

Scone Bowling Club Limited

ABN 17 001 039 854



2018 Annual Report

SCONE BOWLING CLUB LIMITED
ABN 17 001 039 854

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given of a Annual General Meeting of the **SCONE BOWLING CLUB LIMITED** to be held on **22 July 2018** commencing at the hour of **10 am** at the premises of the Club, 28-36 Gundy Road, Scone, New South Wales.

AGENDA FOR ANNUAL GENERAL MEETING

1. Apologies
2. Confirmation of the Minutes of the Annual General Meeting held 30 July 2017.
3. To receive and adopt the Presidents Report.
4. To receive and adopt the Financial Statements & Balance Sheet for the year ended 31 March 2018.
5. To elect the Board of Directors & appoint Patrons for the coming year.
6. To consider the nomination of **William (Billy) Carter** for election as a **Life Member** of the Club.
7. To consider and if though fit approve the payment of Honorariums as follows:-

	\$	
President	2500	
Vice-President	2000	
Treasurer	2000	
Directors (4)	1000	
8. To consider and if thought fit pass as an **Ordinary Resolution**, the following:-

The members hereby approve and agree to reasonable expenditure by the Club for the following activities of Directors, and not to exceeding \$350 per Director, until the next Annual General Meeting of the Club.

 - a) *reasonable cost of beverages for each Director after Board Meetings*
 - b) *provision of Directors shirts*
 - c) *provision of a fellowship dinner for Directors once per year.*
9. Any other business of which due notice has been given or which the meeting may determine.
10. Close.

Dated: 20 June, 2018

By direction of the Board



Warren Styles
Secretary Manager

Copies of the 2018 Annual Report & Financial Statements are available at www.sconebc.com.au or from the Secretary Manager on request in digital or hard copy format.
A copy is also on display on the Club Notice Board.

Contact : email sbc@sconebc.com.au or 6545 1511

Any Member of the Club attending the Annual General Meeting who has questions of a financial nature regarding the Financial Statements, please give your question in writing to the Secretary Manager no later than Monday 16 July 2018 so your query may be answered fully at the meeting.

President's Report 2017

Dear Members,

I'm pleased to report to members of the continuation of the Club's strong financial position with the Club recording a \$52,224 operational profit for our 2017/18 financial year. Although this is a reduction in operational profit from past years, can be mainly attributed to reduced poker machine returns experienced, particularly in the last half of our financial year. This period also coincided with the major renovation of both of our bowling greens, which not only impacted trading, but also was responsible for increasing costs such water rates. Obviously, the prolonged dry period being experience by the Upper Hunter region also had an effect on the Club's water consumption. However, despite this and other increases in operation costs the Club has been able increase its cash reserves. This result is a not only a reflection on of the effort that our Staff and the Board members put into the day to day operation of the Club but also the support and patronage of our members and their guests during the past year.

Since the completion of the renovations last year, other improvements to the Club have also been completed. These include the awning over the stencilled concrete on the green side of the Club, airlock for the green side entrance, new screens for the gaming room entrances and a new electronic main sign and fence Club's Gundy Rd entrance. Further improvements planned for the next twelve months include painting of the main bar and entrance area, and the development of the outdoor area adjacent to the auditorium.

The Board also recently commissioned the installation of a 100 kW solar system on Club's roof. This system is expected to supply approximately 36% of the Club electricity consumption, which at the current energy rates, is an approximate saving of \$27,000 annually. The system is expected to have payback period of about 4 years and dependent on Council approval, is expected to be installed by the end of September 2018.

I would like to thank the all Directors for their service over the past year with a special thanks to Bruce Johnstone and John Day for the time that they put into the Club. We also welcomed Don Manning as a Director to the Board this year, who along with the other Directors Ken Wells, Ben Nicholson and John Wikman all made valuable contributions to the management of the Club over the last 12 months. I would also like to thank all of the volunteers who have contributed to the running of the Club over past year. In particular, Reg Riley for Bowls Coordination and Alphabet racing, Cedric Rendoth for assisting in green and surrounds maintenance, Jock Cameron and Richard Welsh- Tuesday afternoon bowls, Ben Nicholson and Bob Mailer-Business House Bowls. Also I would like congratulate Chairman Ken Wells and the Bowls Committee on their efforts to foster and organise the various bowls competitions in the Club this year.

