



Gladesville Bowling and Sports Club Limited

2017 - 2018

Annual Reports

Financial Reports

& Notice of Meeting

Gladesville Bowling and Sports Club Limited

Notice of 2018 Annual General Meeting

Notice is hereby given that the Sixty First Annual General Meeting of the Gladesville Bowling and Sports Club Limited ("the Club"), is to be held on Sunday 28th October 2018 commencing at 9:30 am in the Bistro of the Club's premises 181a Ryde Road, Gladesville NSW 2111.

The Club's 2018 Annual report and Financial Statements can be viewed on the Club's website www.gladesvillesporties.com.au from 28th September 2018, alternatively members can request a printed copy from the Club offices during business hours.

The Business of the meeting will be as follows:

Minute's Silence in honour of deceased members.

1. **Apologies.**
2. **Declaration of a quorum**
3. **To receive and if thought fit to confirm the Minutes of the 60th Annual General Meeting held on Sunday October 29, 2017.**
4. **To consider and if thought fit to adopt the Auditor's Report, Directors Report, Financial Statement and Accounts for the year ended June 30, 2018.**
5. **To declare the result of the ballot for the election of directors for the ensuing year**
6. **To consider and if thought fit pass the following 4 resolutions** – the Board recommends that Members vote in favour of all the Resolutions, each of which must be passed as a whole and cannot be amended by motions from the floor of the meeting nor divided into 2 or more separate resolutions. To be passed, each Ordinary resolution must receive votes in its favour from not less than 50% and the Special resolution must receive votes in its favour from not less than 75% of those Members who, being entitled to do so, vote in person at the meeting.

First Special Resolution – Reduce the Quorum for the AGM

That members hereby approve that - Club Constitution – Proceedings at General Meetings be amended so that Section 50 that currently reads "At any general meeting of the Club forty (40) full ordinary members or life members present in person and eligible to vote shall be a quorum". Will be changed to "At any general meeting of the Club twenty-five (25) full ordinary members or life members present in person and eligible to vote shall be a quorum".

EXPLANATORY NOTE TO MEMBERS:

This resolution asks Members in the General Meeting to approve that the quorum for a general meeting be reduced from forty (40) eligible full ordinary members or life members to, twenty-five (25) eligible full ordinary members or life members. This resolution in no way restricts members attending a General Meeting, it sets a new minimum attendance that based on numbers attending recent meetings will ensure a quorum is achieved in the future. The Board appreciates that many members find it difficult to attend a general meeting, however they must be held on an annual basis and if a quorum is not achieved there is significant cost to the Club to organise another meeting.

First Ordinary Resolution – Honorariums for Directors

That members hereby approve that:

- A. Each member of the Board of Directors to receive an honorarium in respect of his or her services as a member of the Board of Directors until the AGM in 2019
 - I. For the President \$3,600 annual food and beverage honorarium.
 - II. For the Vice President \$3,600 annual food and beverage honorarium.
 - III. For the Directors \$2,400 annual food and beverage honorarium.
 - IV. This is a total annual food and beverage honorarium for all Directors of \$24,000
- B. Each member of the Board of Directors to receive an honorarium of unlimited post mix from the bar in respect of his or her services as a member of the Board of Directors until the AGM in 2019
- C. The honorarium in paragraph (A) is paid in monthly instalments
- D. If a Director ceases to hold office until the 2019 AGM they will receive the pro rata equivalent to the period of time served.
- E. The payment of this honorarium is additional to payment of Club expenses incurred by the Directors in the performance of their duties.

(The Members acknowledge that the benefits above are not available to Members generally but only to those who are Directors or Members of the Club who fall into the various categories referred to.)

EXPLANATORY NOTE TO MEMBERS:

This resolution asks Members in General Meeting to approve benefits which have traditionally been provided in the Club but which are not equally available to all Members. This expenditure has been incurred in the past and approved by Members each year. The adoption of this resolution will meet the disclosure requirements of the Registered Clubs Act

Second Ordinary Resolution – Payment of out of Pocket expenses for Directors

That members hereby approve that:

- A. Reasonable cost of beverages for each Director before and after a Board or Committee Meeting and a meal on the day of such meeting.
- B. Reasonable expenses incurred by Directors in travelling to and from a duly constituted meeting, as approved by the Board from time to time.
- C. Reasonable expenses incurred by Directors in relation to such other promotional activities performed by a Director in relation to the Club, which expenses are approved by the Board before payment is made on production of evidence of such expenditure.
- D. Costs associated with grants and subsidies to the sub-clubs.
- E. Costs associated with presentations to Members and other persons acknowledging services deemed by the Directors as being of benefit to the Club.

(The Members acknowledge that the benefits above are not available to Members generally but only to those who are Directors or Members of the Club who fall into the various categories referred to.)

EXPLANATORY NOTE TO MEMBERS:

This resolution asks Members in General Meeting to approve benefits which have traditionally been provided in the Club but which are not equally available to all Members and also to approve expenditure for sponsorship in sport, in accordance with Item 3(c) of the Memorandum of Association of GBSC. This expenditure has been incurred in the past and approved by Members each year. The adoption of this resolution will meet the disclosure requirements of the Registered Clubs Act

Third Ordinary Resolution – Approve expenditure including Directors Professional Development

That members hereby approve:

- A. The reasonable cost of the Directors attending the Registered Clubs NSW Association Quarterly and Annual General Meetings.
- B. The reasonable cost of Directors attending seminars, lectures, trade displays and other similar events as may be determined by the Board from time to time as being of benefit to the Club and the education of Directors.

- C. The reasonable cost of Directors attending other clubs throughout the State for the purpose of observing their facilities and methods of operation, for the purpose of meeting and exchanging ideas with the governing bodies of those other clubs, provided such attendances are approved by the Board as being necessary for the betterment of the Club.
- D. Blazers and associated apparel for each Director as may be necessary for new Directors and to replace those of existing Directors which may need replacing.
- E. The reasonable cost of Directors and their partners attending functions, both within and outside the Club, to welcome and entertain community leaders or distinguished visitors.
- F. The reasonable cost of Directors, Senior Management and their partners attending an Annual Dinner.
- G. Food and drinks for Members and guests invited to and attending the Annual General Meetings.
- H. Admission to Club functions and other benefits to Directors, Honorary and Life Members at the discretion of the Board.
- I. Food and drinks for the Bi-Monthly Meetings of the local clubs, comprising of Presidents and CEOs or their deputies, of the following clubs: North Ryde RSL, North Ryde Golf Club, Gladesville RSL, and Ryde Eastwood Leagues (usually one meeting a year).

(The Members acknowledge that the benefits above are not available to Members generally but only to those who are Directors or Members of the Club who fall into the various categories referred to.)

