



MARRICKVILLE BOWLING AND RECREATION CLUB LIMITED

ABN 30 001 037 029

Annual Report 2017



MARRICKVILLE BOWLING & RECREATION CLUB LTD

ABN 30 001 037 029

Founded 1905

111th ANNUAL REPORT AND BALANCE SHEET

Office Bearers for 2016/2017

President/Acting Treasurer	Leo Bergagnin
Vice President	Stephen O'Neill
Directors	Terence Fox
	Ronald Cook
	Benjamin Whipp
	Christopher Smith <i>retired 22 May 2017</i>
	Shane Chambers <i>deceased</i>
	Michael Rennie <i>retired 23 October 2016</i>
	Paul O'Malley <i>retired 23 October 2016</i>
	Janet McLean <i>retired 23 October 2016</i>
	Samantha Knight <i>retired 23 October 2016</i>
	Rachel Mules <i>retired 23 October 2016</i>
	Colleen Starr <i>retired 23 October 2016</i>
	Ian Sharp <i>retired 23 October 2016</i>
	William Broun <i>retired 11 April 2017</i>

ANNUAL GENERAL MEETING AGENDA

19th November 2017

Notice is hereby given that the Annual General Meeting of Marrickville Bowling & Recreation Club Ltd will be held in the Clubs auditorium on Sunday, 19th November 2017 at 10.00am.

The Business of the meeting shall be:

1. Apologies.
2. To confirm the Minutes of the Annual General Meeting held 23rd October 2016.
3. To receive, consider and adopt the financial statements of the club for the year 1st July 2016 to 30th June 2017.
4. To appoint an Auditor or Auditors for 2017/2018.
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. To Amend the Constitution from the Following Paragraph:

A member shall not be eligible for election or appointment to the Board unless the member has held membership of the Club for a continuous period of not less than (3) years immediately preceding the closing date of nominations for the Board or immediately preceding the date of such members appointment to the board.

Change to:

A member shall not be eligible for election or appointment to the Board unless the member has held membership of the Club for a continuous period of not less than (5) years immediately preceding the closing date of nominations for the Board or immediately preceding the date of such members appointment to the board to commence on the 1st December 2017.

8. General Business.

Please Note:

Nominations for Selectors will close on the Thursday 9th November 2017 at 6.00pm. Forms are available at the Bar or the Office. The ballot for the election of Selectors will be held on Friday 3rd November 2017 between 4.00pm and 7.00pm and Saturday 4th November 2017 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 2017. 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 AND TREASURER'S REPORT

Dear Members

The 2016-2017 financial year has produced a small profit of \$13,376.00.

Upon rejoining the Board at the end of April, a number of members have asked some difficult questions regarding why the club is in the position it is today. A little history helps explain the situation.

At the end of the 2007 financial year the club had recorded its 7th straight loss. These amounted to almost \$500,000.00 and use up nearly all cash reserves (financial report 2006-2007)

In a controversial decision in January 2008 the club was placed into voluntary administration. Opposing this action, the late Shane Chambers formed a group of members to campaign to remove the administrator an exit strategy was needed for such action to be successful. The administrator was finally removed and the club was returned to the members but at a cost of about \$400,000.00. This action was supported by a large majority of club members at that time.

The club's entertainment license was not renewed, laws changed and to renew our ability to continue with our dance parties a DA was lodged with local council. Compliance with fire regulations were a financial burden then and came up again in October 2015 with more work to be carried out in the next 12 months. A lot of these works go unnoticed by members but the cost is a constant burden. Day to day running costs continue to rise such as insurances, electricity, gas, water rates, council rates, excise on alcohol 2 times a year just to name a few, the clubhouse desperately needs some maintenance our greens need help, but the doors are still open.

On a more positive note the club is in a much better position now than in 2008. The club land value has nearly doubled poker machine entitlements have also increased substantially our debt is down from app \$400,000 to \$190,000 still too high but manageable. Income has risen from \$880,000 to \$1.6 million.