Our Staff deserve special recognition for the manner in which they discharged their duties this past year. Our Secretary Manager Warren Styles has continued his progressive management of the Club. I also never get tired of being complemented by members and visitors to our Club on the friendly and professional attitude of our Bar Staff and the appearance of our Club.

Along with improvements to the Club, the replacement of the grass surface of the Stafford Green and a renovation of the Boniface Green was conducted last summer. As previously mentioned this process left the Club without greens for a couple of months, however has resulted in playing surfaces which are at a standard that the Club and district bowlers have come to expect from our greens. With the completion of the conversion of both greens to tiff grass, a more consistent playing surface with reduce downtime for maintenance is expected in future years. The high standard of our greens is largely due to the expertise and dedication of our greenkeeper Robert Ings, who with the assistance of Geoff Harrington maintain our greens and surrounds in a manner that is the envy of all bowlers who visit our Club

Our caterers Sammy & Suki Lui have completed their first 12 months with the Club. I would like to congratulate both of them on the way that they and their staff have added to the club experience for both members and visitors. Although they were presented with some new challenges regarding catering requests this past year they have both settled into our Club. I have always found them both very open to any feedback that can improve their service to members and their guests.

This last year the Board has continued to support the community through donations to school presentation days and community groups. The Club also hosted the Annual TransCare Charity Bowls night as well making the Club's facilities available to community groups such as Rotary, Men's and Ladies Probus Clubs.

I would also like to take this opportunity to thank the Ladies Bowls Committee for their support during the last year and wish President Wendy McKenzie and her Committee all the best for the coming year.

To members who have lost family and friends in the past year I offer condolences on the behalf of the Club.

Doug Campbell

A handwritten signature in black ink, appearing to read 'D. Campbell', written in a cursive style.

President

SCONE BOWLING CLUB LIMITED

ACN: 001 039 854

**Financial Report For The Year Ended
31 March 2018**

Scone Bowling Club Limited

ACN: 001 039 854

Financial Report For The Year Ended 31 March 2018

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SCONE BOWLING CLUB LIMITED
ACN: 001 039 854
DIRECTORS' REPORT

Your directors present this report on the company for the financial year ended 31 March 2018.

Directors

The names of each person who has been a director during the year and to the date of this report are:

Campbell, Douglas
Day, Edward (John)
Johnstone, Bruce
Beckingham, Robert resigned (2/08/2017)
Nicholson, Ben resigned (26/03/2018)
Wells, Ken
Wikman, John
Manning, Donald appointed (2/08/2017)

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

Principal Activities

The principal activity of the company during the financial year was:

The carrying on of a bowling club registered under the Liquor Act, 1912.

No significant changes in the nature of the entity's activity occurred during the financial year.

Short-term and Long-term Objectives

The short-term and long-term objectives of the club are to continue to provide and promote bowls and social events in accordance with the constitution.

These objectives are achieved by continuing to maintain profitability so as to support the aims of the organisation and continue to grow membership and member facilities.

Information on Directors

Campbell, Douglas	—	President
Day, Edward (John)	—	Vice President
Johnstone, Bruce	—	Treasurer
Beckingham, Robert	—	Director (resigned during the year)
Nicholson, Ben	—	Director (resigned during the year)
Wells, Ken	—	Director
Wikman, John	—	Director
Manning, Donald	—	Director

Meetings of Directors

During the financial year, 13 meetings of directors were held. Attendances by each director were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Campbell, Douglas	13	13
Day, Edward (John)	13	13
Johnstone, Bruce	13	11
Beckingham, Robert	5	-
Nicholson, Ben	12	9
Wells, Ken	13	9
Wikman, John	13	12
Manning, Donald	9	8

The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the company. At 31 March 2018, the total members were 1,544.

SCONE BOWLING CLUB LIMITED
ACN: 001 039 854
DIRECTORS' REPORT

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 31 March 2018 has been received and can be found on page 3 of the financial report.

This directors' report is signed in accordance with a resolution of the Board of Directors.