EXPLANATORY NOTE TO MEMBERS:

This resolution asks Members in General Meeting to approve the expenditure by the Club for the Directors to attend seminars, lectures, trade shows and other similar events, including the Clubs NSW A.G.M., and to visit other clubs to enable this Club's governing body to be kept abreast of current trends and developments which may have a significant bearing on the nature and way in which our Club conducts its business. The adoption of this resolution will meet the disclosure requirements of the Corporations Law and the Registered Clubs Act.

- 7. **Election of Club Patron(s) for the next 12 months.**
- 8. **Appointment of Auditor for the next 12 months.**
- 9. **Period of Retention of Ballot Papers.**
- 10. **General Business**

PLEASE NOTE

Any questions regarding the Financial Statement or that wished to be raised in General Business, must be put in writing and lodged with the Club's Registered Office at 181a Ryde Road, Gladesville NSW 2111, or by email: ceo@gladesvillesporties.com.au seven (7) days prior to the Annual General Meeting.

**By order of
Brett Gibson
Chief Executive Officer
Gladesville Bowling and Sports Club Limited**

2018/2019 Election of the Board of Directors

Nominations

Nominations are invited for three (3) Directors of the Gladesville Bowling and Sports Club Limited. To be a candidate, nominator or seconder a person must be a Life member or a financial ordinary member of the Club.

Nomination forms are available from the Club office from Friday 5th October 2018 at 11am, all nominations must be on a nomination form and signed by the candidate and at least two (2) other financial members. No member can nominate more candidates than the number to be elected. Signed nomination forms must be lodged at the Club officers before 4.00 pm on Friday 12th October 2018.

Nominations may be lodged

| | |
|----------|---|
| By hand | Club Office, 181a Ryde Road, Gladesville NSW 2111 |
| By post | 181a Ryde Road, Gladesville NSW 2111 |
| By email | ceo@gladesvillesporties.com.au |

Election of Directors

If more than three (3) nominations for the Board of Directors are received, a ballot of Directors will be held at the Club (181a Ryde Road Gladesville NSW 2111) during the following times

| | |
|--|---------------------------|
| Friday 26th October 2018 | 4.00pm – 8.00pm |
| Saturday 27th October 2018 | 12.00noon – 4.00pm |

Financial members can submit postal votes that are available from the Club officers, all postal votes must be received by the returning officer by **Saturday 27th October 2018 at 4.00pm**

Only financial members of the Club can vote and must show a valid membership card to receive a ballot paper

Ballots will be counted at the conclusion of the vote, by the returning officer.

Any enquiries should be directed to the CEO telephone (02) 9817 4601

By order of
Brett Gibson
Chief Executive Officer
Gladesville Bowling and Sports Club Limited

PRESIDENT'S REPORT (2018)

Members

2017/18 another great year for the Club recording another profit of \$66,736 compared to a profit of \$74,603 last year. All Clubhouse areas performed well with revenue growth of 50% during the past two years. All members should be pleased with these results as it shows that the Club is heading in the right direction under the leadership of the Current Board.

The Club is in a strong financial position with no debt, more diverse and robust revenue streams and net assets more than \$15.7 million. The strong financial position of the Club enabled me to run another Sportsman's Luncheon, for a great cause the Westmead and Randwick Children's Hospitals which raised \$11,500. Many thanks to all that helped and attended the event.

I would like to thank the Board of Directors for their tireless work and efforts during the year, you were a great team to work with and I look forward to working with you all into the future. Throughout the year you have all worked hard and contributed to Sporties continued success and growth. As part of that success the Board has agreed to invest \$200,000 in new bathrooms, painting and new carpet in the Club, this will improve the members facilities and modernise the building. These renovation will hopefully be completed in November 2018.

To all in the kitchen, what an amazing year, led by head chef Sean and Jenny, you continue to produce amazing food which has seen patrons filling the Club on a regular basis. The menu is always changing, and the specials are sensational giving our members amazing variety to choose from. To all the Bar staff lead by Farook and Michael, what a fantastic job throughout the year generating bar sales over \$1 million for the first time. It is the staff that makes a small club successful and you have all contributed to the great year that we have had.

I would like to thank our greenkeeper Wayne Fahy and his team for the best greens in the district and of course Maureen for all her work with the gardens. Thanks to Greg Hazell for keeping the Club looking great

Our CEO Brett, another fantastic year, your experience has proved invaluable with the financial results and leadership in the Club that you have achieved.

Finally, I would like to thank all the members for patronising the Club and look forward to seeing you at the Club in the future for the bigger and better 2019.

PAUL MAZAROLI
President

Chief Executive Officers Report

Members

I am pleased to present the 61st Annual Report and Financial statements for the year ended 30th June 2018. The past year has generated Sporties the second consecutive profit of, \$66,736 (compared to a profit of \$74,603 in 2016/17). A comprehensive set of accounts and financial statements follow my report.

I would like to thank all the Directors for their support during the year, your passion for providing the members the best offering possible keeps me and the staff striving to make Sporties a better Club.

Running any business is a team effort and I would like to thank the Supervisors, Office, Catering and Bar staff for all their assistance and hard work over the year. While all areas performed well, Sean and his team in the kitchen have had the largest increase in revenue with sales up 39% on last year due to the great food on offer.

Below is a summary of the major financial improvements

| | | |
|--------------------|-----------|-------------|
| Bar revenue | Increased | 8.6% |
| Catering revenue | Increased | 38.8% |
| Keno & Tab revenue | Increased | 7.2% |
| Total Revenue | Increased | 12.7% |
| Net Assets | Over | \$15.7 mill |

The Net assets increased by \$5.4 Million due to the revaluation of the Club property. This takes the book value of the Club land and building to \$13.9 million which is a much more realistic valuation for the property.

With increased financial security the Club was able to support several sporting groups in the local area and welcome them to the Club. Sporties is currently supporting Gladesville Ryde Magic FC, All Saints Hunters Hill FC, Gladesville Sporties Cricket Club, Gladesville Sporties Darts Club, Ryde Little Athletics, Holy Cross Crusaders Cricket, Gladesville Sporties Golf Clubs and Ravens. We are also supporting several of the local schools and would especially like to thank the Boronia Park primary school for there support of the Club

To ensure Sporties long term financial security the Directors and myself continue to look at ways to diversify the Clubs income and look at different opportunities to manage and develop Club assets to maximise returns for members.

To the members, thank you for your support. All the staff strive to make sure you have a great time when you visit Sporties. It is the combination of members, staff and the community that makes a great Club, and we will continue making it better for all.

