

GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED
ABN: 54 000 234 800

FINANCIAL REPORT
FOR THE YEAR ENDED
30 APRIL 2018

GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED
ABN: 54 000 234 800

CONTENTS

Directors' Report	1
Auditor's Independence Declaration	4
Statement of Profit or Loss and Other Comprehensive Income	5
Statement of Financial Position	6
Statement of Changes in Equity	7
Statement of Cash Flows	8
Notes to the Financial Statements	9
Directors' Declaration	25
Independent Auditor's Report	26
Auditor's Disclaimer	29
Departmental Trading, Profit and Loss Statement	32

GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED
ABN: 54 000 234 800

DIRECTORS' REPORT

Your directors present their report on Gymea Miranda Bowling & Sports Club Limited (the company) for the financial year ended 30 April 2018.

Directors

The following directors have been in office for the entire financial year unless otherwise stated below and attended the recorded board meetings:

Name of Director	Club Position	Total number of Directors meetings attended	Total number of Directors meetings whilst in office
Robert Gallagher	Chairman	11	12
Kevin Jeffree	Deputy Chairman	11	12
Debbie Brooking	Treasurer	9	12
Leslie Parker	Director	12	12
Greg Letch	Director	10	12
Peter Donohue	Director	11	12
Marc Worthington	Director	8	12

Number of Directors meetings

12

Information on Directors

Name of Director	Qualifications	Experience
Robert Gallagher	Retired	- Chairman Gymea Miranda Bowling & Sports Club Limited - Director 10 years
Kevin Jeffree	Sales	- Director Gymea Miranda Bowling & Sports Club Limited - Director 6 years
Debbie Brooking	Credit Advisor	- Director Gymea Miranda Bowling & Sports Club Limited - Director 7 years
Leslie Parker	Retired	- Director Gymea Miranda Bowling & Sports Club Limited - Director 8 years
Greg Letch	Sales Representative	- Director Gymea Miranda Bowling & Sports Club Limited - Director 5 years
Peter Donohue	Retired	- Director Gymea Miranda Bowling & Sports Club Limited - Director 2 years
Marc Worthington	Retired	- Director Gymea Miranda Bowling & Sports Club Limited - Director 2 years

Objectives

The objectives for which the company is established are to provide a community club focused on promoting lawn bowls as an attractive recreational sport for all ages, to support the other sports club, to present high quality entertainment and social facilities for members, their families and guests, and to support local community groups by providing club facilities and financial assistance when available.

GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED
ABN: 54 000 234 800

DIRECTORS' REPORT

Short Term Objectives

- Maintain membership numbers and increase attendance at the club
- Improve the experience of members using the club facilities
- Improve profitability and efficiency of club operations
- Engage and remain relevant within the local community
- Continue to support community groups

Long Term Objectives

- Maintain financial stability of the club
- Ensure facilities continue to cater for members
- Increase efficiency of energy and water consumption

Strategy for achieving the objectives

- Review promotional activities conducted at the club
- Evaluate operational procedures and staff training
- Investigate alternative revenue sources

Principal Activities

The principal activities of the company during the course of the financial year consisted of the conduct of licensed social and sporting club facilities, particularly lawn bowls, to the members of the company.

There were no significant changes in the nature of the activities of the company during the year.

How these activities assist in achieving the objectives

The principal activities of the company contributed to achieving the objectives by providing a stable base of operations. This ensured the financial position of the company remained stable and generated funds to meet the demands of the company and maintain high levels of service to members and guests.

Performance measurement and key performance indicators

The financial performance of the club is measured against the budget set and benchmark data from the club industry. Some of the criteria reported on are:

- Earnings Before Interest, Taxation, Depreciation and Amortisation (EBITDA)
- Gross Profit Margin
- Expense ratios and analysis
- Cash flow

Non financial performance is assessed by a variety of measures including:

- Members feedback
- Staff turnover
- Comparison with industry wide initiatives
- Consultation with bowls and sports club committees

GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED
ABN: 54 000 234 800

DIRECTORS' REPORT


Members' limited liability

The entity is incorporated under the Corporations Act 2001 and is an entity limited by guarantee. If the entity is wound up the constitution states that each member is required to contribute a maximum of \$10.00 towards meeting any outstanding obligations of the entity. At 30 April 2018 the total amount that members of the company are liable to contribute if the company is wound up is \$40,260.