Director 

Campbell, Douglas

Dated this 20th day of June 2018

SCONE BOWLING CLUB LIMITED
ACN: 001 039 854
AUDITOR'S INDEPENDENCE DECLARATION UNDER S 307C OF
THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF SCONE BOWLING CLUB LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 31 March 2018 there have been no contraventions of:

- (i) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Name of Firm Rose & Partners



Name of Partner Paul Heaton

Date 20/06/2018

Address 109 Liverpool Street

Scone NSW 2337

SCONE BOWLING CLUB LIMITED
ACN: 001 039 854
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR
ENDED 31 MARCH 2018

	Note	2018	2017
		\$	\$
Revenue	2	4,233	10,344
Other income	2	3,802,205	3,507,772
Employee expenses		(517,650)	(491,472)
Depreciation and amortisation expense	3	(301,416)	(280,173)
Repairs, maintenance and vehicle running expenses		(75,412)	(43,618)
Fuel, light and power expense		(67,459)	(58,043)
Audit, legal and consultancy fees		(15,705)	(15,421)
Bar cost of sales		(262,067)	(261,150)
Poker machine expenses		(2,151,356)	(1,826,660)
Members benefits and promotion expenses		(48,642)	(58,037)
Advertising, postage & stationary		(29,182)	(28,978)
Insurance		(46,742)	(40,530)
Entertainment and catering		(102,664)	(100,296)
Honarariums		(10,500)	(10,250)
TAB expenses		(20,346)	(19,214)
Sundry expenses		(105,075)	(130,438)
Current year surplus before income tax		<u>52,224</u>	<u>153,837</u>
Tax expense			
Net current year surplus		<u><u>52,224</u></u>	<u><u>153,837</u></u>
Total comprehensive income for the year		<u><u>52,224</u></u>	<u><u>153,837</u></u>

The accompanying notes form part of these financial statements.

SCONE BOWLING CLUB LIMITED
ACN: 001 039 854
STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2018

	Note	2018 \$	2017 \$
ASSETS			
CURRENT ASSETS			
Cash on hand	4	554,037	469,587
Accounts receivable and other debtors	5	1,926	1,268
Inventories on hand	6	30,826	28,881
Other current assets	7	34,242	26,684
TOTAL CURRENT ASSETS		<u>621,031</u>	<u>526,420</u>
NON-CURRENT ASSETS			
Property, plant and equipment	8	4,054,706	4,041,272
Intangible assets	9	52,615	52,615
TOTAL NON-CURRENT ASSETS		<u>4,107,322</u>	<u>4,093,887</u>
TOTAL ASSETS		<u>4,728,352</u>	<u>4,620,307</u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and other payables	10	159,921	125,376
Employee provisions	11	155,847	138,129
TOTAL CURRENT LIABILITIES		<u>315,768</u>	<u>263,505</u>
NON-CURRENT LIABILITIES			
Employee provisions	11	16,803	13,245
TOTAL NON-CURRENT LIABILITIES		<u>16,803</u>	<u>13,245</u>
TOTAL LIABILITIES		<u>332,571</u>	<u>276,750</u>
NET ASSETS		<u>4,395,781</u>	<u>4,343,556</u>
EQUITY			
Retained surplus		4,354,945	4,302,721
Reserves		40,836	40,836
TOTAL EQUITY		<u>4,395,781</u>	<u>4,343,557</u>

The accompanying notes form part of these financial statements.

SCONE BOWLING CLUB LIMITED
ACN: 001 039 854
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

Note	Retained Surplus	Revaluation Surplus	Total
	\$	\$	\$
Balance at 1 April 2016	4,148,884	40,836	4,189,720
Profit for the year	153,837		153,837
Balance at 31 March 2017	4,302,721	40,836	4,343,557
Balance at 1 April 2017	4,302,721	40,836	4,343,557
Profit for the year	52,224		52,224
Balance at 31 March 2018	4,354,945	40,836	4,395,781

The accompanying notes form part of these financial statements:

SCONE BOWLING CLUB LIMITED
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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2018

	Note	2018	2017
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		4,271,241	3,948,796
Payments to suppliers and employees		(3,906,685)	(3,580,142)
Interest received		4,233	10,344
Net cash generated from operating activities	14	<u>368,789</u>	<u>378,998</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		32,140	34,640
Payment for property, plant and equipment		<u>(316,479)</u>	<u>(1,829,268)</u>
Net cash used in investing activities		<u>(284,339)</u>	<u>(1,794,628)</u>
Net increase in cash held		84,450	(1,415,630)
Cash on hand at beginning of the financial year		469,587	1,885,217
Cash on hand at end of the financial year	4	<u><u>554,037</u></u>	<u><u>469,587</u></u>

The accompanying notes form part of these financial statements.