Brett Gibson
CEO

GLADESVILLE BOWLING & SPORTS CLUB LIMITED
A.C.N. 000 208 686

FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018

BROOKS DEANE & POWNE
CHARTERED ACCOUNTANTS
LEVEL 3
50 CLARENCE STREET
SYDNEY NSW 2000
TELEPHONE: 9233 6111
FACSIMILE: 9233 6006

GLADESVILLE BOWLING & SPORTS CLUB LIMITED
A.C.N. 000 208 686

FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018

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GLADESVILLE BOWLING & SPORTS CLUB LIMITED

DIRECTORS REPORT

Your directors present their report on Gladesville Bowling & Sports Club Limited for the financial year ended 30 June 2018.

DIRECTORS

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

| Name of Director | Position Held | Meetings Attended | Meetings Maximum Attendances | Special Meetings Attended | Special Meetings Maximum Attendances |
|---------------------|---|-------------------|------------------------------|---------------------------|--------------------------------------|
| Mazaroli, Paul | President (10/16 – Current) Vice President (02/12 – 10/16) | 10 | 12 | 4 | 4 |
| Mitchell, Tracey | Vice President (10/17 – Current) Director (10/16 – 10/17) | 11 | 12 | 4 | 4 |
| Jones, Sally | Director (06/16 – 10/16 and 10/17 – Current) Vice President (10/16 – 10/17) | 10 | 12 | 2 | 4 |
| Garner, Patrick | Director (10/15- 07/17) | - | - | - | - |
| Merchant, Gregory | Director (10/15 – Current) | 12 | 12 | 3 | 4 |
| Czinner, Ronald | Director (03/16 – Current) | 12 | 12 | 1 | 4 |
| McIntosh, Phillip | Director (10/16 – Current) | 11 | 12 | 4 | 4 |
| Fletcher, Christian | Director (10/16 – Current) | 10 | 12 | 2 | 4 |
| Fairley, Mark | Director (10/16 – Current) | 11 | 12 | 3 | 4 |
| Randell, Debbie | Director (10/17 – Current) | 6 | 8 | - | 1 |

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

FINANCIAL RESULT

The financial result for the club for the financial year was a profit of \$66,736 (\$74,603 profit in 2017). No income tax has been charged or provided.

REVIEW OF OPERATIONS

A review of the operations of the Club during the financial year and the results of those operations show that the Club traded at a profit of \$66,736 for the year, compared with a profit of \$74,603 for the previous year. A review of the Club's main income sources shows that these results were influenced by the following factors:

Poker Machine profits stabilised at \$509,390 in the current year from \$520,627. Revenue from Club Keno increased \$1,776 to \$33,926 for the year. Bar profit stabilised at \$255,608 compared with \$258,020 the previous year. The club took over catering from August 2017 resulting in a profit increase of \$20,860 to \$46,514 compared with \$25,654 the previous year.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

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

PRINCIPAL ACTIVITIES

The principal activities of the club during the financial year were the promotion of the game of lawn bowls and other sporting and recreational activities. No significant change in the nature of this activity occurred during the year.

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

GLADESVILLE BOWLING & SPORTS CLUB LIMITED DIRECTORS REPORT (CONT'D)

EVENTS ARISING SINCE THE END OF THE REPORTING PERIOD

No matters or circumstances have arisen since the end of the financial year, which significantly affected or may significantly affect:

- (i) the operations of the club,
- (ii) the results of those operations,
- (iii) the state of affairs of the club in future financial years.

NUMBER OF MEMBERS

The number of Members of each class as shown in the Register of Members at 30 June 2018 is:

| | |
|------------------------|-------|
| Full Members – 5 Years | 3,530 |
| Full Members – 1 Year | 322 |
| Patron Member | 1 |
| Life Members | 5 |
| Foundation Members | 2 |
| Total | 3,860 |

FUTURE DEVELOPMENT

The Club will continue to operate in its current format and develop improved facilities for its members.

ENVIRONMENTAL ISSUES

The club's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or State or Territory of Australia.

DIVIDENDS

No dividends have been paid or declared since the start of the financial year.

INDEMNIFICATION OF OFFICERS

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company.

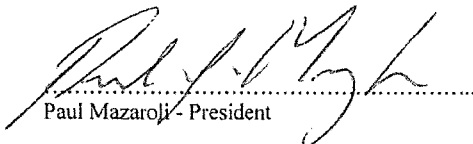
PROCEEDINGS ON BEHALF OF THE CLUB

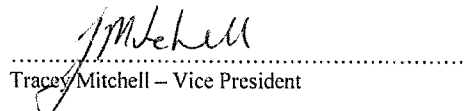
No person has applied for leave of court to bring proceedings on behalf of the club or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the club for all or any part of those proceedings.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under s 307C of the Corporations Act 2001 is set out on page 17.

Signed in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:


Paul Mazaroli - President


Tracey Mitchell – Vice President

Dated this 17th day of September 2018

GLADESVILLE BOWLING & SPORTS CLUB LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018

| | NOTE | 2018 \$ | 2017 \$ |
|---|------|--------------------|--------------------|
| Revenue | 2 | 2,980,468 | 2,643,153 |
| Depreciation & amortisation expenses | | (199,972) | (197,136) |
| Other expenses | | <u>(2,713,760)</u> | <u>(2,371,414)</u> |
| Profit / (Loss) before tax | | 66,736 | 74,603 |
| Income Tax Expense | 1(1) | <u>-</u> | <u>-</u> |
| Profit/ (Loss) for the year | | <u>66,736</u> | <u>74,603</u> |
| Other comprehensive income | 11 | - | - |
| Total comprehensive income for the year | | <u>66,736</u> | <u>74,603</u> |

The accompanying notes form part of these financial statements.

GLADESVILLE BOWLING & SPORTS CLUB LIMITED
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018

| | NOTE | 2018 \$ | 2017 \$ |
|--------------------------------|------|-------------------|-------------------|
| <u>CURRENT ASSETS</u> | | | |
| Cash and cash equivalents | 3 | 333,572 | 368,151 |
| Trade and other receivables | 4 | 24,688 | 6,244 |
| Investments | 5 | 1,497,933 | 1,503,635 |
| Inventories | 6 | 32,288 | 33,006 |
| Other current assets | 7 | <u>53,868</u> | <u>55,244</u> |
| Total Current Assets | | <u>1,942,349</u> | <u>1,966,280</u> |
| <u>NON-CURRENT ASSETS</u> | | | |
| Property, Plant and Equipment | 8 | <u>14,454,363</u> | <u>8,888,239</u> |
| Total Non-Current Assets | | <u>14,454,363</u> | <u>8,888,239</u> |
| <u>TOTAL ASSETS</u> | | <u>16,396,712</u> | <u>10,854,519</u> |
| <u>CURRENT LIABILITIES</u> | | | |
| Trade and other payables | 9 | 456,376 | 447,275 |
| Provisions | 10 | <u>75,877</u> | <u>52,058</u> |
| Total Current Liabilities | | <u>532,253</u> | <u>499,333</u> |
| <u>NON-CURRENT LIABILITIES</u> | | | |
| Trade and other payables | 9 | <u>74,762</u> | <u>45,848</u> |
| Total Non-Current Liabilities | | <u>74,762</u> | <u>45,848</u> |
| <u>TOTAL LIABILITIES</u> | | <u>607,015</u> | <u>545,181</u> |
| <u>NET ASSETS</u> | | <u>15,789,697</u> | <u>10,309,338</u> |
| <u>EQUITY</u> | | | |
| Accumulated profits/(losses) | 11 | 4,777,344 | 4,710,608 |
| Asset Revaluation Reserve | 12 | <u>11,012,353</u> | <u>5,598,730</u> |
| <u>TOTAL EQUITY</u> | | <u>15,789,697</u> | <u>10,309,338</u> |

The accompanying notes form part of these financial statements.