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 4.

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

Director: 

R. Gallagher

Director: 

D. Brooking

Dated this 25th day of June 2018

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

I declare that, to the best of my knowledge and belief, during the year ended 30 April 2018 there have been:

- (i) no contraventions of the auditor independence requirements of 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.

Maher Partners Assurance Pty Limited



Jason Maher

Taren Point

Dated this 25th day of June 2018

GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED
ABN: 54 000 234 800

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 APRIL 2018

	Note	2018 \$	2017 \$
Revenue	2	3,261,677	2,954,552
Other income	2	22,112	5,636
		<u>3,283,789</u>	<u>2,960,188</u>
Cost of sales	4	(696,924)	(612,707)
Depreciation and amortisation expenses	4	(287,298)	(267,818)
Employee benefits expenses		(852,295)	(810,510)
Finance costs		(119,016)	(96,218)
Other expenses		(960,649)	(885,767)
Profit for the year		<u>367,607</u>	<u>287,168</u>
Total comprehensive income for the year		<u><u>367,607</u></u>	<u><u>287,168</u></u>
Total comprehensive income attributable to members of the entity		367,607	287,168

The accompanying notes form part of these financial statements.

GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED
ABN: 54 000 234 800

STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2018

	Note	2018 \$	2017 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	577,970	103,976
Trade and other receivables	6	4,740	109,574
Inventories	7	29,846	32,636
Other current assets	8	20,293	25,923
TOTAL CURRENT ASSETS		<u>632,849</u>	<u>272,109</u>
NON-CURRENT ASSETS			
Property, plant and equipment	9	9,871,910	9,932,994
Intangible assets	10	449,608	449,608
TOTAL NON-CURRENT ASSETS		<u>10,321,518</u>	<u>10,382,602</u>
TOTAL ASSETS		<u>10,954,367</u>	<u>10,654,711</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	175,572	268,407
Borrowings	12	59,266	53,148
Provisions	13	73,975	68,607
Other current liabilities	14	63,151	72,930
TOTAL CURRENT LIABILITIES		<u>371,964</u>	<u>463,092</u>
NON-CURRENT LIABILITIES			
Borrowings	12	2,100,813	2,072,219
Provisions	13	24,943	30,360
TOTAL NON-CURRENT LIABILITIES		<u>2,125,756</u>	<u>2,102,579</u>
TOTAL LIABILITIES		<u>2,497,720</u>	<u>2,565,671</u>
NET ASSETS		<u>8,456,647</u>	<u>8,089,040</u>
EQUITY			
Reserves	15	4,866,926	4,866,926
Retained earnings	16	3,589,721	3,222,114
TOTAL EQUITY		<u>8,456,647</u>	<u>8,089,040</u>

The accompanying notes form part of these financial statements.

GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED
ABN: 54 000 234 800

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2018

Note	Retained Earnings \$	Asset Revaluation Reserve \$	Capital Profits Reserve \$	Amalgamation Reserve \$	Total \$
Balance at 1 May 2016	2,934,946	3,224,118	287,625	1,355,183	7,801,872
Profit (Loss) attributable to members	287,168	-	-	-	287,168
Balance at 30 April 2017	3,222,114	3,224,118	287,625	1,355,183	8,089,040
Profit (Loss) attributable to members	367,607	-	-	-	367,607
Balance at 30 April 2018	<u>3,589,721</u>	<u>3,224,118</u>	<u>287,625</u>	<u>1,355,183</u>	<u>8,456,647</u>

The accompanying notes form part of these financial statements.

GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED
ABN: 54 000 234 800

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 APRIL 2018

	2018	2017
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	3,361,183	2,886,750
Payments to suppliers and employees	(2,599,964)	(2,291,136)
Interest received	1,178	1,581
Finance costs paid	(114,145)	(90,017)
Net cash provided by operating activities	20 <u>648,252</u>	<u>507,178</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	26,608	6,820
Payments for property, plant and equipment	(230,710)	(2,887,022)
Net cash used in investing activities	<u>(204,102)</u>	<u>(2,880,202)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	87,861	2,183,427
Repayment of borrowings	(58,017)	(67,438)
Net cash provided by financing activities	<u>29,844</u>	<u>2,115,989</u>
Net increase (decrease) in cash held	473,994	(257,035)
Cash at beginning of financial year	103,976	361,011
Cash at end of financial year	5 <u><u>577,970</u></u>	<u><u>103,976</u></u>

The accompanying notes form part of these financial statements.

GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED
ABN: 54 000 234 800

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018

1 Summary of Significant Accounting Policies

The financial statements cover Gymea Miranda Bowling & Sports Club Limited (the company) as an individual entity. Gymea Miranda Bowling & Sports Club Limited is a company limited by guarantee, incorporated and domiciled in Australia.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

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

The financial statements are presented in Australian dollars, which is the company's functional currency, and have been rounded to the nearest dollar.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements were authorised for issue on 25 June 2018 by the directors of the company.

Accounting Policies

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.

GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED
ABN: 54 000 234 800

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018

Trade and Other Receivables

Trade receivables are recognised initially at the transaction price (i.e. cost) and are subsequently measured at cost less provision for impairment. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

At the end of each reporting period, the carrying amount of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in statement of comprehensive income.

Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on a weighted-average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the costs necessary to make the sale. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

Property, Plant and Equipment

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

Land and buildings

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers. The directors are of the opinion that it is not appropriate to depreciate the building component given the history of increases in value as assessed by independent valuations.

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

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the statement of comprehensive income.

GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED
ABN: 54 000 234 800

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the company includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

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 statement of comprehensive income during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including capitalised lease assets, but excluding freehold land and buildings, is depreciated on a straight line basis over the asset's useful life to the company commencing from the time the asset is held ready for use.

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

Class of Fixed Asset	Depreciation Rate
Plant & Equipment	5.0 - 33.3%

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of profit or loss and other comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED
ABN: 54 000 234 800

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018

Intangibles

Poker machine entitlements

Poker machine entitlements are carried at cost less accumulated impairment losses. Poker machine entitlements are not amortised as they are deemed to have an indefinite useful life. Poker machine entitlements are tested for impairment annually.

Impairment of Non-Financial Assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in the statement of profit or loss and other comprehensive income.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

Trade and Other Payables

Trade and other payables represent the liabilities at the end of the reporting period for goods and services received by the company that remain unpaid.

Trade payables are recognised at their transaction price. The carrying values are considered to be a reasonable approximation of the fair values. Trade payables are obligations on the basis of normal credit terms.

GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED
ABN: 54 000 234 800

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018

Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or the arrangement conveys a right to use the asset.

A lease is classified at the inception date as either a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the company is classified as a finance lease.

Finance leases are capitalised by recording an asset and a liability at the fair value of the leased property or, if lower, the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for that period.

Leased assets are depreciated over their estimated useful lives where it is likely that the company will obtain ownership of the asset, or otherwise over the shorter of the estimated useful life and the term of the lease.

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are recognised as operating expenses in the statement of profit or loss and other comprehensive income on a straight line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised over the lease term.

Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

Contributions are made by the company to an employee superannuation fund and are charged as expenses when incurred.

Revenue and Other Income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the company and specific criteria relating to the type of revenue as noted below, has been satisfied.

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

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED
ABN: 54 000 234 800

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018

Sale of goods

Revenue from the sale of goods comprises revenue earned from the provision of food, beverage and other goods to members and other patrons and is recognised at the point the goods are provided as this corresponds to the transfer of significant risks and rewards of ownership of the goods.

Interest revenue

Interest revenue is recognised using the effective interest rate method.

Membership subscriptions

Membership subscriptions paid in advance are initially recognised as a liability. Revenue is recognised on a straight line basis over the membership period, based on the membership category for which subscriptions have been received.