SCONE BOWLING CLUB LIMITED
ACN: 001 039 854
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

The financial statements cover Scone Bowling Club Limited as an individual entity, incorporated and domiciled in Australia. Scone Bowling Club Limited is a company limited by guarantee.

The financial statements were authorised for issue on 20 June 2018 by the directors of the company.

Note 1 Summary of Significant Accounting Policies

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the Corporations Act 2001 and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual 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 amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

(a) Revenue

Non-reciprocal grant revenue is recognised in profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before the entity is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Membership is treated as income when received.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

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

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

(b) Inventories on hand

Inventories are measured at the lower of cost and current replacement cost.

Inventories acquired at no cost or for nominal consideration are measured at the current replacement cost as at the date of acquisition.

(c) Property, Plant and Equipment

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

Freehold Property

Freehold land and buildings are shown at their cost, less subsequent depreciation for buildings.

Freehold land and buildings that have been contributed at no cost or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(f) for details of impairment).

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 recognised as expenses in profit or loss in the financial period in which they are incurred.

Plant and equipment that have been contributed at no cost or for nominal cost are recognised at the fair value of the asset at the date it is acquired.

Depreciation

SCONE BOWLING CLUB LIMITED

ACN: 001 039 854

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is available for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Class of Fixed Asset	Depreciation Rate
Buildings	3%
Plant and equipment	5-20%

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised as income in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

(d) Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are recognised as expenses in profit or loss immediately.

Classification and Subsequent Measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense item in profit or loss.

(i) Financial assets at fair value through profit or loss

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying amount included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iv) Available-for-sale investments

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any remeasurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are not expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

SCONE BOWLING CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(v) Financial liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of the occurrence of one or more events (a "loss event"), which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors, or a group of debtors, are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability, which is extinguished or transferred to another party, and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(e) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying value. For non-cash generating specialised assets measured using the cost basis, the recoverable amount is determined using current replacement cost in AASB 13 *Fair Value Measurement*. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

(f) Employee Provisions

Short-term employee provisions

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

Other long-term employee provisions

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as part of employee provisions expense.

The company's obligations for long-term employee benefits are presented as non-current employee provisions in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current employee provisions.

SCONE BOWLING CLUB LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(g) Cash on Hand

Cash on hand includes cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(h) Accounts receivable and other debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. 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.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(f) for further discussion on the determination of impairment losses.

(i) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(j) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

(k) Intangible Assets

Poker Machine Entitlements

Poker machine entitlements are initially recognised at cost. It has an infinite life and is carried at cost less any accumulated amortisation and any impairment losses.

(l) Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of reporting period.

(m) Comparative Figures

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

When the company retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period, in addition to the minimum comparative financial statements, must be disclosed.

(n) Accounts Payable and Other Payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(o) Critical Accounting Estimates and Judgements

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

Key Judgements

(i) Employee benefits

For the purpose of measurement, AASB 119: *Employee Benefits* defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. The company expects most employees will take their annual leave entitlements within 24 months of the reporting period in which they were earned, but this will not have a material impact on the amounts recognised in respect of obligations for employees' leave entitlements.

(p) New Accounting Standards for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards that have mandatory application dates for future reporting periods, some of which are relevant to the company. The directors have decided not to early adopt any of the new and amended pronouncements. Their assessment of the pronouncements that are relevant to the company but applicable in future reporting periods is set out below:

- AASB 9: *Financial Instruments* and associated amending Standards (applicable to annual reporting periods beginning on or after 1 January 2018).

SCONE BOWLING CLUB LIMITED

ACN: 001 039 854

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

The Standard will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments, and simplified requirements for hedge accounting.

The key changes that may affect the company on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to the hedging of non-financial items.

Hedge accounting requirements are required to be prospectively applied.

