

WARRINGAH BOWLING CLUB

2013 ANNUAL REPORT

WARRINGAH BOWLING CLUB LIMITED
A.B.N. 85 000 014 219

CHAIRMANS'S REPORT FY 2012- 2013

The year started with our new Secretary Manager Alex Sangkuhl joining us. He inherited a club that had been badly flooded on the basement floor (2nd time in 12 months) and he was kept pretty busy sorting out cleaning, insurance and getting the club back to working normally. It is a credit to him that 12 months on, the club is in a much better condition, physically and financially.

The financial side is now under control and our auditors, who are based on the Lower North Shore, work closely with the Secretary Manager. The club is in a healthy financial position. We have plans to improve our facilities in 2013/14. A new gaming room has just been completed and the gaming machines upgraded.

The ladies locker room will be upgraded in the immediate future providing a top class facility for lady members and visitors. It is then planned to upgrade the functions room which will be more attractive to clients requiring private parties. Start date for this is dependent on our cash flow.

These actions will help to improve our cash flow and balance sheet which will in turn allow us to start the upgrade to the front facade of the building and the main members lounge in the future. I am against going into debt and I want the club to be able to fund its improvements from its own financial resources.

Alex Sangkuhl has been working very hard on clearing out the fixed asset register to the tune of \$65,287 dating back to pre 2003. The Club showed a net profit during the financial year of \$13,571.

Our committee together with the Secretary Manager have organised some functions. **The Presidents night** was a great success. **Xmas in July** was very well patronised and we had really great food at both. The **Trivia** and **Bridge** nights are very popular and I would ask our members to support them. The **RFDS Market day** was a success but impaired somewhat by a rain fall at just the wrong time.

Thursday evenings are very popular, having a roll up on the green under lights, playing bridge indoors. In addition we have a badge draw which is regularly won (\$250) and a great Raffle. Why don't you bring a friend?

We are still not getting as many bowling members as we would wish. Please encourage your friends to come and join us.

Thank you to our committee members for their support, counsel and hard work over the past year.

Thanks to those members who donated to the Australian Sports Foundation (ASF). These donations attract a tax refund and the ASF grant the donations to the club for approved projects. We'll be coming back to you again this year

Thanks also to Margaret Mills, the Ladies President, for her support and wise counsel. In spite of the fact that she was partly disabled after a hip replacement, she was successful in doing many things around the club. Margaret's tenure finished in mid August and she is replaced by **Ann Dooley** as the Women's President. Welcome aboard Ann.

I shall be standing for Chairman in 2013/14.

Jim Broughton

HONORARY TREASURER'S REPORT FY 2012-13

In the 2012-13 financial year club derived a net profit of compared \$13,571 compared to \$62,227 in the previous year. In addition an impairment loss of \$65,287 was recorded. This related to unidentified assets appearing in the club's depreciation schedule labelled simply as "Pre 2003". The charge should have been taken into account in previous years.

Again the rental income from the child care centre has significantly assisted the club in continuing its operations.

Whilst the overall result is a little disappointing there has been a marked increase in bar and catering income in the year. The age and poor state of the club's physical infrastructure significantly weakens our competitiveness and hence financial performance.

During the year the Club has invested in areas to improve the efficient and effective delivery of our services. In March we installed a new point of sale system. This system allows us to set member and non-member prices, thereby increasing the margin from our function trade whilst offering a loyalty discount and redemption system for our members. Weather permitting, this should significantly increase the profitability of our seasonal function trade.

Subsequent to year end we have commenced a program to refurbish our gaming facility and expect this to yield significantly improved profits over the next twelve to eighteen months.

The Club has begun to implement all of the strategic objectives targeted for 2013 in the Strategic Business Plan and it is proposed to release an updated 2014-2016 plan later this year.

Thanks to our manager Alex Sangkuhl who in addition to attending to the management of the club, produces timely month end accounting and financial reports and prepares the years end financial statements with little assistance.

Brian Holmes

WARRINGAH WOMENS BOWLING CLUB

REPORT FOR 2012-13

Congratulations to the Pennant team who came second in Grade 2 showing that despite our small numbers the standard of bowling is high. Bowling members were active in many ways hosting District competitions, visiting carnivals at other clubs and entering State events. The Invitation Mixed Gala Day was held in March and was well attended. The Warringah Trophy is currently held by North Sydney.

Socially the Club has been more active with some big events. The Inaugural Presidents Dinner was held in February in conjunction with the Mens Club to open the bowling season and championship trophies were presented by the Patron. Jan O'Keefe. Our members made a significant contribution to the success of the Community Market Day held at the Club in September 2013, the main charity being the Royal Flying Doctor Service. Members supported Club-sponsored social events including Anzac Day. Australia Day etc and a coach trip to the Guide Dog Centre.

The Card Groups on Monday morning and Thursday evening continue to grow. The Christmas luncheon was held at the Club with entertainment and was joined by the Yoga group.