The club needs to consolidate on last year's result. In 2017-2018 debt needs to be reduced, maintenance on clubhouse and the greens monitored but maintained. This will only happen if we control our finances.

Income now comes from a much larger base. A constant rise in the number of barefoot bowlers has helped our bottom line with in excess of 7000 passing through our doors last year. Social membership continues to rise. Live entertainment is also bringing large numbers to the club on weekends. Christmas functions will also add to the income stream. A concern at the moment is the drop-in poker machine revenue this is being evaluated at the moment.

The administration of the club is vitally important to the success of our future. Tom Jones was appointed Secretary Manager in 2016 and since rejoining the Board I have had many conversations with Tom regarding the club and I have been very impressed with his cooperation, honesty and his enthusiasm to see the club succeed.

I would like to take this opportunity on behalf of the Board and members of our club to thank Tom and all of our staff for your contribution to making this club a success.

I would also thank fellow Board members for accepting me back on the Board and the contribution they have made.

Most importantly thank you to the Bowlers and Members for your patronage.

Without you there is no club.



Leo Bergagnin
President

SECRETARY MANAGER'S REPORT

Dear Members,

It has been a somewhat tumultuous year at The Marrickville Bowling & Recreation Club with Change of Management as well as several changes on the Board. The previous year's loss left the club in a challenging financial position. Substantial trade debts along with a multitude of essential maintenance and repair meant that we were starting behind the eight ball with a long way to catch up.

The good news is that in 2017 we did see a profit, albeit small. Whilst our Poker machine revenue was down substantially our Bar Trading has increased from the previous year by \$172,190.78. This trajectory, if maintained, is a very promising sign for the future of the club and it's benefit to the Bowlers, Members and local community as a whole.

I would like to thank all the staff of The Marrickville Bowling & Recreation Club, old and new, for their hard work and dedication as it gets busier. In particular Megan Tovey, who has gone above and beyond in her role managing the myriad of functions we are now seeing frequent the club and Richard Ball our in-house sound engineer/tech, who has frequently gone in excess of expectations resolving arising issues.

Most of all I would like to thank the Board, the Bowlers and the Members. Your continued support in the last year has been overwhelming and I look forward to further realising the potential of the club with you in the future.



Tom Jones
Secretary Manager

WOMEN'S BOWLING CLUB REPORT

As the new women's president it is with pleasure I submit this report. We have been fortunate to welcome a number of new ladies bowlers to our group. It has been fantastic to see them entering into a number of the club championships.

I would like to congratulate this year's Fours Club Champions Lisa Wegemund, Colleen Starr, Liz Baker and Karin McCartin and Triples Club Champions Lisa Wegemund, Colleen Starr and Karin McCartin. We are still progressing though Minor Singles, Major Singles and Pairs - good luck to all those in the finals.

We were successful in winning two District events this years. Liz Baker took out the District Singles, and myself, Liz Baker and Colleen Starr took out the district Triples. Unfortunately we lost both the Singles and the Triples at the Regional playoffs.

This year the women entered Grade 3 Pennants. Sadly though there was no flag, but well done to all our ladies who participated and gave their best each week. A big thank you to Karin McCartin, Coral Lahood and Lenore Ryan for your wonderful efforts each week as Team Mangers.

Marrickville also hosted another successful year of the Inner West Triples. A huge congratulations to Sherron Wilson for all your efforts in organising this event and ensuring everything ran smoothly. Sherron even managed to keep the rain away and produced perfect weather for all rounds. Next year will be the 20th anniversary of this event and I look forward to helping celebrate the successes of this enjoyable event.

Sadly this year we say goodbye to two of our talented bowlers - Liz Baker and Colleen Starr. On behalf of the Women's Bowling Club, we wish Liz all the best at her new club. All the best to Colleen with your retirement from bowls.

I would like to take this opportunity to thank all our women bowlers. It's a friendly group and it's great to see everyone, especially our new bowlers, participating and enjoying the game. To all our ladies, thank you for your time and effort and for pitching in when a hand is needed. Without your help we would not survive.