The financial assets held by the entity as at 31 December 2017 are account receivables and other debtors and the financial assets listed in Note 8. Adoption of AASB 9 is expected to:

- a. increase the provisioning for account receivables and other debtors; the financial impact of which is not expected to be significant; and
 - b. reclassify available for sale financial assets to equity instruments measured at fair value through other comprehensive income; and
 - c. change the measurement attribute of other fixed interest securities from amortised cost to fair value through other comprehensive income due to the business model in which they are held. However this is not expected to have a significant financial impact on the financial statements.
- AASB 16: Leases (applicable to annual reporting periods beginning on or after 1 January 2019).
When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: Leases and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

The main changes introduced by the new Standard are as follows:

- recognition of a right-of-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);
- depreciation of right-of-use assets in line with AASB 116: *Property, Plant and Equipment* in profit or loss and unwinding of the liability in principal and interest components;
- inclusion of variable lease payments that depend on an index or a rate in the initial measurement of the lease liability using the index or rate at the commencement date;
- application of a practical expedient to permit a lessee to elect not to separate non-lease components and instead account for all components as a lease; and
- inclusion of additional disclosure requirements.

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108: *Accounting Policies, Changes in Accounting Estimates and Errors* or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application.

Although the directors anticipate that the adoption of AASB 16 will impact the company's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

Note 2 Revenue and Other Income

	2018	2017
	\$	\$
Revenue		
— Interest received	4,233	10,344
	<u>4,233</u>	<u>10,344</u>
Total revenue	<u>4,233</u>	<u>10,344</u>
Other income		
— Gain on disposal of property, plant and equipment	30,511	-
— Other	32,966	18,604
— Bar sales	533,952	522,868
— Entertainment & catering	75,600	75,561
— Poker machine revenue	2,988,232	2,754,665
— Keno	77,153	74,331
— Competition and green fees	15,094	16,729
— Membership subscriptions	9,230	11,035
— Gaming tax rebate	17,180	17,180
— TAB Commission	22,287	16,798
Total other income	<u>3,802,205</u>	<u>3,507,772</u>
Total revenue and other income	<u><u>3,806,438</u></u>	<u><u>3,518,116</u></u>

SCONE BOWLING CLUB LIMITED

ACN: 001 039 854

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

Note 3 Surplus for the year

	2018	2017
	\$	\$
(a) Expenses		
Employee expenses:		
— Employee expenses	517,650	491,472
Total employee expenses	<u>517,650</u>	<u>491,472</u>
Depreciation and amortisation:		
— land and buildings	107,529	99,238
— motor vehicles	3,356	4,131
— furniture and equipment	12,132	13,120
— Plant and equipment	56,359	43,341
— Poker machines	122,040	120,343
Total depreciation and amortisation	<u>301,416</u>	<u>280,173</u>
Audit fees		
— audit services	12,105	11,821
— other services	3,600	3,600
Total Audit Remuneration	<u>15,705</u>	<u>15,421</u>

Note 4 Cash on Hand

	2018	2017
	\$	\$
CURRENT		
Cash at bank	502,837	418,387
Cash on hand	51,200	51,200
Total cash on hand as stated in the statement of financial position and statement of cash flows	<u>554,037</u>	<u>469,587</u>

Note 5 Accounts Receivable and Other Debtors

	2018	2017
	\$	\$
CURRENT		
Accounts receivable	1,926	1,268
Total current accounts receivable and other debtors	<u>1,926</u>	<u>1,268</u>

Note 6 Inventories on Hand

	2018	2017
	\$	\$
CURRENT		
At cost:		
Inventory	30,826	28,881
	<u>30,826</u>	<u>28,881</u>

Note 7 Other Current Assets

	2018	2017
	\$	\$
Accrued Income	4,632	357
Prepayments	24,610	21,327
Security Deposit - TAB	5,000	5,000
	<u>34,242</u>	<u>26,684</u>