GLADESVILLE BOWLING & SPORTS CLUB LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2018

| | Retained Earnings | Asset Revaluation Reserve | Total |
|-------------------------------|----------------------|---------------------------------|------------|
| | \$ | \$ | \$ |
| Balance at 1 July 2016 | 4,636,005 | 4,898,432 | 9,534,437 |
| Profit/ (Loss) for the year | 74,603 | 700,298 | 774,901 |
| Other comprehensive income | - | - | - |
| Total comprehensive income | 74,603 | 700,298 | 774,901 |
| Dividend paid or provided for | - | - | - |
| Balance at 30 June 2017 | 4,710,608 | 5,598,730 | 10,309,338 |
| Profit/ (Loss) for the year | 66,736 | 5,413,623 | 5,480,359 |
| Other comprehensive income | - | - | - |
| Total comprehensive income | 66,736 | 5,413,623 | 5,480,359 |
| Dividend paid or provided for | - | - | - |
| Balance at 30 June 2018 | 4,777,344 | 11,102,353 | 15,789,697 |

The accompanying notes form part of these financial statements.

GLADESVILLE BOWLING & SPORTS CLUB LIMITED
STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 30 JUNE 2018

| | NOTE | 2018 \$ | 2017 \$ |
|--|------|------------------|------------------|
| Cash Flows from operating activities | | | |
| Receipts from customer | | 2,922,446 | 2,594,280 |
| Payments to suppliers and employees | | (2,649,832) | (2,143,904) |
| Dividends Received | | 76 | 58 |
| Interest Received | | <u>40,001</u> | <u>46,136</u> |
| Net cash provided by (used in) operating activities | 13 | <u>312,691</u> | <u>496,570</u> |
| Cash Flows from investing activities | | | |
| Proceeds from sale of Property, Plant & Equipment | | - | - |
| Funds withdrawn/ (Invested) | | 5,701 | 96,365 |
| Payment for/ (Receipt from) Investments | | <u>(352,971)</u> | <u>(469,549)</u> |
| Net cash provided by (used in) investing activities | | <u>(347,270)</u> | <u>(373,184)</u> |
| Cash Flows from financing activities | | | |
| Proceeds from Borrowings | | <u>-</u> | <u>-</u> |
| Net cash provided by (used in) financing activities | | <u>-</u> | <u>-</u> |
| Net change in cash and cash equivalents held | | (34,579) | 123,386 |
| Cash and cash equivalents at beginning of financial year | | <u>368,151</u> | <u>244,765</u> |
| Cash and cash equivalents at end of financial year | 3 | <u>333,572</u> | <u>368,151</u> |

The accompanying notes form part of these financial statements.

GLADESVILLE BOWLING & SPORTS CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The directors have prepared the financial statements on the basis that the Gladesville Bowling & Sports Club Limited is a club 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 and Australian Accounting Interpretations of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The entity is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless otherwise stated. The financial statements are presented in Australian dollars.

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 amounts presented in the financial statements have been rounded to the nearest dollar.

New and amended standards adopted by Gladesville Bowling & Sports Club Limited

The Club has adopted all the amendments to Australian Accounting Standards issued by the Australian Accounting Standards Board, which are relevant to and effective for the Clubs financial statements for the annual period beginning 1 July 2017. None of the amendments have had a significant impact on the Club.

Significant Accounting Policies

The following is a summary of the material accounting policies adopted by the club in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

(a) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on first-in first-out principle, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.

(b) Property, Plant and Equipment

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

Property and buildings

Freehold land and buildings are measured on the fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction). Valuations are performed whenever the directors believe there has been a material movement in the value of the assets.

GLADESVILLE BOWLING & SPORTS CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018
(CON'T)

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 which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the assets 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 club and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are occurred.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, are depreciated over their useful lives to the club commencing from the time the asset is held ready for use. Properties held for investment purpose are not subject to depreciation charge. Leasehold improvements are depreciated over the shorter of the either the unexpired period of the lease or the estimated useful lives of the improvements.

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

| Class of Fixed Asset | Depreciation Rate | Class Of Fixed Asset | Depreciation Rate |
|------------------------------|-------------------|----------------------|-------------------|
| Plant, Furniture & Equipment | 20% | Fixture & Fittings | 12.5% |
| Computers | 50% | Buildings | 2.5% |
| Poker Machines | 12.5% | | |

(c) Employee Benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in provisions with respect to employees services up to the reporting date and are measured at the amounts expected to be paid when liabilities are settled. The provision for Annual Leave and Long Service Leave which is not expected to be utilised within next twelve months is shown as a Non-Current Liability. Contributions are made by the company to employee superannuation funds and are charges as expenses when incurred.

(d) Subscription by members

Subscriptions are brought to account when received. The proportion applicable to ensuing year is carried forward as Subscriptions in Advance.

(e) Auditors Remuneration

Has been included in the amounts in the respect of:

| | 2018 \$ | 2017 \$ |
|--|---------------|---------------|
| (i) The auditing of the accounts | 8,000 | 8,000 |
| (ii) Other services (Monthly & year end accounting, taxation services, Secretarial requirements of Corporations Act & other Advisory Services) | <u>6,000</u> | <u>6,000</u> |
| | <u>14,000</u> | <u>14,000</u> |

GLADESVILLE BOWLING & SPORTS CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018
(CON'T)

(f) Income Tax

Gladesville Bowling & Sports Club Limited is exempt from income tax under Section 50-45 of the Income Tax Assessment Act 1997 while it operates under its present Constitution.

(g) Investment

Investments brought to account are at cost or at valuation. The carrying amount of investments is reviewed annually to ensure it is not in excess of the recoverable amount of the investment.