The A.G.M was held on 21st August. Office bearers for 2013-14 are

| | |
|---------------------|-------------------------------|
| President | Ann Dooley |
| Vice Presidents | Jan Carroll Margaret Mills |
| Hon. Secretary | Janine Mountain |
| Hon. Treasurer | Zita Farrell |
| Committee | Shirley Greenstein |
| Match Committee | Marie McCredie |
| Selection Committee | Judy Legras |
| Social | Jo Wallace |

Margaret Mills

DIGGERS' SECTION REPORT FY 2012-13

Friends, the Anzac Day Committee thank you all for coming and making the day a success. We also appreciate those who came to play cards and for any other reason. Please come again next year and bring friends. The more the merrier.

We thank Alex for organising the excellent catering, it was a very nice lunch and for organising the bar. We well remember the days when the men prepared & cooked the food, washed and cleaned up after the bowls.

The committee acknowledges the effort and years of dedication and service of Lloyd Marsh a veteran of WW2 who stood down on 27th February this year. Thank you very much Lloyd.

John Dansie succeeds Lloyd Marsh as Secretary / Treasurer.

Our current committee of six comprises:

President: David Greenberg

Secretary / Treasurer: John Dansie

Committee: Jim Broughton, Mike Guina, Ted Pratten, Bas Phillips

Following another successful Anzac Day this year we mad 5 donations of \$200 each to The Salvation Army, Legacy, The Cancer Council of NSW, The Prostate Foundation and the Institute for Deaf & Blind Children.

We also donated \$790 to the Australian Sports Foundation towards the club's locker room and stormwater collection tank project. We have also agreed to donate \$5000 dollar for dollar with the Women's Bowling Club towards the locker room and toilets refurbishment project.

As President I thank Jim Broughton for the mountain of work he does in organising the teams and much, much more.

I also thank John Dansie for getting us a special price for all the prizes and keeping us amused on the microphone on the day and for all the work he puts in.

Mike Guina puts tickets on all the prizes, keeps a record and phones all the winners who were not there on the day. Not an easy task.

Ted Pratten for collecting the door money and the many other jobs he does.

I also thank Jill Pratten and all the others who help on the day.

We also thank the shop proprietors and business owners who generously give prizes, thank you, without your help the monies raised would be a lot less and we would not be able to help so many worthy charities.

Again thank you.

David Greenburg
President

WARRINGAH BOWLS FOUNDATION COMMITTEE REPORT

The Warringah Bowling Club Ltd has a grant agreement in place with the Australian Sports Foundation. The current project we have registered is "Water Tank installation and Change Room Upgrade. The current agreement is due to expire on 30th June 2015.

Registration of the project through the Australian Sports Foundation allows us to seek donations towards a particular project that are fully tax deductible for the donor. The donor makes the donation to the Australian Sports Foundation requesting that it benefit our project. The Australian Sports Foundation subsequently issues discretionary grants at least six times a year.

Part of this project (the Men's Locker Room upgrade) was completed in 2012. Currently we are seeking funds to complete the Women's Change Room Upgrade project. This project will provide for a new ladies locker room as well as five (5) new ladies cubicles and one (1) ladies shower occupying the current ladies locker room space. This project will greatly improve the amenity provided to female members of the club.

Through the Australian Sports Foundation to date we have received the following grants towards this project based on member donations:

| <i>Australian Sports Foundation Grants</i> | |
|--|------------------|
| 9 th November 2012 | \$1423.40 |
| 15 th July 2013 | \$2907.08 |
| 10 th September 2013 | \$599.50 |
| Total | \$4929.98 |
| Less GST | \$448.18 |
| Total to be Applied to Project | \$4481.79 |

We have also secured the following funding towards the project:

| <i>Other Grants & Donations</i> | |
|---|-------------------|
| Community Building partnership (NSW Government) | \$8000.00 |
| Insurance Claims Received | \$4500.00 |
| Digger's Section Donation | \$5000.00 |
| WWBC Donation | \$5000.00 |
| Total | \$22500.00 |

This gives us a total figure of **\$26981.79** raised towards the project so far. We anticipate the project will cost approximately \$40000 - \$45000 to complete. Clearly we have sourced significant funding so far and would encourage anyone who would like to make a tax deductible donation to the future of the club to do just that !

Funds will be raised in conjunction with other fundraising initiatives underway to help build the future of the club.

John Dansie
Chairman
Warringah Bowling Club Ltd Foundation Committee

WARRINGAH BOWLING CLUB LIMITED

A.B.N. 85 000 014 219

NOTICE OF 111TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY given that the one hundred and eleventh Annual General Meeting of the Warringah Bowling Club Ltd will be held in the clubhouse, 82 Brandley Head Road, Mosman at 10:00am on Sunday 27th October, 2013.

BUSINESS

- 1 Attendance - Establishment of a Quorum of 20 full members.
- 2 Apologies.
- 3 To confirm the minutes of the previous Annual General Meeting held on Sunday 21st, October, 2012.
- 4 Business arising from the minutes.
- 5 To receive and consider the Balance Sheet, Profit & Loss Account and the reports of the Chairman & Treasurer.

Copies of the 2012-13 Annual Report will be on the club website or available by request to the Secretary Manager on or after the 3rd October, 2013.