SCONE BOWLING CLUB LIMITED

ACN: 001 039 854

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

Note 8 Property, Plant and Equipment

	2018	2017
	\$	\$
LAND AND BUILDINGS		
Freehold land:		
At cost	23,065	23,065
Total land	<u>23,065</u>	<u>23,065</u>
Buildings at cost:	4,248,299	4,141,886
Less accumulated depreciation	<u>(937,348)</u>	<u>(829,819)</u>
Total buildings	<u>3,310,951</u>	<u>3,312,067</u>
Total land and buildings	<u>3,334,016</u>	<u>3,335,132</u>
PLANT AND EQUIPMENT		
Plant and equipment:		
At cost	623,635	544,760
Less accumulated depreciation	<u>(377,328)</u>	<u>(310,597)</u>
	<u>246,307</u>	<u>234,163</u>
Poker machines		
At cost	1,047,310	872,468
Less accumulated depreciation	<u>(660,799)</u>	<u>(502,488)</u>
	<u>386,511</u>	<u>369,980</u>
Motor vehicles		
At cost	27,227	27,227
Less accumulated depreciation	<u>(12,683)</u>	<u>(9,327)</u>
	<u>14,544</u>	<u>17,900</u>
Furniture and fittings		
At cost	183,137	181,774
Less accumulated depreciation	<u>(109,809)</u>	<u>(97,677)</u>
	<u>73,328</u>	<u>84,097</u>
Total plant and equipment	<u>720,691</u>	<u>706,139</u>
Total property, plant and equipment	<u>4,054,706</u>	<u>4,041,272</u>

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:

	Poker Machines \$	Furniture and Fittings \$	Land and Buildings \$	Motor Vehicles \$	Plant and Equipment \$	Total \$
2017						
Carrying amount at the end of the year	<u>369,980</u>	<u>84,097</u>	<u>3,335,132</u>	<u>17,900</u>	<u>234,163</u>	<u>4,041,272</u>
2018						
Balance at the beginning of the year	369,980	84,097	3,335,132	17,900	234,163	4,041,272
Additions at cost	140,200	1,364	106,411		68,504	316,479
Additions at fair value						-
Disposals	(32,140)					(32,140)
Profit/(Loss) on sale of fixed assets	30,511					30,511
Depreciation expense	(122,040)	(12,132)	(107,529)	(3,356)	(56,359)	(301,416)
Carrying amount at the end of the year	<u>386,511</u>	<u>73,329</u>	<u>3,334,014</u>	<u>14,544</u>	<u>246,308</u>	<u>4,054,706</u>

SCONE BOWLING CLUB LIMITED

ACN: 001 039 854

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

Note 9 Intangible Assets

	2018	2017
	\$	\$
Gaming Machine Entitlements - at cost	52,615	52,615
Net carrying amount	<u>52,615</u>	<u>52,615</u>

Note 10 Accounts Payable and Other Payables

	2018	2017
	\$	\$
CURRENT		
Accounts payable	117,217	99,338
Deferred income	2,863	2,863
Other current payables	39,841	23,175
	<u>159,921</u>	<u>125,376</u>

Note 11 Employee Provisions

	2018	2017
	\$	\$
CURRENT		
Provision for employee benefits: annual leave	100,845	88,111
Provision for employee benefits: long service leave	55,002	50,018
	<u>155,847</u>	<u>138,129</u>
NON-CURRENT		
Provision for employee benefits: long service leave	16,803	13,245
	<u>16,803</u>	<u>13,245</u>
	<u>172,650</u>	<u>151,374</u>

Employee Provisions

Employee provisions represents amounts accrued for annual leave and long service leave.

Note 12 Events After the Reporting Period

The directors are not aware of any significant events since the end of the reporting period.

Note 13 Related Party Transactions

a. Key Management Personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity directly or indirectly, including any director (whether executive or otherwise) is considered key management personnel (KMP).

The totals of remuneration paid to KMP of the company during the year are as follows:

	2018	2017
	\$	\$
KMP compensation	145,170	140,526
	<u>145,170</u>	<u>140,526</u>

Note 14 Cash Flow Information

	2018	2017
	\$	\$
Reconciliation of Cash Flows from Operating Activities with Net Current Year Surplus		
Net current year surplus	52,224	153,837
Non-cash flows:		
Depreciation and amortisation expense	301,416	280,173
Fair value gain on investments in held-for-trading shares		
Gain on disposal of property, plant and equipment	(30,511)	44,488
(Increase)/decrease in accounts receivable and other debtors	(659)	15,972
Increase/(decrease) in accounts payable and other payables	34,545	(135,797)
(Increase)/decrease in accrued income	(4,275)	(1,145)
Increase/(decrease) in employee provisions	21,276	24,044
(Increase)/decrease in inventories on hand	(1,944)	(849)
(Increase)/decrease in prepayments	(3,283)	(1,725)
	<u>368,789</u>	<u>378,998</u>

SCONE BOWLING CLUB LIMITED

ACN: 001 039 854

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018**Note 15 Financial Risk Management**

The company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term and long-term investments, receivables and payables, and lease liabilities.