Sale of property, plant and equipment

The gain or loss on disposal of property, plant and equipment is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal (including incidental costs) and is recognised as other income or other expenses at the date control of the asset passes to the buyer.

Other income

Other income is recognised on an accruals basis when the company is entitled to it.

Borrowing Costs

All borrowing costs are recognised as an expense in the period in which they are incurred.

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 Tax 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.

Comparatives

Comparative figures have been adjusted to conform to changes in presentation for the current financial year.

GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED
ABN: 54 000 234 800

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018

Critical Accounting Estimates and Judgments

The preparation of the financial statements requires management to make estimates and judgements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - Estimation of useful lives of assets

The estimated useful lives and related depreciation charges for property, plant and equipment are determined by management. The useful lives could change significantly to those estimated. The depreciation charge will increase where useful lives are less than those estimated.

Key judgments - Long service leave provision

The liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, attrition rates, salary growth rates and an appropriate discount factor have been considered.

Key judgments - Intangible assets

Poker machine entitlements are tested for impairment annually. Management judgement is required in determining the factors relevant for calculating the recoverable amount of poker machine entitlements to assess whether any impairment exists.

GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED
ABN: 54 000 234 800

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018

	2018	2017
	\$	\$
2 Revenue and Other Income		
Revenue		
Sales revenue:		
Sale of goods	1,843,886	1,612,249
Rendering of services	1,367,923	1,284,745
	3,211,809	2,896,994
Other revenue:		
Interest received	1,178	1,581
Other revenue	48,690	55,977
	49,868	57,558
Total revenue	3,261,677	2,954,552
Other income		
Profit on Sale of Poker Machines	22,112	5,636
Total other income	22,112	5,636
Total revenue and other income	3,283,789	2,960,188
3 Auditor's Remuneration		
Auditors Remuneration		
Auditor's Remuneration	16,000	15,500
Other Services	12,925	12,425
	28,925	27,925
4 Profit		
Expenses		
Depreciation - Bar	13,601	14,463
Depreciation - Catering	3,226	2,347
Depreciation - Poker Machines	206,199	190,251
Depreciation - Greens	2,446	2,510
Depreciation - TAB	1,082	1,066
Depreciation - General	60,744	57,181
Depreciation of property, plant and equipment	287,298	267,818

GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED
ABN: 54 000 234 800

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018

	2018	2017
	\$	\$
5 Cash and Cash Equivalents		
Current		
Cash on Hand	45,000	40,000
Cash on Deposit	430,240	307
Cash at Bank	102,730	63,669
	<u>577,970</u>	<u>103,976</u>
6 Trade and Other Receivables		
Current		
Trade Debtors	-	104,458
Other Receivables	4,740	5,116
	<u>4,740</u>	<u>109,574</u>
	<u>4,740</u>	<u>109,574</u>
7 Inventories		
Current		
At cost:		
Bar stocks held for resale	21,926	24,716
Sundry stock	7,920	7,920
	<u>29,846</u>	<u>32,636</u>
8 Other Assets		
Current		
Prepayments	7,287	7,676
Prepaid Borrowing Expenses	13,006	18,247
	<u>20,293</u>	<u>25,923</u>
9 Property, Plant and Equipment		
BUILDINGS		
Club Land and Buildings at:		
Independant valuation in 2016	6,500,000	6,500,000
Building additions & renovations - at cost	2,315,692	2,194,725
Total Land and Buildings	<u>8,815,692</u>	<u>8,694,725</u>

GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED
ABN: 54 000 234 800

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018

	2018	2017
	\$	\$
PLANT AND EQUIPMENT		
Plant and Equipment:		
At cost	2,569,363	2,496,085
Accumulated depreciation	(1,513,145)	(1,257,816)
Total Plant and Equipment	1,056,218	1,238,269
Total Property, Plant and Equipment	9,871,910	9,932,994

Valuation

An independent valuation of the company's land and buildings was carried out on 13 January 2016 by registered valuers, Robertson & Robertson Consulting Valuers on the basis of market value for alternate use. The valuation of land and buildings was \$6,500,000. The directors have performed a directors' valuation of freehold land and buildings as at 30 April 2018 and do not believe that there has been a significant change in the key assumptions adopted by the valuers in the most recent valuation. The directors therefore believe that the carrying amount of freehold land and buildings correctly reflects the fair value less costs of disposal at 30 April 2018.