- 6 To deal with any other business of which due notice has been given. All business and notices of motion to be dealt with at the Annual General Meeting shall be in writing and must be received by the Secretary Manager no later than 28 days prior to the date of the Annual General Meeting.
- 7 To declare the results of the election of the Chairman and up to eight other directors for the ensuing year and, if necessary, to elect further directors.

By Order of the Board

Alex Sangkuhl

Secretary Manager

Dated at Mosman this 11 day of September, 2013.

WARRINGAH BOWLING CLUB LIMITED

A.B.N. 85 000 014 219

DIRECTORS' REPORT

Your Directors are pleased to submit for approval the financial report of the Club for the year ended 30 June 2013.

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

J. Broughton

G. Johnson

K. Auras

M. Nolan

L. Humbel Appointed at AGM on 21st October 2012

P. Read Appointed at AGM on 21st October 2012

P. Alderson Appointed at AGM on 21st October 2012

P. Harvey Appointed at AGM on 21st October 2012

A. Dooley OAM Appointed on 27th August 2013

J. de Greenlaw Retired at AGM on 21st October 2012

M. Gale Retired at AGM on 21st October 2012

P. Mills Retired at AGM on 21st October 2012

M. Mills Retired on 27th August 2013

2 The principal activity of the Company during the financial year was the promotion and conduct of the game of Lawn Bowls.

3 Short Term and Long-term Objectives

The Club aims to provide an exceptional experience for members and guests in a welcoming and progressive environment. To achieve this objective the Board seeks to consolidate the Club's financial position by planning for current revenues to fund current operational needs and to contribute to future capital expenditure requirements for enhancement of our bowling and clubhouse facilities.

4 Strategies

The Board has endorsed and regularly reviews its Strategic Business Plan for the achievement of short and long term objectives including:

4.1 Promoting participation in the game of lawn bowls through promotions, members events and creating an active social calendar to attract new members

4.2 Establishing a profitable catering & bistro operation

4.3 Establishing a reliable revenue stream from gaming activities

4.4 Creating a modern, comfortable & well serviced bar & lounge facility

4.5 Streamlined administration and effective communication with members.

4.6 Building the club's profile in the local area through events in conjunction with organisations local community

5 Key Performance Measures

The Board has established planning and budget protocols consistent with maintaining control over the club's operations and financial performance.

Significant business initiatives and expenditure are approved by the Board, or appropriate delegate.

All unplanned business outcomes, performance variances, and adverse circumstances (including weather events) are reviewed by management and the Board with a view to managing responses to protect and optimize the performance of the club.

Annual audited financial reports for the following year are reported to members at the AGM. Additional business and operational related reports are provided to members on a periodic basis during the year.

WARRINGAH BOWLING CLUB LIMITED**A.B.N. 85 000 014 219****DIRECTORS' REPORT**6. Additional information regarding Directors

| CURRENT DIRECTORS | EXPERIENCE & QUALIFICATIONS | POSITION | BOARD MEETINGS A/B |
|--------------------------|---|-------------------|---------------------------|
| Jim Broughton | 2 Years on the Board 2 Years as Chairman Retired Electrical Engineer Royal Air Force | Chairman | 10/12 |
| Peter Read | 1 Year on the Board Marketing Committee Company Director | Deputy Chairman | 6/8 |
| Mark Nolan | 1 Year on the Board 1 Year Men's President Greens & Grounds Committee Major, Australian Army | Mens President | 6/8 |
| Ann Dooley OAM | Appointed 27th August 2013 | Women's President | 0/0 |
| Kurt Auras | 2 Years on the Board 1 Year as Men's President Retired IT Manager | Director | 3/8 |
| Graham Johnson | 3 Years on the Board House Committee Sales Manager | Director | 11/12 |
| Leopold Humbel | 1 Year on the Board IT Manager | Director | 5/8 |
| Peter Alderson | 1 Year on the Board Social Director | Social Director | 4/8 |
| Phillip Harvey | 1 Year on the Board Retired Magistrate Social Director | Social Director | 3/8 |
| RETIRED DIRECTORS | | | |
| John de Greenlaw | Barrister | Director | 3/4 |
| Malcolm Gale | Self Employed | Director | 4/4 |
| Pat Mills | Retired Stockbroker | Director | 4/4 |
| Margaret Mills | Retired R.N. | Women's President | 6/8 |

A - Number of meetings attended

B - Number of meetings eligible to attend

WARRINGAH BOWLING CLUB LIMITED
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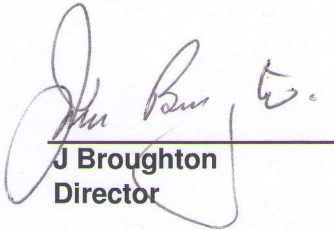
DIRECTORS' REPORT (Continued)

7 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 \$10 each towards meeting any outstanding obligations of the entity. At 30 June 2013, the total amount that members of the company are liable to contribute if the company is wound up is \$3,960 (2012: \$2,330).


Auditor's Independence Declaration

8 The lead auditor's independence declaration for the year ended 30 June 2013 has been received and can be found on page 5 of the financial report.