(h) Core and Non Core Property

Pursuant to Section 41E of the Registered Clubs Act for the financial year ended 30 June 2018

- (a) the following properties are core property of the club;
 - i. Club House at 181a Ryde Road, Gladesville NSW
 - ii. Club Car Park

- (b) the following properties are non-core property of the club;
 - i. 5 Swan Street, Gladesville NSW
 - ii. 14 Rundle Place, Gladesville NSW

(i) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks with original maturities of three months or less.

(j) Revenue

Revenue from the rendering of services or the sale of goods is recognised upon the delivery of the service or goods to members or other persons. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial asset. Dividends received are accounted for in accordance with the equity method of accounting.

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

(k) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables in the statement of financial position are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as a current asset or liability in the statement of financial position.

Cash flows are presented in the cash flow statement on a gross basis, except for GST component of investing and financing activities, which are disclosed as operating cash flows.

(l) Trade and Other Receivables

Trade debtors and other receivables represent the principal amount due at balance date plus accrued interest and less, where applicable, any unearned income and provisions for doubtful accounts.

GLADESVILLE BOWLING & SPORTS CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018
(CON'T)

(m) Trade and Other Payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 60 days of recognition.

(n) Provision

Provisions are recognised when the club 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.

| | 2018 \$ | 2017 \$ |
|---|------------------|------------------|
| 2. REVENUE | | |
| Bar Trading | 1,040,358 | 957,378 |
| Poker Machines | 684,888 | 693,650 |
| Club Keno | 39,766 | 37,615 |
| TAB | 34,364 | 31,555 |
| Rental Operations | 83,109 | 86,687 |
| Catering | 820,886 | 591,090 |
| Dividends Received | 76 | 58 |
| Green Fees | 29,897 | 31,199 |
| Interest Received | 40,001 | 46,136 |
| Catering | - | 9,884 |
| Sponsorship Received | - | 455 |
| Subscriptions Received | 17,310 | 11,040 |
| Gain/(Loss) on Disposal | (498) | - |
| Sundry Revenue | <u>190,311</u> | <u>146,406</u> |
| Total Revenue | <u>2,980,468</u> | <u>2,643,153</u> |
| 3. CASH AND CASH EQUIVALENTS | | |
| Cash on hand | 116,790 | 110,030 |
| Main Trading Account | 180,757 | 198,667 |
| TAB Bank Account | 16,412 | 15,844 |
| Keno Bank Account | 14,613 | 38,610 |
| Ryde Council DA Deposit | <u>5,000</u> | <u>5,000</u> |
| | <u>333,572</u> | <u>368,151</u> |
| Reconciliation of cash | | |
| Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows: | | |
| Cash and cash equivalents | <u>333,572</u> | <u>368,151</u> |
| | <u>333,572</u> | <u>368,151</u> |
| 4. TRADE AND OTHER RECEIVABLES | | |
| Trade Receivables | 20,069 | 2,473 |
| Accrued Income | 1,406 | 952 |
| Sundry Receivables | <u>3,213</u> | <u>2,819</u> |
| | <u>24,688</u> | <u>6,244</u> |

GLADESVILLE BOWLING & SPORTS CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018
(CON'T)

| | 2018 \$ | 2017 \$ |
|---|-------------------|------------------|
| 5. INVESTMENTS | | |
| Term Deposits | <u>1,497,933</u> | <u>1,503,635</u> |
| 6. INVENTORIES | | |
| Stock on Hand - Catering | 5,000 | 4,500 |
| Stock on Hand - Bar | <u>27,288</u> | <u>28,506</u> |
| | <u>32,288</u> | <u>33,006</u> |
| 7. OTHER CURRENT ASSETS | | |
| Prepayments & Deposits | <u>53,868</u> | <u>55,244</u> |
| 8. PROPERTY, PLANT & EQUIPMENT | | |
| Freehold Core Property, at cost | 810,932 | 810,932 |
| Freehold Buildings, at WDV | 1,380,345 | - |
| Freehold Core Property Revaluation | 7,808,723 | 2,395,100 |
| Freehold Non Core Property, at cost | 696,667 | 696,667 |
| Freehold Non Core Property Revaluation | <u>3,203,333</u> | <u>3,203,333</u> |
| | <u>13,900,000</u> | <u>7,106,032</u> |
| Plant, Furniture & Equipment, at cost | 75,949 | 178,156 |
| Accumulated Depreciation | <u>(45,547)</u> | <u>(140,975)</u> |
| | <u>30,402</u> | <u>37,181</u> |
| Poker Machines, at cost | 1,188,672 | 1,132,308 |
| Accumulated Depreciation | <u>(816,754)</u> | <u>(768,399)</u> |
| | <u>371,918</u> | <u>363,909</u> |
| Computer, at cost | 15,501 | 24,794 |
| Accumulated Depreciation | <u>(8,085)</u> | <u>(16,874)</u> |
| | <u>7,416</u> | <u>7,920</u> |
| Fixture & Fittings | 318,801 | 346,144 |
| Accumulated Depreciation | <u>(192,924)</u> | <u>(194,575)</u> |
| | <u>125,877</u> | <u>151,569</u> |
| Buildings – Ryde Road | - | 1,534,162 |
| Accumulated Depreciation | <u>-</u> | <u>(312,534)</u> |
| | <u>-</u> | <u>1,221,628</u> |

GLADESVILLE BOWLING & SPORTS CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018
(CON'T)

| | 2018 \$ | 2017 \$ |
|-----------------------------------|-------------------|------------------|
| Improvements – Rundle St | 62 | - |
| Accumulated Depreciation | <u>-</u> | <u>-</u> |
| | <u>62</u> | <u>-</u> |
| Improvements – Swan St | 19,043 | - |
| Accumulated Depreciation | <u>(355)</u> | <u>-</u> |
| | <u>18,688</u> | <u>-</u> |
| Total Property, plant & equipment | <u>14,454,363</u> | <u>8,888,239</u> |

On 16 May 2018, the Freehold Core Property and Buildings held by Gladesville Bowling Sports Club was revalued by directors pursuant to a proposal by Nero Property. The depreciation for the period to 16 May 2018 was

| | | |
|--------------------------|------------------|------------------|
| Buildings – Ryde Road | 1,727,588 | 1,534,162 |
| Accumulated Depreciation | <u>(347,243)</u> | <u>(312,534)</u> |
| | <u>1,380,345</u> | <u>1,221,628</u> |

The Written Down Value of \$1,380,345 was taken to account per AASB16

GLADESVILLE BOWLING & SPORTS CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (CON'T)

(a) Revaluation

Freehold Core Property – 181A Ryde Road, Gladesville & Buildings – 181A Ryde Road, Gladesville

On 16 May 2018, the Freehold Core Property and Buildings held by Gladesville Bowling Sports Club was revalued by directors pursuant to a proposal by Nero Property. The fair value of the Freehold Core Property and Buildings on its fair value less cost to sell, based on an active market, was deemed to be \$10,000,000. The fair value of freehold land increased by \$5,413,623.