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:

	Note	2018 \$	2017 \$
Financial assets			
Cash and cash equivalents	4	554,037	469,587
Loans and receivables	5	1,926	1,268
Total financial assets		<u>555,963</u>	<u>470,855</u>
Financial liabilities			
Financial liabilities at amortised cost:			
— accounts payable and other payables		159,921	125,376
Total financial liabilities		<u>159,921</u>	<u>125,376</u>

Note 16 Other Related Party Transactions

Other related parties include close family members of Key Management Personnel, and entities that are controlled or jointly controlled. Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated.

- Directors receive honorariums for their services. Total honorariums for the year was \$10,500.
- During the year directors received drinks, uniforms and other non-monetary benefits totalling \$1,431 (2017 \$1,202)

Note 17 Entity Details

The registered office of the entity is:

Score Bowling Club Limited
109 Liverpool Street
Score
NSW 2337

The principal place of business is:

Score Bowling Club Limited
Gundy Road
Score
NSW 2337

Note 18 Members' Guarantee

The entity is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$20 towards meeting any outstanding obligations of the entity. At 31 March 2018 the number of members was 1,544.

SCONE BOWLING CLUB LIMITED
ACN: 001 039 854
DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Scone Bowling Club Limited, the directors declare that:

1. The financial statements and notes, as set out on pages 4 to 16, are in accordance with the Corporations Act 2001 and:
 - (a) comply with Australian Accounting Standards; and
 - (b) give a true and fair view of the financial position of the company as at 31 March 2018 and of its performance for the year ended on that date.
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.

Director



Campbell, Douglas

Dated this 20th day of June 2018

SCONE BOWLING CLUB LIMITED
ACN: 001 039 854
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
SCONE BOWLING CLUB LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Scone Bowling Club Limited (the company), which comprises the statement of financial position as at 31 March 2018, 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, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of Scone Bowling Club Limited is in accordance with the Corporations Act 2001, including:

- i. giving a true and fair view of the company's financial position as at 31 March 2018 and of its financial performance for the year then ended; and
- ii. complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are 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 our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the company's annual report for the year ended 31 March 2018, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the 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 Responsibilities for the Audit of the Financial Report

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 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 our 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.

SCONE BOWLING CLUB LIMITED
ACN: 001 039 854
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
SCONE BOWLING CLUB LIMITED

- 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 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.
- 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 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.

Auditor's name and signature:



Paul Heaton

Name of firm:

Rose & Partners

Address:

109 Liverpool Street
Scone
NSW 2337

Dated this

20th

day of

June

2018

SCONE BOWLING CLUB LIMITED

A Company Limited by Guarantee

ACN 001 039 854

Operating Statement - 31 March 2018

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SCONE BOWLING CLUB LIMITED

Compilation Report

For the year ended 31 March 2018

Scope

On the basis of information provided by the Directors of Scone Bowling Club Limited, we have compiled in accordance with APES 315: Compilation of Financial Information the following special purpose financial report of Scone Bowling Club Limited comprising a detailed operating statement, trading statements and a schedule of expenses for the year ended 31 March 2018.

The specific purpose for which the special purpose financial report has been prepared is for the confidential use of directors and members. Accounting Standards and other mandatory professional reporting requirements have not been adopted in the preparation of the special purpose financial report.

The directors are solely responsible for the information contained in the special purpose financial report and have determined that the accounting policies used are consistent with the financial reporting requirements of Scone Bowling Club Limited's constitution and are appropriate to the needs of the directors and members of the company.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the directors provided into a financial report. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

To the extent permitted by law, we do not accept liability for any loss or damage, which any person, other than the company, may suffer arising from any negligence on our part. No person should rely on the special purpose financial report without having an audit or review conducted.

The special purpose financial report was prepared for the benefit of the directors and members of the company and the purpose identified above. We do not accept responsibility to any other person for the contents of the special purpose financial report.