I look forward to the next coming year. Good health and good bowling to all.

Sam Knight
President

Bowls Secretary's Report

Marrickville entered two sides in the pennants for 2017. These being Grades 3 & 6. Good to see lots of new bowlers representing Marrickville in the pennant they performed well for beginners and add much to the future of our club.

The club was Well represented in state events with Phil Wright and Phil Means making the semifinal in the zone senior pairs. Graham Richards and James Warburton made it to the 1/4 final of the Zone Pairs.

Easter competition was a success we plan to replicate next year.

Club Championships 2017

Fours

Winners: V O'Malley, N, Dyer, D Lawrence, D Minihan

Runners up: M Isevic, A Windle, G Richards, J Warburton

Triples

Winners: W Goodall, P Lange, P Wright

Runner up: K Freeman G Richards, J Warburton

Pairs

Winners: G Richards, J Warburton

Runners up: P Vernon, C Jackson

Major Singles

Winner: P Wright

Runner up: W Goodall

Minor Singles

Winner: J O'Malley

Runner up: D Minihan

Thank you for your support

Ben Whipp
Bowls Secretary

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DIRECTORS' REPORT

Your directors present their report on the company for the financial year ended 30 June 2017.

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

Christopher Smith retired 22 May 2017

Shane Chambers - deceased

Clyde Collier appointed 11 September 2017

Michael Rennie retired 23 October 2016

Paul O'Malley retired 23 October 2016

Janet McLean retired 23 October 2016

Samantha Knight retired 23 October 2016

Rachel Mules retired 23 October 2016

Colleen Starr retired 23 October 2016

Ian Sharp retired 23 October 2016

William Broun retired 11 April 2017

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 \$13,378.

Significant Changes in the State of Affairs

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

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: Stephen O'Neill

Dated this 13th day of September 2017

**AUDITORS' 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 2017 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 13th day of September 2017

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
Note	\$	\$
Revenue	1,637,935.98	1,510,990.26
Raw materials and consumables used	(505,244.11)	(446,156.90)
Depreciation and amortisation expenses	(12,715.18)	(18,951.00)
Employee benefits expenses	(540,867.84)	(515,907.31)
Finance costs	(12,590.29)	(14,496.65)
Other expenses	(553,140.28)	(565,938.80)
Profit (Loss)	13,378.28	(50,460.40)
Total comprehensive income for the year	<u>13,378.28</u>	<u>(50,460.40)</u>
Total comprehensive income attributable to members of the entity	13,378.28	(50,460.40)

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2017

	Note	2017 \$	2016 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	68,901.43	77,977.56
Trade and other receivables	4	15,084.33	9,126.87
Inventories	5	24,256.00	30,006.94
Other current assets	6	12,615.06	6,021.33
TOTAL CURRENT ASSETS		120,856.82	123,132.70
NON-CURRENT ASSETS			
Property, plant and equipment	7	1,255,173.49	1,265,088.67
TOTAL NON-CURRENT ASSETS		1,255,173.49	1,265,088.67
TOTAL ASSETS		1,376,030.31	1,388,221.37
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	158,533.01	144,245.02
Borrowings	9	56,794.68	56,794.68
Provisions	10	46,901.48	39,383.43
Other current liabilities	11	5,893.18	6,440.45
TOTAL CURRENT LIABILITIES		268,122.35	246,863.58
NON-CURRENT LIABILITIES			
Borrowings ⁹		42,084.24	88,912.35
TOTAL NON-CURRENT LIABILITIES		42,084.24	88,912.35
TOTAL LIABILITIES		310,206.59	335,775.93
NET ASSETS		1,065,823.72	1,052,445.44
EQUITY			
Retained earnings	12	1,065,823.72	1,052,445.44
TOTAL EQUITY		1,065,823.72	1,052,445.44

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2017

	Note	Retained earnings \$	Total \$
Balance at 1 July 2015		1,102,906	1,102,906
Profit attributable to equity shareholders		(50,460)	(50,460)
Balance at 30 June 2016		1,052,445	1,052,445
Profit attributable to equity shareholders		13,378	13,378
Balance at 30 June 2017		1,065,824	1,065,824