(b) 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:

| | Freehold Property & Buildings | Plant, Furniture and Equipment | Poker Machines | Fixture & Fittings | Computer | Property Improvements | Total |
|---------------------------------|-------------------------------------|-----------------------------------|-------------------|-----------------------|----------|--------------------------|------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Balance at 1 July 2016 | 7,394,461 | 42,290 | 337,383 | 136,793 | 4,602 | - | 7,915,529 |
| Additions | 266,027 | 12,044 | 131,254 | 51,264 | 9,257 | - | 469,846 |
| Revaluation | 700,000 | - | - | - | - | - | 700,000 |
| Depreciation expense | (32,828) | (17,153) | (104,728) | (36,488) | (5,939) | - | (197,136) |
| Carrying amount at 30 June 2017 | 8,327,660 | 37,181 | 363,909 | 151,569 | 7,920 | - | 8,888,239 |
| Additions | 193,428 | 13,175 | 117,764 | 8,799 | 6,245 | 19,105 | 358,516 |
| Disposal | - | (4,545) | (1,498) | - | - | - | (6,043) |
| Revaluation | 5,413,623 | - | - | - | - | - | 5,413,623 |
| Depreciation expense | (34,711) | (15,409) | (108,257) | (34,491) | (6,749) | (355) | (199,972) |
| Carrying amount at 30 June 2018 | 13,900,000 | 30,402 | 371,918 | 125,877 | 7,416 | 18,750 | 14,454,363 |

GLADESVILLE BOWLING & SPORTS CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018
(CON'T)

| | NOTE | 2018 \$ | 2017 \$ |
|---|------|-------------------|------------------|
| 9. TRADE AND OTHER PAYABLES | | | |
| CURRENT | | | |
| Short Term Deposits - Subsidiary Clubs Welfare | | 144,750 | 148,124 |
| GST Payable | | 38,507 | 20,017 |
| Accrued Expenses | | 24,192 | 18,508 |
| Poker Machines – Chattel Mortgage | | 76,712 | 35,650 |
| Sundry Payables | | 121,075 | 105,172 |
| Trade Payables | | <u>51,140</u> | <u>119,804</u> |
| | | <u>456,376</u> | <u>447,275</u> |
| NON-CURRENT | | | |
| Poker Machine – Chattel Mortgage | | 74,762 | 45,848 |
| 10. PROVISIONS | | | |
| Provision for Holiday Pay | | 47,110 | 26,545 |
| Provision for Long Service Leave | | 5,767 | 6,513 |
| Provision for Members Promotion | | <u>23,000</u> | <u>19,000</u> |
| | | <u>75,877</u> | <u>52,058</u> |
| 11. ACCUMULATED PROFITS / (LOSSES) | | | |
| Net Profit / (Loss) attributable to members | | 66,736 | 74,603 |
| Revaluation of Assets | | 5,413,623 | 700,298 |
| Other Comprehensive Income | | <u>-</u> | <u>-</u> |
| Profit /(Loss) for year attributed to members | | <u>5,480,359</u> | <u>774,901</u> |
| Add Retained earnings at the beginning of the financial year | | 4,710,608 | 4,636,005 |
| Less Transfer to Asset Revaluation Reserve | | 5,413,623 | 700,298 |
| Retained earnings at the end of the Financial year | | <u>4,777,344</u> | <u>4,710,608</u> |
| 12. ASSET REVALUATION RESERVE | | | |
| Asset Revaluation Reserve | | <u>11,012,353</u> | <u>5,598,730</u> |

GLADESVILLE BOWLING & SPORTS CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018
(CON'T)

| | NOTE | 2018 \$ | 2017 \$ |
|---|------|----------------|----------------|
| 13. CASH FLOW INFORMATION | | | |
| Reconciliation of result for the year to cash flows from operating activities | | | |
| Profit / (Loss) from ordinary activities after income tax | | 66,736 | 74,603 |
| Non-Cash flows in profit from Ordinary activities: | | | |
| Proceeds on Sale of Non-Current Assets | | 498 | - |
| Depreciation | | 199,972 | 197,136 |
| Changes in Assets & Liabilities | | | |
| Decrease / (Increase) in inventories | | 718 | (5,337) |
| Decrease / (Increase) in trade and other receivables | | (18,444) | (2,677) |
| Decrease / (Increase) in prepayments and deposits | | 1,376 | (63) |
| Increase / (Decrease) in provisions | | 23,819 | 39,968 |
| Increase / (Decrease) in trade and other payables | | (68,663) | 134,733 |
| Increase / (Decrease) in other payables | | <u>106,679</u> | <u>58,207</u> |
| Net cash provided by operating activities | | <u>312,691</u> | <u>496,570</u> |

14. EVENTS SUBSEQUENT TO THE REPORTING DATE

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

15. MEMBERS GUARANTEE

The club is limited by guarantee. In the event of the club being wound up, the Memorandum of Association requires members to contribute an amount not exceeding ten dollars (\$10) towards any outstanding obligations of the club.

16. CLUB DETAILS

The registered office of the club is:

Brooks Deane & Powne
Level 3, 50 Clarence Street
Sydney NSW 2000

The principal place of business is:

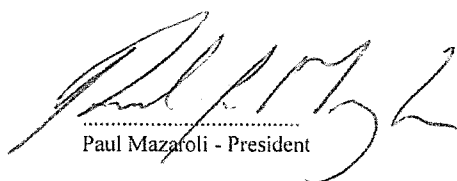
Gladesville Bowling & Sports Club Ltd
Cnr Ryde Road and Halcyon Street
Gladesville NSW 2111

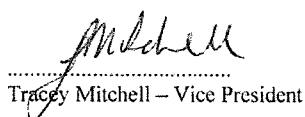
GLADESVILLE BOWLING & SPORTS CLUB LIMITED
DIRECTORS DECLARATION

The directors of Gladesville Bowling & Sports Club Limited declare that:

1. The financial statements and notes, as set out on pages 3 to 15 are in accordance with the Corporations Act 2001 and
 - (a) Comply with Accounting Standards – Reduced Disclosure Requirements and the corporations Regulations 2001; and
 - (b) give a true and fair view of the company's financial position as at 30 June 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 club 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 and is signed for and on behalf of the directors by:


Paul Mazaroli - President


Tracey Mitchell – Vice President

Dated this

17th

day of

September

2018


**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF THE GLADESVILLE BOWLING & SPORTS CLUB LIMITED**

In accordance with the requirement of section 307C of the Corporations Act 2001, as lead auditor for the audit of The Gladesville Bowling & Sports Club for the year ended 30 June 2018, I declare that, to the best of my knowledge and belief, during the year ended 30 June 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.