Rose & Partners
Chartered Accountants
109 Liverpool Street, Scone NSW 2337

Signed at: SCONE

Date:

SCONE BOWLING CLUB LIMITED
 Operating Statement
 For the year ended 31 March 2018

PROFIT/(LOSS) FROM	2018	2017
	\$	\$
Bar trading	271,885	261,718
Entertainment and catering	(75,707)	(82,770)
TAB	1,942	(2,417)
Poker machines	854,056	945,184
Other income		
- ATM rebate	13,212	14,294
- Sponsorship income	4,077	682
- Competition and green fees	15,094	16,729
- Interest	4,233	10,344
- Keno commission	77,153	74,331
- Miscellaneous	3,548	3,202
- Members subscriptions	9,230	11,036
- Bulk beer rebate	11,975	-
- Profit on sale of assets	30,511	-
	<u>1,221,209</u>	<u>1,252,333</u>
LESS: Operating and administration expenses	<u>1,168,986</u>	<u>1,098,496</u>
OPERATING PROFIT	<u>52,223</u>	<u>153,837</u>

SCONE BOWLING CLUB LIMITED
 Departmental Trading Statements
 For the year ended 31 March 2018

BAR TRADING	2018	2017
	\$	\$
Sales	645,956	628,378
Less: Members discounts	112,005	105,510
Net sales	<u>533,951</u>	<u>522,868</u>
LESS: Cost of goods sold		
Opening stock	28,881	28,032
Purchases	264,011	261,999
	<u>292,892</u>	<u>290,031</u>
Closing stock	(30,826)	(28,881)
	<u>262,066</u>	<u>261,150</u>
GROSS PROFIT/(LOSS)	<u>271,885</u>	<u>261,718</u>
Gross profit percentage	<u>50.92%</u>	<u>50.05%</u>
POKER MACHINES		
Poker machines gross profit/(loss)	885,871	1,002,729
ADD: Income		
Gaming tax credit rebate	17,180	17,180
LESS: Expenses		
Government monitoring services	17,127	16,785
Poker machine tax	2,209	28,831
Repairs and services	29,657	29,109
	<u>48,993</u>	<u>74,725</u>
NET PROFIT/(LOSS)	<u>854,058</u>	<u>945,184</u>

SCONE BOWLING CLUB LIMITED
 Departmental Trading Statements (Continued)
 For the year ended 31 March 2018

ENTERTAINMENT AND CATERING	2018	2017
	\$	\$
SALES		
Raffle income	75,424	75,561
Alphy income	175	-
	<u>75,599</u>	<u>75,561</u>
LESS: Expenses		
Alphy	975	2,222
Bands, entertainers and pay TV	22,317	18,231
Charity bingo expenses	-	1,518
Directors expenses	1,431	1,202
Members promotions and draws	48,642	58,037
Other catering expenses	2,713	297
Raffles	69,866	70,771
Staff drinks	5,362	6,053
	<u>151,306</u>	<u>158,331</u>
NET PROFIT/(LOSS)	<u>(75,707)</u>	<u>(82,770)</u>
 TAB		
TAB Commission	22,287	16,798
LESS: Expenses		
TAB information services	3,951	4,328
Sky channel	11,313	9,947
EBT rental fees	5,082	4,940
	<u>20,346</u>	<u>19,215</u>
NET PROFIT/(LOSS)	<u>1,941</u>	<u>(2,417)</u>

SCONE BOWLING CLUB LIMITED
Schedule of Expenses
For the year ended 31 March 2018

ADMINISTRATION AND FINANCIAL EXPENSES	2018	2017
	\$	\$
Advertising	26,514	26,236
Affiliation and nomination fees	10,315	10,009
Audit, accountancy and legal fees	15,705	15,421
Bank charges	2,174	1,331
Bowling expenses	14,375	9,841
Cleaning and waste disposal	12,778	12,266
Computer expenses	1,080	3,300
Courtesy bus	1,956	4,927
Depreciation	301,416	280,173
General expenses	4,963	1,769
Honorariums	10,500	10,250
Insurance	46,742	40,530
Legal Costs	404	-
Light and power	67,459	58,043
Long service and annual leave	21,276	24,044
Loss on disposal of fixed assets	-	41,498
Maintenance – greens	39,957	16,450
Maintenance – keno	3,814	3,455
Postage and petty cash	848	539
Printing and stationery	1,820	2,203
Rates - land and water	28,895	16,563
Repairs and maintenance	36,900	27,938
Salaries and wages	454,631	427,636
Subscriptions and donations	2,909	2,891
Security expenses	3,875	4,297
Staff training and welfare	960	1,032
Superannuation	41,742	39,792
Telephone	3,255	3,480
Trophies	11,723	12,582
TOTAL EXPENSES	1,168,986	1,098,496