Signed on behalf of the Directors in accordance with a resolution of the Board



J Broughton
Director



P Read
Director

Signed at Mosman, dated this 24 day of September, 2013

WARRINGAH BOWLING CLUB LIMITED
A.B.N. 85 000 014 219

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF WARRINGAH BOWLING CLUB LIMITED

I declare that, to the best of my knowledge and belief during the year ended 30 June 2013 there have been:

- (i) No contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) No contraventions of any applicable code of professional conduct in relation to the audit.

Roberts Nissen

Name of Firm: **ROBERTS NISSEN**

Name of Partner: **P M MELDRUM**

Pmel drum

Date: 24 September, 2013

Address: Suite 2, Level 3, 121 Walker St, North Sydney

WARRINGAH BOWLING CLUB LIMITED
A.B.N. 85 000 014 219

Statement of Profit or Loss for the Year Ended 30 June 2013

| | Note | 2013 \$ | 2012 \$ |
|---|------|------------------------|----------------------|
| Revenue | | | |
| Sales Revenue | 2 | 317,886 | 220,427 |
| Cost of Sales | 3 | <u>(145,608)</u> | <u>(102,318)</u> |
| Gross Profit | | 172,278 | 118,109 |
| Other Income | 2 | 343,990 | 356,251 |
| Expenses | | | |
| Administration Expenses | 3 | (61,056) | (70,802) |
| Employee benefits Expenses | 3 | (251,746) | (158,820) |
| Depreciation & Amortisation | 4 | (19,387) | (15,876) |
| Bowls Related Expenses | 3 | (96,247) | (90,104) |
| Repairs & Maintenance | 3 | (16,284) | (34,664) |
| Operational Expenses | 3 | (54,355) | (41,866) |
| Other Expenses | 3 | <u>(3,622)</u> | <u>(1)</u> |
| Current Year Surplus/(Deficit) from Ordinary Activities | | 13,571 | 62,227 |
| Impairment of Assets | 9 | <u>(65,287)</u> | - |
| Current Year Surplus/(Deficit) before Income Tax | | <u>(51,716)</u> | <u>62,227</u> |
| Income Tax expense | | 0 | 0 |
| Net Current Year Loss attributable to members of the entity | | <u><u>(51,716)</u></u> | <u><u>62,227</u></u> |

The accompanying notes form part of these financial statements.

WARRINGAH BOWLING CLUB LIMITED
A.B.N. 85 000 014 219

Statement of Comprehensive Income for the Year Ended 30 June 2013

| | Note | 2013 | 2012 |
|--|-------------|-----------------|---------------|
| | | \$ | \$ |
| Net Current Year Surplus | | (51,716) | 62,227 |
| Net gain on revaluation of non-current assets | | 0 | 0 |
| Other comprehensive income for the year, net of tax | | 0 | 0 |
| Total comprehensive Income for the year, attributable to members of the Club | | <u>(51,716)</u> | <u>62,227</u> |

The accompanying notes form part of these financial statements.

WARRINGAH BOWLING CLUB LIMITED
A.B.N. 85 000 014 219

Statement of Financial Position as at 30 June 2013

| | Note | 2013 \$ | 2012 \$ |
|---------------------------------------|------|------------------|------------------|
| <u>ASSETS</u> | | | |
| Current Assets | | | |
| Cash | 6 | 218,422 | 233,950 |
| Receivables | 7 | 500 | 2,117 |
| Inventories | 8 | 21,182 | 11,675 |
| Prepayments | 7a | 1,955 | - |
| Total current Assets | | 242,059 | 247,742 |
| Non Current Assets | | | |
| Property, Plant & Equipment | 9 | 3,745,578 | 3,776,606 |
| Total Non Current Assets | | 3,745,578 | 3,776,606 |
| Total Assets | | 3,987,637 | 4,024,348 |
| <u>LIABILITIES</u> | | | |
| Current Liabilities | | | |
| Trade & Other Payables | 10 | 19,918 | 30,202 |
| Tax Liabilities | 12 | 11,634 | 7,814 |
| Short Term Provisions | 13 | 7,521 | - |
| Other | 14 | 53,324 | 39,376 |
| Total Current Liabilities | | 92,397 | 77,392 |
| Non Current Liabilities | | - | - |
| Total Liabilities | | 92,397 | 77,392 |
| Net Assets | | 3,895,240 | 3,946,956 |
| ACCUMULATED FUNDS AND RESERVES | | | |
| Retained Profits | | 415,313 | 467,029 |
| Reserves | | 3,479,927 | 3,479,927 |
| Total Equity | | 3,895,240 | 3,946,956 |

The accompanying notes form part of these financial statements.

WARRINGAH BOWLING CLUB LIMITED
A.B.N. 85 000 014 219

Statement of Changes in Equity as at 30 June, 2013

| | Accumulated Funds | Asset Revaluation Reserve |
|--|------------------------------|--|
| | \$ | \$ |
| Balance at July 1, 2011 | 404,802 | 3,479,927 |
| Transfer from Asset Revaluation Reserve to Accumulated Funds | 0 | 0 |
| Surplus attributable to members | 62,227 | 0 |
| Balance as at June 30, 2012 | <u>467,029</u> | <u>3,479,927</u> |
| Transfer from Asset Revaluation Reserve to Accumulated Funds | 0 | 0 |
| Surplus attributable to members | (51,716) | 0 |
| Balance as at June 30, 2013 | <u><u>415,313</u></u> | <u><u>3,479,927</u></u> |

Asset Revaluation Reserve

The Asset Revaluation Reserve records revaluations of non-current assets.