BROOKS, DEANE & POWNE

Chartered Accountants


.....
Carl Gilmore - Partner

Dated this 18 day of September 2018

Level 3, 50 Clarence Street
Sydney NSW

GPO Box 2517
Sydney NSW 2001

tel 02 9233 6111
fax 02 9233 6006

info@bdp.com.au
www.bdp.com.au

abn 59 002 840 673

Liability limited by a scheme approved under Professional Standards Legislation

**GLADESVILLE BOWLING & SPORTS CLUB LIMITED
INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF GLADESVILLE
BOWLING & SPORTS CLUB LIMITED**

Opinion

We have audited the accompanying financial report of Gladesville Bowling & Sports Club Limited, which comprises of the statement of financial position as at 30 June 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 ended on that date, a summary of significant policies and other explanatory notes and the director's declaration.

In our opinion, the financial report of the Gladesville Bowling & Sports Club Limited are in accordance with the Corporations Act 2001 including:

- (a) giving a true and fair view Gladesville Bowling & Sports Club Limited financial position at 30 June, 2018 and of its performance for the year ended on that date; and
- (b) complying with Accounting Standards in Australia - Reduced Disclosure Requirements and the Corporations Regulations 2001.

Basis for opinion

We conducted our audit in accordance with Australian Accounting Standards. Our responsibilities under those standards are further described in the Auditors Responsibilities for the Audit of the Financial Report 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 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

Directors Responsibility for the Financial Report

The directors of the Gladesville Bowling & Sports Club Limited are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements 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 Club's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Club or to cease operations, or have no realistic alternative but to do so.

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

The directors are responsible for the other information. The other information is the directors report accompanying the financial report. 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.

Brooks Deane+Powne.

Chartered Accountants
Established 1903

bd+p.

**GLADESVILLE BOWLING & SPORTS CLUB LIMITED
INDEPENDENT AUDIT REPORT TO THE MEMBERS OF GLADESVILLE BOWLING
& SPORTS CLUB LIMITED (CON'T)**

Auditor's Responsibility


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 decision of the users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:
http://www.auadb.gov.au/auditors_files/ar3.pdf.

This description forms part of our auditor's report.

BROOKS, DEANE & POWNE

Chartered Accountants


.....
Carl Gilmore – Partner

Dated this 18 day of September 2018

Level 3, 50 Clarence Street
Sydney NSW

GPO Box 2517
Sydney NSW 2001

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**GLADESVILLE BOWLING & SPORTS CLUB LIMITED
COMPILATION REPORT**

We have compiled the accompanying general purpose financial statements of Gladesville Bowling & Sports Club Limited, in accordance with APS 9: Statement of Compilation of Financial Reports which comprise of departmental income statements and detailed income statement for the year ended 30 June 2018. These have been prepared in accordance with the financial reporting framework described in Note 1 to the financial statements.

The specific purpose for which the general purpose financial report has been prepared is to provide private information to the directors of Gladesville Bowling & Sports Club Limited. The extent to which Accounting Standards and other mandatory professional reporting requirements have or have not been adopted in the preparation of the general purpose financial report is set out in Note 1.

The responsibility of the directors of Gladesville Bowling & Sports Club Limited

The directors of Gladesville Bowling & Sports Club Limited are solely responsible for the information contained in the general purpose financial report and have determined that significant accounting policies adopted as set out in Note 1 to the financial statements are appropriate to meet their needs and for the purpose the financial statements were prepared.

Our Responsibility

On the basis of the information provided by the directors of Gladesville Bowling & Sports Club Limited, we have compiled the accompanying general purpose financial statements in accordance with the significant accounting policies adopted as set out in Note 1 to the financial statements and APES 315: Compilation of Financial Information.

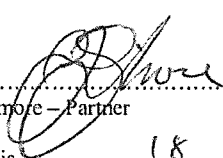
Our procedures use accounting expertise to collect, classify and summarise the financial information, which the directors provided, in compiling the financial statements. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance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

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

The general purpose financial statements were compiled exclusively for the benefit of the Gladesville Bowling & Sports Club Limited and its members and the purpose identified above. We do not accept responsibility to any other person for the contents of the general purpose financial statements.

BROOKS, DEANE & POWNE

Chartered Accountants


.....
Carl Gilmore – Partner

Dated this 18 day of September 2018

Level 3, 50 Clarence Street
Sydney NSW

GPO Box 2517
Sydney NSW 2001

tel 02 9233 6111
fax 02 9233 6006

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abn 59 002 840 673

Liability limited by a scheme approved under Professional Standards Legislation

GLADESVILLE BOWLING & SPORTS CLUB LIMITED
DEPARTMENTAL INCOME STATEMENT FOR BAR & POKER MACHINES YEAR
ENDED 30 JUNE 2018

| DEPARTMENTAL TRADING, INCOME STATEMENT | 2018 \$ | 2017 \$ |
|--|------------------|----------------|
| <u>BAR SALES</u> | | |
| Bar Sales | <u>1,040,358</u> | <u>957,378</u> |
| Less: Cost Of Goods Sold | | |
| Opening Stock | 28,506 | 27,669 |
| Bar Purchases | <u>453,248</u> | <u>410,523</u> |
| | 481,754 | 438,192 |
| Closing Stock | <u>27,288</u> | <u>28,506</u> |
| | <u>454,466</u> | <u>409,686</u> |
| Less: Direct Costs | | |
| Bar Supplies | 3,960 | 3,921 |
| Bar Wages | <u>326,324</u> | <u>285,751</u> |
| | <u>330,284</u> | <u>289,672</u> |
| GROSS PROFIT/ (LOSS) FROM TRADING | <u>255,608</u> | <u>258,020</u> |
| <u>POKER MACHINES</u> | | |
| Poker Machines Receipts | <u>684,888</u> | <u>693,650</u> |
| Less: Direct Costs | | |
| Analysis Costs | 27,852 | 27,950 |
| Depreciation | 108,257 | 104,728 |
| Licence Fees & Supplementary Tax | 3,525 | 4,701 |
| Points | 8,711 | 10,072 |
| Repairs & Maintenance | <u>27,153</u> | <u>25,572</u> |
| | <u>175,498</u> | <u>173,023</u> |
| GROSS PROFIT/ (LOSS) FROM TRADING | <u>509,390</u> | <u>520,627</u> |

This Departmental Income Statement does not form part of the audited financial report and should be read in conjunction with the attached compilation report.