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	1,610,841.17	1,475,986.08
Payments to suppliers and employees	(1,597,384.00)	(1,463,011.49)
Interest received	409.91	1,041.59
Commission Received	26,684.90	33,962.59
	<u> </u>	<u> </u>
Net cash provided by operating activities	13 40,551.98	47,978.77
	<u> </u>	<u> </u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	(2,800.00)	(61,093.80)
	<u> </u>	<u> </u>
Net cash used in investing activities	(2,800.00)	(61,093.80)
	<u> </u>	<u> </u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	(46,828.11)	(42,660.23)
	<u> </u>	<u> </u>
Net cash used in financing activities	(46,828.11)	(42,660.23)
	<u> </u>	<u> </u>
Net decrease in cash held	(9,076.13)	(55,775.26)
	<u> </u>	<u> </u>
Cash at beginning of financial year	77,977.56	133,752.82
	<u> </u>	<u> </u>
Cash at end of financial year	3 68,901.43	77,977.56
	<u> </u>	<u> </u>

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

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

Going Concern

Notwithstanding the deficiency of current assets in the company, the financial report of the company has been prepared on a going concern basis. This basis has been applied as the directors are of the opinion that the current trading conditions will generate excess cash to enable debts to be paid on a timely basis.

The Club's going concern "fall back" position has always been its ability to part realisable property or assets. This would generate surplus cash over total liabilities

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. No valuation increase to market value has been booked in the accounts. The posting of valuation increments to land and buildings 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.

	2017	2016
	\$	\$
2 Auditor's Remuneration		
Auditor's Remuneration		
Audit Fees	9,000.00	9,000.00
	<u>9,000.00</u>	<u>9,000.00</u>
3 Cash and Cash Equivalents		
Cash at Bank	1,363.64	6,610.69
Cash at Bank	46,178.99	38,811.68
Cash at Bank - Keno	0.46	0.46
Cash at Bank - ATM	2,160.44	0.39
Cash at Bank	6,429.26	6,023.94
Cash at Bank	10,221.75	19,849.35
WBC Cash Reserve	2,081.65	1,803.75
Cash at Bank	465.24	4,877.30
	<u>68,901.43</u>	<u>77,977.56</u>
	<u>68,901.43</u>	<u>77,977.56</u>
Reconciliation of cash		
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	68,901.43	77,977.56
	<u>68,901.43</u>	<u>77,977.56</u>
	<u>68,901.43</u>	<u>77,977.56</u>
4 Trade and Other Receivables		
Current		
Trade Debtors	7,200.00	2,129.08
GST Paid - Input Tax Credits	7,884.33	6,997.79
	<u>15,084.33</u>	<u>9,126.87</u>
	<u>15,084.33</u>	<u>9,126.87</u>
5 Inventories		
Current		
At cost:		
Bar Stock as per		
Independent Stocktaker	24,256.00	30,006.94
	<u>24,256.00</u>	<u>30,006.94</u>
6 Other Assets		
Current		
Prepayments - Other	12,615.06	6,021.33
	<u>12,615.06</u>	<u>6,021.33</u>

	2017	2016
	\$	\$
7 Property, Plant and Equipment		
BUILDINGS		
Land and Buildings at cost:		
Land and Building	602,310.00	602,310.00
Clubhouse Improvements	588,067.57	588,067.57
Less Provision for Depreciation	<u>(1,750.00)</u>	<u>(1,750.00)</u>
Total Buildings	<u>1,188,627.57</u>	<u>1,188,627.57</u>
PLANT AND EQUIPMENT		
Plant and Equipment:		
At cost	243,870.37	241,070.37
Accumulated depreciation	<u>(177,324.45)</u>	<u>(164,609.27)</u>
Total Plant and Equipment	<u>66,545.92</u>	<u>76,461.10</u>
Total Property, Plant and Equipment	<u><u>1,255,173.49</u></u>	<u><u>1,265,088.67</u></u>