The accompanying notes form part of these financial statements.

WARRINGAH BOWLING CLUB LIMITED
A.B.N. 85 000 014 219

Cash Flow Statement for the Year Ended 30 June, 2013

| | Note | 2013 \$ | 2012 \$ |
|--|------|------------|------------|
| Cash Flow from Operating Activities | | | |
| Receipts from Customers | | 663,347 | 573,074 |
| Payments to Suppliers | | (627,657) | (498,866) |
| Interest Received | | 2,428 | 3,735 |
| | | 663,347 | 573,074 |
| Net Cash Provided by / (used in) Operating Activities | 6 | 38,118 | 77,943 |
| Cash Flows from Investing Activities | | | |
| Proceeds from Sale of Property, Plant & Equipment | | - | 13,432 |
| Payment for Property, Plant & Equipment | | (53,646) | (32,990) |
| | | (53,646) | (19,558) |
| Net Cash Provided by / (used in) Investing Activities | | (53,646) | (19,558) |
| Cash Flows from Financing Activities | | | |
| Proceeds from Loans | | - | - |
| Repayment of Loans | | - | - |
| | | - | - |
| Net Cash Provided by / (used in) Financing Activities | | - | - |
| Net Increase / (Decrease) in Cash Held | | (15,528) | 58,385 |
| Cash at Beginning of Year | 6 | 233,950 | 175,565 |
| Cash at End of Year | 6 | 218,422 | 233,950 |

The accompanying notes form part of these financial statements.

WARRINGAH BOWLING CLUB LIMITED
A.B.N. 85 000 014 219

NOTES TO AND FORMING PART OF THE 2013 FINANCIAL STATEMENTS

The financial statements are for Warringah Bowling Club Limited as an individual not for profit entity, incorporated and domiciled in Australia. Warringah Bowling Club Limited is a company limited by guarantee.

The financial statements were authorised for issue on 24 Sept, 2013 by the directors of the club.

NOTE 1: STATEMENT OF ACCOUNTING POLICIES

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Act 2001. The Company is a not-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. Material accounting policies adopted in the preparation of the financial statements are presented below. They have been consistently applied unless otherwise stated.

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.

a) Income Tax

No provision for income tax is required as the Club is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997, due to its promotions of bowls.

b) Inventories on Hand

Inventories are measured at the lower 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) Impairment of Assets

At the end of each reporting period, the Club reviews the carrying values of its tangible 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 to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Statement of Comprehensive Income.

When the future economic benefits of the asset are not primarily dependent upon the assets ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is assessed as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an assets class, the entity estimates the recoverable amount of the cash generating unit to which the class of assets belong.

WARRINGAH BOWLING CLUB LIMITED

A.B.N. 85 000 014 219

NOTES TO AND FORMING PART OF THE 2013 FINANCIAL STATEMENTS

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.

d) Property, Plant and Equipment

- (i) Each class of Property, Plant and Equipment is carried at cost of fair value, less where applicable, any accumulated depreciation and impairment losses.

Freehold Property

Freehold land and buildings are shown at their fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

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

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets are recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in profit or loss.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

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 the estimated recoverable amount the carrying amount is written down to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, are depreciated over their useful lives to the economic entity commencing from the time the asset is held ready for use.

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

| <u>Classes of Fixed Asset</u> | <u>Depreciation Rate</u> |
|-------------------------------|--------------------------|
| Buildings | 0.0 - 2.5% |
| Furniture & Fittings | 10.0 - 33.0% |
| Plant & equipment | 5.0 – 50.0% |
| Greens & Surrounds | 10.0 – 20.0% |

WARRINGAH BOWLING CLUB LIMITED
A.B.N. 85 000 014 219

NOTES TO AND FORMING PART OF THE 2013 FINANCIAL STATEMENTS

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 in profit or loss in the period in which they arise.

(ii) Course improvement costs, existing greens, tees, bunkers etc are written off in the year in which the expenditure is incurred.

e) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the Club are classified as finance leases. Finance leases are capitalised, recognising an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are depreciated on straight line basis over their estimated useful lives where it is likely that the economic entity will obtain ownership of the asset or over the term of the lease. Lease payments are allocated between the reduction of the lease liability & the lease interest expense for the period.

f) Employee Provisions

Provision is made for the club's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows attributable to employee provisions. Contributions are made by the Club to employee superannuation funds and are charged as expenses when incurred.

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(c) for further discussion on the determination of impairment losses.