Movements in Carrying Amounts

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 & Buildings	Plant & Equipment	Total
	\$	\$	\$
Balance at 1 May 2016	6,500,000	814,974	7,314,974
Additions	2,194,725	692,297	2,887,022
Disposals	-	(1,184)	(1,184)
Depreciation expense	-	(267,818)	(267,818)
Balance at 30 April 2017	8,694,725	1,238,269	9,932,994
Additions	120,967	109,743	230,710
Disposals	-	(4,496)	(4,496)
Depreciation expense	-	(287,298)	(287,298)
Carrying amount at 30 April 2018	8,815,692	1,056,218	9,871,910

10 Intangible Assets

Poker Machine Entitlements	449,608	449,608
Total	449,608	449,608

GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED
ABN: 54 000 234 800

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018

	2018	2017
	\$	\$
11 Trade and Other Payables		
Current		
Trade Creditors	82,502	159,626
Other Creditors	93,070	108,781
	<u>175,572</u>	<u>268,407</u>
Financial liabilities at amortised cost classified as trade and other payables		
Trade and other payables:		
- Total current	175,572	268,407
- Total non-current	-	-
	<u>175,572</u>	<u>268,407</u>
Less Other payables	(93,070)	(108,781)
Financial liabilities as trade and other payables	<u>82,502</u>	<u>159,626</u>
12 Borrowings		
Current		
Hire Purchase Liability	56,097	53,148
Westpac Insurance Loan	3,169	-
Total current borrowings	<u>59,266</u>	<u>53,148</u>
Non-Current		
Hire Purchase Liability	4,813	60,910
Loans - Bank	2,096,000	2,011,309
Total non-current borrowings	<u>2,100,813</u>	<u>2,072,219</u>
Total borrowings	<u>2,160,079</u>	<u>2,125,367</u>
13 Provisions		
Current		
Employee entitlements - Annual Leave	<u>73,975</u>	<u>68,607</u>
Non-Current		
Employee entitlements - Long Service Leave	<u>24,943</u>	<u>30,360</u>

GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED
ABN: 54 000 234 800

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018

	2018	2017
	\$	\$
14 Other Liabilities		
Current		
Subscriptions in Advance	52,905	29,395
Income in advance	10,246	43,535
	63,151	72,930
15 Reserves		
Asset Revaluation Reserve		
Opening Balance for the year	3,224,118	3,224,118
Capital Profits Reserve		
Opening Balance for the year	287,625	287,625
Amalgamation Reserve		
Opening Balance for the year	1,355,183	1,355,183
	4,866,926	4,866,926
16 Retained Earnings		
Retained earnings at the beginning of the financial year	3,222,114	2,934,946
Net profit attributable to members of the company	367,607	287,168
Retained earnings at the end of the financial year	3,589,721	3,222,114
17 Capital Commitments		
Finance HP/Lease Commitments		
Payable:		
Not later than one year	58,017	58,017
Later than one year but not later than two years	4,835	58,017
Later than two years but not later than five years	-	4,834
Minimum lease payments	62,852	120,868
Less future finance charges	(1,942)	(6,810)
Total HP/lease liability	60,910	114,058

GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED
ABN: 54 000 234 800

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018

	2018	2017
	\$	\$
18 Key Management Personnel		
The totals of remuneration paid to key management personnel (KMP) of the company during the year are as follows:		
Key management personnel compensation	<u>253,270</u>	<u>256,697</u>
19 Related Party Transactions		
Transactions between related parties are on normal commercial terms and conditions. These terms and conditions are no more favourable than those available to other parties unless otherwise stated.		
Transactions with related parties:		
Wed Group provided electrical contractor work during the 2016 renovations. This work was provided on commercial terms.	<u>-</u>	<u>101,021</u>

GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED
ABN: 54 000 234 800

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018

	2018	2017
	\$	\$
<hr/>		
20 Cash Flow Information		
a) Reconciliation of cash		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:		
Cash on Hand	45,000	40,000
Cash on Deposit	430,240	307
Cash at Bank	102,730	63,669
	<u>577,970</u>	<u>103,976</u>
b) Reconciliation of Cashflow from Operations with profit after Income Tax		
Operating profit (loss) after income tax	367,607	287,168
Adjustments		
Depreciation	287,298	267,818
Charges to provisions	(49)	(11,791)
Financing flows in operating profits	4,869	6,198
Profit on sale of Poker Machines	(22,112)	(5,636)
(Increase) Decrease in current inventories	2,790	7,916
(Increase) Decrease in current receivables	104,834	(95,209)
(Increase) Decrease in prepayments	5,629	(26)
Increase (Decrease) in trade and other payables	(92,835)	23,156
Increase (Decrease) in other current liabilities	(9,779)	27,584
	<u>648,252</u>	<u>507,178</u>

GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED
ABN: 54 000 234 800

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018

		2018	2017
		\$	\$
<hr/>			
21 Financial Risk Management			
<p>The company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable.</p> <p>The carrying amounts 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:</p>			
	Note	2018	2017
		\$	\$
Financial Assets			
Cash and cash equivalents	5	577,970	103,976
Loans and receivables	6	4,740	109,574
Total Financial Assets		<u>582,710</u>	<u>213,550</u>
Financial Liabilities			
Bank loan secured	12	2,096,000	2,011,309
Trade and other payables	11	82,502	159,626
HP / Lease liabilities	12	60,910	114,058
Insurance loan	12	3,169	-
Total Financial Liabilities		<u>2,242,581</u>	<u>2,284,993</u>

The net fair value is equivalent to the carrying amount unless otherwise stated.

22 Company Details

The registered office of the company is:

691 Kingsway, Gymea NSW 2227

The principal place of business is:

691 Kingsway, Gymea NSW 2227

The principal activities of the company are the operation of a Licensed Bowling Club.

GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED
ABN: 54 000 234 800

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018

	2018	2017
	\$	\$

23 Disclosure Requirements under Section 41J of the Registered Clubs Act

Core and Non-core Property

Section 41J of the Act defines core property as meaning any real property owned or occupied by a registered club that comprises:

- (a) the defined premises of the club; or
- (b) any facility provided by the club for use of its members and their guests; or
- (c) any other property declared, by resolution passed by a majority of the members present at a general meeting of the ordinary members of the club, to be core property of the club.

Non-core property is defined as meaning any real property owned or occupied by the club that is not core property.

The Directors consider the club's defined premises of 691 Kingsway, Gymea NSW 2227 to be core property.

The Directors consider the club has no non-core property.


GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED
ABN: 54 000 234 800

DIRECTORS' DECLARATION


The directors of the company declare that:

1. The financial statements and notes, as set out on pages 1 to 24, are in accordance with the Corporations Act 2001 including:
 - (a) giving a true and fair view of the company's financial position as at 30 April 2018 and of its performance as represented by the results of its operations and its cash flows for the year ended on that date; and
 - (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Regulations 2001; and
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: 

R. Gallagher

Director: 

D. Brooking

Dated this 25th day of June 2018

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED
ABN: 54 000 234 800**

Opinion

We have audited the accompanying financial report of GyMEA Miranda Bowling & Sports Club Limited (the company), which comprises the statement of financial position as at 30 April 2018, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of the company is in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the company's financial position as at 30 April 2018 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Regulations 2001.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. Our responsibilities under those standards are further described in the Auditor's Responsibility section of our report. We are independent of the company in accordance with the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the code.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED ABN: 54 000 234 800

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Corporations Act 2001 and Australian Accounting Standards - Reduced Disclosure Requirements and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine necessary to enable the preparation of a financial report that 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

Our responsibility is to express an opinion on the financial report based on our audit. Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit.