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 Buildings Furniture \$	Clubhouse Plant and Equipment \$	Greens and Bistro \$	Poker Machines \$	Total \$
Balance at					
1 July 2015	1,176,379.57	34,207.91	5,812.50	6,545.50	1,222,945.48
Additions	12,248.16	30,596.64	18,249.00	-	61,093.80
Depreciation expense	-	(10,492.00)	(1,913.00)	(6,545.50)	(18,950.50)
Balance at					
30 June 2016	1,188,627.73	54,312.55	22,148.50	-	1,265,088.78
Additions	-	2,800.00	-	-	2,800.00
Depreciation expense	-	(7,200.00)	(5,515.00)	-	(12,715.00)
Carrying amount at 30 June 2017	1,188,627.73	49,912.55	16,633.50	-	1,255,173.78

	2017	2016
	\$	\$
8 Trade and Other Payables		
Current		
Accrued Expense	12,173.46	11,791.16
Trade Creditors	98,377.35	80,759.62
GST Collected	655.00	195.20
Outstanding BAS Cheque	47,327.20	51,499.04
	<u>158,533.01</u>	<u>144,245.02</u>
9 Borrowings		
Current		
Loans - Secured	<u>56,794.68</u>	<u>56,794.68</u>
Non-Current		
Loans - Secured	<u>42,084.24</u>	<u>88,912.35</u>
Total borrowings	4 <u>98,878.92</u>	4 <u>145,707.03</u>
10 Provisions		
Provision for Long Service Leave	12,011.23	13,656.83
Provision for Holiday Pay	10,012.25	15,865.51
Provision for Superannuation	24,878.00	9,861.09
	<u>34,890.25</u>	<u>25,726.60</u>
Total provisions	<u>46,901.48</u>	<u>39,383.43</u>
Analysis of Total Provisions		
Current	<u>46,901.48</u>	<u>39,383.43</u>
	<u>46,901.48</u>	<u>39,383.43</u>

	2017	2016
	\$	\$
11 Other Liabilities		
Current		
Subscriptions in Advance	5,893.18	6,440.45
	<u>5,893.18</u>	<u>6,440.45</u>
12 Retained Earnings		
Retained earnings at the beginning of the financial year	1,052,445.44	1,102,905.84
Net profit (Net loss) attributable to members of the company	13,378.28	(50,460.40)
	<u>13,378.28</u>	<u>(50,460.40)</u>
Retained earnings at the end of the financial year	1,065,823.72	1,052,445.44
	<u>1,065,823.72</u>	<u>1,052,445.44</u>
13 Cash Flow Information		
Reconciliation of result for the year to cashflows from operating activities.		
Reconciliation of net income to net cash provided by operating activities:		
Profit (Loss) after income tax	13,378.28	(50,460.40)
Cash flows excluded from profit (loss) attributable to operating activities		
Non-cash flows in profit		
Depreciation	12,715.18	18,951.00
Charges to provisions	7,518.05	3,072.82
Changes in assets and liabilities		
(Increase) Decrease in current inventories	5,750.94	(7,221.20)
(Increase) Decrease in current receivables	1,926.87	12,047.03
(Increase) Decrease in prepayments	(6,593.73)	7,085.59
Increase (Decrease) in trade creditors	6,403.66	61,635.30
Increase (Decrease) in other creditors	(547.27)	-
Increase (Decrease) in income in advance	-	2,868.63
	<u>40,551.98</u>	<u>47,978.77</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 2017 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: Stephen O'Neill

Dated this 13th day of September 2017

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 2017 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 2017 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 13th day of September 2017