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A.B.N. 85 000 014 219

NOTES TO AND FORMING PART OF THE 2013 FINANCIAL STATEMENTS

- i) Revenue
Revenue from the sale of goods and delivery of services is recognised upon the delivery of goods to customers. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. Revenue from the rendering of a service is recognised upon the delivery of the services to the customers. All revenue is stated net at the amount of goods and services tax (GST).
- e) Goods & 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 (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 net 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.
- f) 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 obligations at the end of the reporting period.
- k) Comparative Figures
When required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year. When an entity applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period must be disclosed.
- l) New Accounting Standards for Application in Future Periods

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

AASB 9: Financial Instruments (December 2010) and AASB 2010-7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010).

These Standards are applicable retrospectively and include revised requirements for the classification and measurement of financial instruments, as well as recognition and derecognition requirements for financial instruments.

WARRINGAH BOWLING CLUB LIMITED
A.B.N. 85 000 014 219

NOTES TO AND FORMING PART OF THE 2013 FINANCIAL STATEMENTS

AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010–2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements (applicable for annual reporting periods commencing on or after 1 July 2013).

AASB 1053 establishes a revised differential financial reporting framework consisting of two tiers of financial reporting requirements for those entities preparing general purpose financial statements:

- Tier 1: Australian Accounting Standards; and
 - Tier 2: Australian Accounting Standards – Reduced Disclosure Requirements.▪
- Tier 2 of the framework comprises the recognition, measurement and presentation requirements of Tier 1, but contains significantly fewer disclosure requirements.

Since the company is a not-for-profit private sector entity, it qualifies for the reduced disclosure requirements for Tier 2 entities. It is anticipated that the Company will take advantage of Tier 2 reporting at a later date.

AASB 13: Fair Value Measurement and AASB 2011–8: Amendments to Australian Accounting Standards arising from AASB 13

AASB 13 defines fair value, sets out in a single Standard a framework for measuring fair value, and requires disclosures about fair value measurement.

AASB 13 requires:

- inputs to all fair value measurements to be categorised in accordance with a fair value hierarchy; and
- enhanced disclosures regarding all assets and liabilities (including, but not limited to, financial assets and financial liabilities) measured at fair value.

These Standards are expected to result in more detailed fair value disclosures, but are not expected to significantly impact the amounts recognised in the company's financial statements.

AASB 119: Employee Benefits (September 2011) and AASB 2011–10: Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) (applicable for annual reporting periods commencing on or after 1 January 2013).

These Standards introduce a number of changes to accounting and presentation of defined benefit plans. The club does not have any defined benefit plans & so is not impacted by the amendment.

AASB 119 (September 2011) also includes changes to:

- require only those 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 to be classified as short-term employee benefits. All other employee benefits are to be classified as other long-term employee benefits, post-employment benefits or termination benefits, as appropriate; and

WARRINGAH BOWLING CLUB LIMITED
A.B.N. 85 000 014 219

NOTES TO AND FORMING PART OF THE 2013 FINANCIAL STATEMENTS

NOTE 1: STATEMENT OF ACCOUNTING POLICIES (Cont'd)

- the accounting for termination benefits that require an entity to recognise an obligation for such benefits at the earlier of:
 - (i) for an offer that may be withdrawn – when the employee accepts;
 - (ii) for an offer that cannot be withdrawn – when the offer is communicated to affected employees; and
 - (iii) where the termination is associated with a restructuring of activities under AASB 137: Provisions, Contingent Liabilities and

These Standards are not expected to significantly impact the company's financial statements.

m) 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. and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Club 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.

n) Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgments incorporated into the financial statements

| | NOTE | 2013 \$ | 2012 \$ |
|---|------|------------|------------|
| NOTE 2: REVENUE & OTHER INCOME | | | |
| Sales Revenue | | | |
| Bar Sales | | 241,750 | 211,948 |
| Functions & Catering Income | | 76,136 | 8,479 |
| | | 317,886 | 220,427 |
| Other Income | | | |
| Poker Machine Revenue | | 11,702 | 14,449 |
| Bowling Green Income | | 42,352 | 38,672 |
| Subscriptions | | 13,899 | 13,587 |
| Rents Received | | 266,650 | 259,912 |
| Raffle Income | | 2,736 | 3,015 |
| Interest Received | | 2,428 | 3,735 |
| Other Income | | 4,223 | 22,881 |
| | | 343,990 | 356,251 |
| Total Income | | 661,876 | 576,678 |