GLADESVILLE BOWLING & SPORTS CLUB LIMITED
DEPARTMENTAL INCOME STATEMENT FOR CLUB KENO, TAB & RENTAL
OPERATIONS YEAR ENDED 30 JUNE 2018

| DEPARTMENTAL TRADING, INCOME STATEMENT | 2018 \$ | 2017 \$ |
|--|---------------|---------------|
| <u>CLUB KENO</u> | | |
| Keno Receipts | <u>39,766</u> | <u>37,615</u> |
| Less: Direct Costs | | |
| Keno – Maintenance | 5,326 | 5,225 |
| Keno – Stationary | <u>514</u> | <u>240</u> |
| | <u>5,840</u> | <u>5,465</u> |
| GROSS PROFIT/ (LOSS) FROM TRADING | <u>33,926</u> | <u>32,150</u> |
| <u>TAB</u> | | |
| TAB Commissions Received | <u>34,364</u> | <u>31,555</u> |
| Less: Direct Costs | | |
| TAB – Equipment Hire | 8,085 | 10,570 |
| TAB – Flexi Cast | 9,108 | 9,108 |
| TAB – Service Charges | 990 | 1,469 |
| TAB – Stationary | <u>379</u> | <u>375</u> |
| | <u>18,562</u> | <u>21,522</u> |
| GROSS PROFIT/ (LOSS) FROM TRADING | <u>15,802</u> | <u>10,033</u> |
| <u>RENTAL OPERATIONS</u> | | |
| Rental Income | <u>83,109</u> | <u>86,687</u> |
| Less: Direct Costs | | |
| Council Rates | 3,661 | 3,586 |
| Land Tax | 24,199 | 21,730 |
| Management Fees | 6,016 | 4,768 |
| Repairs & Maintenance | 2,966 | 2,544 |
| Water Rates | <u>1,434</u> | <u>850</u> |
| | <u>38,276</u> | <u>33,478</u> |
| GROSS PROFIT/ (LOSS) FROM TRADING | <u>44,833</u> | <u>53,209</u> |

This Departmental Income Statement does not form part of the audited financial report and should be read in conjunction with the attached compilation report.

GLADESVILLE BOWLING & SPORTS CLUB LIMITED
DEPARTMENTAL INCOME STATEMENT FOR CLUB KENO, TAB & RENTAL
OPERATIONS YEAR ENDED 30 JUNE 2018

| DEPARTMENTAL TRADING, INCOME STATEMENT | 2018 \$ | 2017 \$ |
|--|----------------|----------------|
| <u>CATERING</u> | | |
| Catering Sales | <u>820,886</u> | <u>591,090</u> |
| Less: Cost Of Goods Sold | | |
| Opening Stock | 4,500 | - |
| Catering Purchases | <u>358,752</u> | <u>261,028</u> |
| | 363,252 | 261,028 |
| Closing Stock | <u>5,000</u> | <u>4,500</u> |
| | <u>358,252</u> | <u>256,528</u> |
| Less: Direct Costs | | |
| Catering Wages | <u>416,120</u> | <u>308,908</u> |
| | <u>416,120</u> | <u>308,908</u> |
| GROSS PROFIT/ (LOSS) FROM TRADING | <u>46,514</u> | <u>25,654</u> |

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GLADESVILLE BOWLING & SPORTS CLUB LIMITED
DETAILED INCOME STATEMENT - YEAR ENDED 30 JUNE 2018

| INCOME | 2018 \$ | 2017 \$ |
|---|------------------|------------------|
| DEPARTMENTAL TRADING PROFIT | | |
| Gross Profit/ (Loss) from Bar Trading | 255,608 | 258,020 |
| Gross Profit/ (Loss) from Poker Machines | 509,390 | 520,627 |
| Gross Profit/ (Loss) from Club Keno | 33,926 | 32,150 |
| Gross Profit/ (Loss) from TAB | 15,802 | 10,033 |
| Gross Profit/ (Loss) from Rental Operations | 44,833 | 53,209 |
| Gross Profit/ (Loss) from Catering | 46,514 | 25,654 |
| OTHER INCOME | | |
| Dividends Received | 76 | 58 |
| Green Fees | 29,897 | 31,199 |
| Interest Received | 40,001 | 46,136 |
| Rent from Catering | - | 9,884 |
| Sponsorship Received | - | 455 |
| Subscriptions Received | 17,310 | 11,040 |
| Gain/(Loss) on Disposal | (498) | - |
| Sundry Revenue | <u>190,311</u> | <u>146,406</u> |
| Total Income | <u>1,183,170</u> | <u>1,144,871</u> |

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GLADESVILLE BOWLING & SPORTS CLUB LIMITED
DETAILED INCOME STATEMENT - YEAR ENDED 30 JUNE 2018

| EXPENSES | 2018 \$ | 2017 \$ |
|--|------------------|------------------|
| Advertising | 6,001 | 13,197 |
| Affiliation Fees | 6,791 | 5,815 |
| Auditor Remuneration | 14,000 | 14,000 |
| Bad Debts | 1,094 | - |
| Bank Charges | 19,480 | 13,021 |
| Bowlers Expenses | 105,924 | 100,490 |
| Cleaning | 49,621 | 48,943 |
| Clubhouse Sundries | 10,300 | 15,295 |
| Club Vehicle Expenses | 3,679 | 1,736 |
| Consultancy | 825 | 1,095 |
| Computer Expenses | 9,137 | 8,686 |
| Depreciation | 91,715 | 92,408 |
| Donations | 14,616 | 10,905 |
| Electricity | 76,122 | 70,724 |
| Foxtel | 39,842 | 21,804 |
| Gas | 22,132 | 15,934 |
| General Expenses | 5,911 | 2,150 |
| Holiday Pay | 9,265 | 15,834 |
| Honorarium - Directors | 19,227 | 26,082 |
| Insurance | 56,471 | 49,707 |
| Interest Paid | 5,786 | 2,867 |
| Legal | 1,000 | - |
| Long Service Leave | (746) | 16 |
| Printing, Postage & Stationary | 9,261 | 6,948 |
| Payroll Tax | 11,862 | 2,973 |
| Promotions | 78,238 | 96,970 |
| Rates & Taxes | 29,097 | 31,971 |
| Rental of Plant & Equipment | 7,987 | 6,566 |
| Repairs & Maintenance | 62,423 | 82,670 |
| Salaries - Administration | 185,949 | 177,152 |
| Security | 365 | 780 |
| Sky Channel | 20,158 | 19,292 |
| Social Activities | 11,724 | 8,117 |
| Staff Amenities & Training | 25,094 | 16,716 |
| Subsidies & Grants Sponsored Club | 11,823 | 10,707 |
| Superannuation Contributions | 81,462 | 68,598 |
| Telephone | 10,623 | 8,086 |
| Travelling Expenses | - | 65 |
| Web Development/Maintenance | 2,175 | 1,948 |
| Total Expenses | <u>1,116,434</u> | <u>1,070,268</u> |
| OPERATING PROFIT/ (LOSS) BEFORE INCOME TAX | <u>66,736</u> | <u>74,603</u> |

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