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 judgement, including the assessment of the 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 of the financial report that gives a true and fair view 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. 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.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED
ABN: 54 000 234 800**

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 conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

We 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.

We obtain sufficient appropriate audit evidence regarding the financial information of the company to express an opinion on the financial report.

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

Maher Partners Assurance Pty Limited



Jason Maher

Taren Point


Dated this 25th day of June 2018

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED
ABN: 54 000 234 800**

**Auditor's Disclaimer to the Members
For the year ended 30 April 2018**

The additional data presented in the Profit & Loss Statement and Trading accounts is in accordance with the books and records of the GyMEA Miranda Bowling & Sports Club Limited (our client) which have been subjected to the auditing procedures applied in the statutory audit of the company for the year ended 30 April 2018. It will be appreciated that the statutory audit did not cover all details of the financial data and no warranty of accuracy or reliability is given. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than our client) in respect of such data, including any errors or omissions therein however caused.

Name of Firm: Maher Partners Assurance Pty Limited
Chartered Accountants

Name of Principal: 
Jason Maher

Address: Taren Point

Dated this 25th day of June 2018

GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED
ABN: 54 000 234 800

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 APRIL 2018

	2018	2017
	\$	\$
INCOME		
Bar Trading	801,853	663,245
Catering & Function Trading	68,042	47,293
Poker Machine Trading	505,477	479,040
Keno Trading	24,615	27,235
Marketing	19,464	(935)
Bowls Trading Account	(72,271)	(63,599)
TAB Trading Account	(23,957)	(25,514)
	1,323,223	1,126,765
OTHER INCOME		
Interest Received	1,178	1,581
Commissions & Donations	7,530	8,115
Members Subscriptions	39,332	45,629
Sundry Income	1,828	2,233
	49,868	57,558
	1,373,091	1,184,323

The accompanying notes form part of these financial statements.

GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED
ABN: 54 000 234 800

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 APRIL 2018

	2018	2017
	\$	\$
EXPENSES		
Accountancy Fees	12,925	12,425
Advertising	10,129	5,467
Auditor's Remuneration	16,000	15,500
Bank Fees & Charges	15,746	13,123
Borrowing Costs	5,244	5,168
Cleaning & Waste Removal	99,641	88,588
Computer Software & Expenses	14,734	8,456
Depreciation - General	60,744	57,181
Donations & Community Support	1,927	1,219
Electricity / Gas	64,342	57,047
Entertainment, Membership & Social Expenses	114,530	119,813
General Expenses	1,690	1,170
Insurance / Workers Comp	47,823	44,635
Interest Paid	98,026	77,927
Legal Costs / Consultants	750	1,000
Payroll Tax	4,318	649
Printing, Postages & Stationery	16,347	12,244
Provision for Annual Leave	5,368	(11,019)
Provision for Long Service Leave	(5,417)	(772)
Rates Council & Water	13,378	12,625
Repairs & Maintenance	59,384	37,737
Security	18,723	21,207
Staff Amenities	18,038	12,513
Staff Travel Reimbursements	506	364
Staff Training & Welfare	2,223	2,912
Subscriptions	6,066	7,843
Superannuation Contributions	80,573	75,166
Telephone	8,489	8,892
Wages Office, Administration & Maintenance	213,237	208,075
	1,005,484	897,155
Profit from ordinary activities before income tax	367,607	287,168

The accompanying notes form part of these financial statements.

GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED
ABN: 54 000 234 800

DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 APRIL 2018

	2018	2017
	\$	\$
BAR TRADING		
Bar Sales	1,802,548	1,587,195
Coffee Shop	41,338	23,668
Bar Rebates	82,896	89,190
	1,926,782	1,700,053
Less: Cost of Goods Sold		
Opening Inventory	24,716	32,632
Purchases	694,134	604,791
Closing Inventory	(21,926)	(24,716)
	696,924	612,707
	1,229,858	1,087,346
Gross Profit from Trading		
Less: Direct Costs		
Depreciation - Bar	13,601	14,463
Gas	4,486	4,106
Snacks	11,188	11,249
Stocktake Fees	4,312	4,092
Redemption Points	9,613	9,309
Repairs & Maintenance	14,609	19,425
Wages	370,196	361,457
	428,005	424,101
Net Profit from Trading	801,853	663,245

The accompanying notes form part of these financial statements.

GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED
ABN: 54 000 234 800

DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 APRIL 2018

	2018	2017
	\$	\$
CATERING & FUNCTION TRADING		
Catering Sales	-	1,386
Room Hire	60,846	68,806
Kitchen Rent	122,671	85,385
Sundry Income	-	455
	183,517	156,032
Less: Direct Costs		
Depreciation - Catering	3,226	2,347
Gas	21,016	9,139
Security Services	1,349	2,104
Sundry Expenses	5,380	4,329
Repairs & Maintenance	4,219	9,904
Wages - Functions	80,285	80,916
	115,475	108,739
Net Profit from Trading	68,042	47,293

The accompanying notes form part of these financial statements.

GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED
ABN: 54 000 234 800

DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 APRIL 2018

	2018	2017
	\$	\$
POKER MACHINE TRADING		
Gross Poker Machine Receipts	799,783	759,854
GST Offset	17,180	17,180
Profit on Sale of Poker Machines	22,112	5,636
	839,075	782,670
Less: Direct Costs		
Depreciation - Poker Machines	206,199	190,251
Promotions	6,571	3,850
Data Monitoring Service	27,518	24,516
Repairs & Maintenance	45,219	42,634
Wages	48,091	42,379
	333,598	303,630
Net Profit from Trading	505,477	479,040

The accompanying notes form part of these financial statements.

GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED
ABN: 54 000 234 800

DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 APRIL 2018

	2018	2017
	\$	\$
<hr/>		
KENO TRADING		
Keno commissions	<u>45,045</u>	<u>45,028</u>
Less: Direct Costs		
Bank Fees	180	180
Repairs & Maintenance	1,533	1,533
Stationary	890	594
Wages	<u>17,827</u>	<u>15,486</u>
	<u>20,430</u>	<u>17,793</u>
Net Profit from Trading	<u><u>24,615</u></u>	<u><u>27,235</u></u>

The accompanying notes form part of these financial statements.

GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED
ABN: 54 000 234 800

DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 APRIL 2018

	2018	2017
	\$	\$
<hr/>		
MARKETING		
Bowls Parties	25,513	23,800
Raffles	110,305	86,682
Sponsorship	14,745	17,700
	150,563	128,182
Less: Direct Costs		
Promotions	991	-
Raffle Expenses	99,636	99,285
Signage & Sponsorship Expenses	776	2,438
Tournament Expenses	4,785	3,563
Wages	24,911	23,831
	131,099	129,117
Net Profit (Loss) from Trading	19,464	(935)

The accompanying notes form part of these financial statements.

GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED
ABN: 54 000 234 800

DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 APRIL 2018

	2018	2017
	\$	\$
<hr/>		
BOWLS TRADING ACCOUNT		
Green Fees	53,299	58,167
Bowls Subscriptions	11,143	12,774
	64,442	70,941
Less: Direct Costs		
Depreciation - Greens	2,446	2,510
Bowls Subscriptions	12,383	11,745
Sundry Expenses	2,037	176
Repairs & Maintenance	1,354	3,484
Contractor Fees	118,493	116,625
	136,713	134,540
Net Loss from Trading	(72,271)	(63,599)

The accompanying notes form part of these financial statements.

GYMEA MIRANDA BOWLING & SPORTS CLUB LIMITED
ABN: 54 000 234 800

DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 APRIL 2018

	2018	2017
	\$	\$
TAB TRADING ACCOUNT		
TAB Commission	24,497	19,724
Less: Direct Costs		
Bank Charges	180	180
Kiosk Rental	8,140	8,180
Depreciation - TAB	1,082	1,066
Sky Subscription	20,694	18,869
Sundry Expenses	1,134	1,952
Wages	17,224	14,991
	48,454	45,238
Net Loss from Trading	<u>(23,957)</u>	<u>(25,514)</u>

The accompanying notes form part of these financial statements.