WARRINGAH BOWLING CLUB LIMITED
A.B.N. 85 000 014 219

NOTES TO AND FORMING PART OF THE 2013 FINANCIAL STATEMENTS

| | NOTE | 2013 | 2012 |
|-------------------------------------|------|-----------|-----------|
| | | \$ | \$ |
| NOTE 3: EXPENSES | | | |
| Cost of Sales | | | |
| Cost of Sales – Bar | | 105,605 | 97,678 |
| Cost of Sales – Function & Catering | | 40,003 | 4,640 |
| | | 145,608 | 102,318 |
| Other Expenses | | | |
| Bowls Related | | 96,247 | 90,104 |
| Employee Benefits | | 251,746 | 158,820 |
| Administration | | 61,056 | 70,802 |
| Repairs & Maintenance | | 16,284 | 34,664 |
| Other Expenses | | 3,622 | 1 |
| Depreciation Expense | | 19,387 | 15,876 |
| Operational Expenses | | 54,355 | 41,866 |
| | | 502,697 | 412,133 |
| | | | |
| Total Expenses | | 648,305 | 514,451 |
| NOTE 4: DEPRECIATION | | | |
| Furniture & Fittings | | 8,490 | - |
| Plant & Equipment | | 9,413 | 3,157 |
| Greens & Grounds | | 1,484 | 1,746 |
| Office | | - | 10,973 |
| Poker Machines | | - | - |
| | | 19,387 | 15,876 |
| NOTE 5: RESERVES | | | |
| Asset Revaluation Reserve | | 3,479,927 | 3,479,927 |
| NOTE 6: CASH ON HAND | | | |
| a) Bank Accounts | | | |
| Trading Account | | 49,064 | 120,325 |
| Interest Bearing Account | | 57,866 | 17,282 |
| Trophies Account | | 9,715 | 11,529 |
| Women's Accounts | | 19,729 | 19,209 |
| Digger's Section | | 9,794 | 7,547 |
| Foundation Account | | 10,322 | 1,634 |
| Term Deposit | | 54,031 | 52,624 |
| | | | |
| Cash on Hand | | 7,901 | 3,800 |
| | | 218,422 | 233,950 |

The effective interest rate on short-term bank deposits was 2.75%

WARRINGAH BOWLING CLUB LIMITED
A.B.N. 85 000 014 219

NOTES TO AND FORMING PART OF THE 2013 FINANCIAL STATEMENTS

| NOTE 6: CASH (Cont'd) | NOTE | 2013 | 2012 |
|---|-------------|-------------|-------------|
| | | \$ | \$ |
| (b) Reconciliation of cash flow from operating activities with Current Year Surplus | | | |
| Operating Profit/(Loss) after Income Tax | | (51,716) | 62,227 |
| Non-cash flows in operating profit | | | |
| Depreciation | | 19,387 | 15,880 |
| Impairment | | 65,287 | 0 |
| Changes to Provision | | 7,521 | (4,451) |
| Changes in assets & liabilities | | | |
| Decrease (Increase) in trade Debtors | | 1,617 | 0 |
| Decrease (Increase) in inventories | | (9,507) | 0 |
| Decrease (Increase) in prepayments | | (1,955) | 0 |
| (Decrease) Increase in trade creditors & Accruals | | (6,464) | 4,287 |
| (Decrease) Increase in Income in Advance | | 13,948 | 0 |
| Net Cash provided by Operating Activities | | 38,118 | 77,943 |

NOTE 7: RECEIVABLES

| | | |
|---------------|-----|-------|
| Trade Debtors | 500 | 2,117 |
|---------------|-----|-------|

i. Provision for Doubtful Debts

Current trade receivables are generally on 30-day terms. These receivables are assessed for recoverability and a provision for impairment is recognised when there is objective evidence that an individual trade receivable is impaired. These amounts have been included in other expense items.

Movement in the provision for impairment of receivables is as follows:

| | |
|---|-----|
| Provision for impairment as at 30 June 2011 | NIL |
| - Charge for year | - |
| - Written off | - |
| Provision for impairment as at 30 June 2012 | NIL |
| - Charge for year | - |
| - Written off | - |
| Provision for impairment as at 30 June 2013 | NIL |

ii. Credit Risk – Accounts Receivable and Other Debtors

The Club does not have any material credit risk exposure to any single receivable or group of receivables.

The following table details the company's trade and other receivables exposed to credit risk with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the Club and the customer. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the company.

WARRINGAH BOWLING CLUB LIMITED
A.B.N. 85 000 014 219

NOTES TO AND FORMING PART OF THE 2013 FINANCIAL STATEMENTS

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

| | Gross Amount | Past due & impaired | Past due but not impaired (days overdue) | | | Within initial trade terms |
|-------------------|--------------|---------------------|--|----------|----------|----------------------------|
| | | | < 30 | 31-60 | 61-90 | |
| 2013 | \$ | \$ | \$ | \$ | \$ | \$ |
| Trade receivables | 500 | 0 | 0 | 0 | 0 | 500 |
| Other receivables | 0 | - | - | - | - | - |
| Total | 500 | 0 | 0 | 0 | 0 | 500 |

| | | | | | | |
|-------------------|--------------|----------|----------|----------|----------|--------------|
| 2012 | | | | | | |
| Trade receivables | 2,117 | 0 | 0 | 0 | 0 | 2,117 |
| Other receivables | 0 | - | - | - | - | - |
| Total | 2,117 | 0 | 0 | 0 | 0 | 2,117 |

| | NOTE | 2013 | 2012 |
|-----------------------------|------|-------|------|
| | | \$ | \$ |
| NOTE 7a: PREPAYMENTS | | | |
| Prepayments | | 1,955 | 0 |

| | | | |
|----------------------------|--|--------|--------|
| NOTE 8: INVENTORIES | | | |
| Stock on Hand | | 21,182 | 11,675 |

