licence                  |      | 27,006.00    | 40,148.16    |
| Poker Machine Wages                    |      | 93,920.66    | 83,748.57    |
|  |      | 126,419.03   | 138,862.54   |
| <b>NET PROFIT FROM POKER MACHINES</b>  |      | 41,045       | 50,215       |

|                               | Note | 2019<br>\$ | 2018<br>\$ |
|-------------------------------|------|------------|------------|
| <b>INCOME</b>                 |      |            |            |
| Net Trading Profit from Bar   |      | 640,859    | 537,103    |
| Net Trading Profit from Poker |      | 41,045     | 50,215     |
| Room Hire                     |      | 8,891.83   | 8,655.11   |
| Government Grant              |      | 20,250.00  | 35,000.00  |
| Keno Commission               |      | 9,010.81   | 11,608.53  |
| Interest Received             |      | 387.29     | 453.09     |
| Kitchen Service fees          |      | 34,209.10  | 18,372.74  |
| Subscriptions                 |      | 28,490.91  | 26,578.63  |
| Sundry Income                 |      | 7,015.57   | -          |
| Raffle Income                 |      | 38,942.28  | 36,932.90  |
| Green Fees                    |      | 133,330.62 | 122,530.92 |
| Commission Received           |      | 11,021.21  | 11,024.69  |
|                               |      | 973,454    | 858,475    |
| <b>EXPENSES</b>               |      |            |            |
| Advertising and Decorations   |      | 507.46     | 1,269.08   |
| Bad Debts Written Off         |      | 686.20     | -          |
| Association Fees              |      | 3,814.54   | 3,877.27   |
| Auditor's Remuneration        |      | 9,000.00   | 9,000.00   |
| Bank Charges                  |      | 8,260.02   | 7,129.61   |
| Bowls Expenses                |      | 1,644.55   | 965.45     |
| Bookkeeping Fees              |      | 14,353.55  | 13,800.33  |
| Bistro Costs                  |      | 10,209.10  | 4,190.91   |
| Catering Costs                |      | 2,475.77   | 2,844.54   |
| Cleaning                      |      | 39,441.53  | 38,654.61  |
| Computer supplies & Software  |      | 8,545.31   | 8,429.75   |
| Consultancy Fees              |      | 4,900.00   | -          |
| Depreciation                  |      | 17,656.76  | 13,903.00  |
| Doubtful Debts Provision      |      | -          | 12,000.00  |
| Donations                     |      | 100.00     | 864.36     |
| Fox Sports Fees               |      | 23,124.00  | 22,456.00  |
| General Expenses              |      | 380.00     | 1,032.63   |
| Interest Paid                 |      | 6,956.84   | 8,040.05   |
| Insurance                     |      | 45,844.42  | 34,246.14  |
| Keno Charges                  |      | 1,550.75   | 1,547.00   |

|  | <b>Note</b> | <b>2019</b><br><b>\$</b> | <b>2018</b><br><b>\$</b> |
|--|-------------|--------------------------|--------------------------|
| Light and Power                        |             | 52,822.13                | 45,728.06                |
| Licences and Fees                      |             | 11,491.09                | 11,673.95                |
| Printing and Postage                   |             | 12,587.86                | 8,420.33                 |
| Provision for Holiday Pay              |             | 110.54                   | (443.52)                 |
| Provision for Long Service             |             | (996.46)                 | (4,620.77)               |
| Prize money - cash                     |             | -                        | 1,710.00                 |
| Raffle Expenses                        |             | 45,879.25                | 42,096.78                |
| Members Expenses                       |             | 122.72                   | -                        |
| Rates                                  |             | 14,027.15                | 14,542.83                |
| Repairs - Clubhouse                    |             | 112,642.60               | 60,654.73                |
| Repairs - Greens                       |             | 87,930.16                | 31,380.88                |
| Social & Entertainment Costs           |             | 61,213.66                | 86,027.83                |
| Security and Fire Service              |             | 84,798.86                | 13,708.09                |
| Staff Training Costs                   |             | 1,059.52                 | 440.91                   |
| Stocktaking                            |             | 3,000.00                 | 3,000.00                 |
| Superannuation                         |             | 52,429.70                | 51,906.96                |
| Telephone                              |             | 3,159.91                 | 8,211.06                 |
| Travelling Expenses                    |             | 275.00                   | 316.00                   |
| Trophies                               |             | 415.00                   | -                        |
| Uniforms                               |             | 710.00                   | -                        |
| Wages - Administration                 |             | 151,886.29               | 140,335.71               |
| Wages - Greens                         |             | -                        | 51,682.36                |
| Waste Removal                          |             | 37,528.14                | 19,566.80                |
|  |             | <hr/> 932,543.92         | <hr/> 770,589.72         |
| <b>Profit from ordinary activities</b> |             | <hr/> 40,910.09          | <hr/> 87,884.99          |



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