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
BAR TRADING STATEMENT		
SALES		
Sales	1,236,811.46	1,064,620.68
LESS: COST OF GOODS SOLD		
Opening Stock	30,006.94	22,785.74
Purchases	499,493.17	453,378.10
	<u>529,500.11</u>	<u>476,163.84</u>
Closing Stock	(24,256.00)	(30,006.94)
	<u>505,244.11</u>	<u>446,156.90</u>
GROSS BAR PROFIT	731,567	618,464
LESS: DIRECT COSTS		
Bar Wages	267,024	241,009
	<u>267,024.49</u>	<u>241,008.93</u>
NET PROFIT FROM BAR	<u>464,543</u>	<u>377,455</u>
POKER MACHINE TRADING STATEMENT		
INCOME		
Net Takings	164,690.23	233,974.02
LESS: EXPENSES		
Repairs to Poker Machines	19,872.33	16,183.58
Rebate Poker Machines	(15,730.55)	(17,180.00)
Monitoring Costs	15,038.16	14,045.06
Poker Machine Licence	42,336.00	42,511.20
Depreciation - PMs	-	6,546.00
Poker Machine Wages	79,760.00	71,990.62
	<u>141,275.94</u>	<u>134,096.46</u>
NET PROFIT FROM POKER MACHINES	<u>23,414</u>	<u>99,878</u>

The accompanying notes form part of these financial statements.

	2017	2016
	\$	\$
INCOME		
Net Trading Profit from Bar	464,543	377,455
Net Trading Profit from Poker Machines	23,414	99,878
Room Hire	9,964.53	15,153.35
Keno Commission	13,231.34	17,702.76
Interest Received	409.91	1,041.59
Kitchen Service fees	22,827.30	12,763.67
Subscriptions	31,144.98	20,617.28
Sundry Income	-	3,314.64
Raffle Income	44,352.73	43,890.91
Insurance Claim Recoveries	9,564.47	-
Green Fees	91,212.74	81,651.53
Commission Received	13,453.56	16,259.83
Donation Received	272.73	-
	<hr/>	<hr/>
	724,391	689,728
EXPENSES		
Advertising and Decorations	2,475.09	8,713.82
Association Fees	3,154.54	4,160.00
Auditor's Remuneration	9,000.00	9,000.00
Bank Charges	4,226.61	2,590.60
Bowls Expenses	1,360.00	7,430.91
Bookkeeping Fees	13,771.85	13,851.47
Catering Costs	5,977.24	2,030.18
Cleaning	36,857.60	32,242.10
Consultancy Fees	-	5,012.50
Coaching Fees	8,386.00	10,888.00
Computer supplies & Software	6,008.15	5,457.54
Depreciation	12,715.18	12,405.00
Donations	100.00	50.00
Fox Sports Fees	21,804.00	21,172.00
General Expenses	2,060.53	4,372.41
Interest Paid	12,590.29	14,496.65
Jackpots	-	1,840.00
Insurance	29,442.94	30,109.71
Keno Charges	1,542.75	1,870.09
Light and Power	41,082.71	45,558.67
Licences and Fees	7,395.86	10,247.96

The accompanying notes form part of these financial statements.

	2017	2016
	\$	\$
Printing and Postage	8,419.80	18,340.23
Provision for Holiday Pay	(5,853.26)	1,963.69
Provision for Long Service	(1,645.60)	1,561.65
Promotions	2,323.81	5,828.35
Prize money - cash	4,549.00	7,000.00
Raffle Expenses	48,278.22	50,383.98
Rates	16,840.89	15,996.26
Repairs - Clubhouse	16,170.72	33,017.15
Repairs - Greens	25,234.30	23,274.10
Social & Entertainment Costs	110,711.01	107,841.27
Security and Fire Service	5,187.54	5,347.04
Staff Training Costs	500.02	1,903.64
Stocktaking	3,000.00	3,000.00
Superannuation	48,665.91	42,555.43
Telephone	7,026.76	6,047.87
Travelling Expenses	70.00	212.45
Trophies	-	674.55
Wages - Administration	119,153.14	98,693.03
Wages - Greens	64,611.40	58,998.62
Waste Removal	17,818.16	14,049.45
	<u>711,013.16</u>	<u>740,188.37</u>
Profit (Loss) from ordinary activities	<u>13,378.28</u>	<u>(50,460.40)</u>

The accompanying notes form part of these financial statements.



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