NOTE 9: PROPERTY, PLANT & EQUIPMENT

| | | | |
|----------------------|--|-----------|-----------|
| Freehold Land | | | |
| At valuation | | 3,600,000 | 3,600,000 |

| | | | |
|--------------------------------|--|---------------|----------------|
| Plant & Equipment | | | |
| Equipment at Cost | | 129,314 | 549,907 |
| Less: Accumulated Depreciation | | (50,833) | (373,301) |
| | | <u>78,481</u> | <u>176,606</u> |

| | | | |
|---------------------------------|--|---------------|----------|
| Furniture & Fittings | | | |
| Furniture at Cost | | 91,826 | - |
| Less: Accumulated Depreciation | | (37,629) | - |
| | | <u>54,197</u> | <u>-</u> |

| | | | |
|--------------------------------|--|---------------|----------|
| Greens & Surrounds | | | |
| Greens at Cost | | 19,506 | - |
| Less: Accumulated Depreciation | | (6,606) | - |
| | | <u>12,900</u> | <u>-</u> |

| | | | |
|--------------|--|-------------------------|-------------------------|
| Total | | <u><u>3,745,578</u></u> | <u><u>3,776,606</u></u> |
|--------------|--|-------------------------|-------------------------|

WARRINGAH BOWLING CLUB LIMITED
A.B.N. 85 000 014 219

NOTES TO AND FORMING PART OF THE 2013 FINANCIAL STATEMENTS

NOTE 9: PROPERTY, PLANT & EQUIPMENT (Cont'd)

Movement in Carrying Amounts

| | Furniture & Fittings | Plant & Equipment | Greens & Surrounds | Total |
|---------------------------------------|-------------------------------------|----------------------------------|-----------------------------------|----------------|
| Net book value brought forward | 102,031 | 64,863 | 9,715 | 176,609 |
| Additions (Deletions) | 23,823 | 25,151 | 4,669 | 53,643 |
| Depreciation Expense | (8,490) | (9,413) | (1,484) | (19,387) |
| Impairment Adjustments | (63,167) | (2,120) | - | (65,287) |
| Carrying amount at end of year | <u>54,197</u> | <u>78,481</u> | <u>12,900</u> | <u>145,578</u> |

At 30th June 2013 the club retired unidentifiable fully depreciated assets totalling \$272,620 and reversed accumulated depreciation charged to these items for the corresponding amount.

NOTE 10: PAYABLES - CURRENT

| | NOTE | 2013 | 2012 |
|---------------------------|-------------|---------------|---------------|
| | | \$ | \$ |
| Trade Creditors | | 11,574 | 17,146 |
| Other Creditors | | | |
| Audit Fees | | 5,000 | 5,000 |
| Other Payroll Liabilities | | 3,344 | 8,056 |
| | | <u>19,918</u> | <u>30,202</u> |

NOTE 11: BORROWINGS

| | | |
|-------------|---|---|
| Current | 0 | 0 |
| Non-current | 0 | 0 |

NOTE 12: TAXES

| | | |
|--------------------------|---------------|--------------|
| GST Liability | 8,093 | 5,717 |
| PAYG Withholding tax due | 3,541 | 2,097 |
| | <u>11,634</u> | <u>7,814</u> |

NOTE 13: PROVISIONS - CURRENT

| | | |
|----------------------------|-------|---|
| Provision for Annual Leave | 7,521 | 0 |
|----------------------------|-------|---|

The Club did not provide for annual leave in 2011-12 however paid \$3115 in the 2012-13 in entitlements relating to 2011-12

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

WARRINGAH BOWLING CLUB LIMITED
A.B.N. 85 000 014 219

NOTES TO AND FORMING PART OF THE 2013 FINANCIAL STATEMENTS

| NOTE 14: OTHER LIABILITIES (CURRENT) | NOTE | 2013 | 2012 |
|---|-------------|---------------|---------------|
| | | \$ | \$ |
| Subscriptions in Advance | | 9,642 | 8,105 |
| Diggers Account | | 9,794 | 7,547 |
| Rent in Advance – Childcare centre | | 22,041 | 23,724 |
| Function Deposits | | 727 | - |
| Government Grants | | 8,000 | - |
| Insurance Claim Received | | 3,120 | - |
| | | <u>53,324</u> | <u>39,376</u> |

The insurance claim received relates to flooding of the Ladies locker room and will be contributed to the locker room refurbishment project

The Government Grant relates to an application made to the 2013 NSW Government Community Building Partnership and will be allocated to the Ladies Locker room project.

NOTE 15: RELATED PARTY TRANSACTIONS

- a) Key Management Personnel. During the reporting period the club did not employ anybody who was a close relative of a Director or Top Executive
- b) Other Related Parties – Payments to entities related to Directors and Top Executives. During the reporting period the club did not make any payments to entities that were related to Directors or Top Executives.

NOTE 16: MEMBERS' GUARANTEE

The Club is limited by guarantee. If the company is wound up, the Articles of Association state that each member is required to contribute a maximum of \$10 each toward meeting any outstanding obligation of the Club. At June 30 2013, the number of members was 3,960 (2012 - 2,330).

NOTE 17: CAPITAL AND LEASING COMMITMENTS

| | | |
|---|-----|-----|
| (a) Finance lease Commitments | NIL | NIL |
| (b) Hire Purchase Commitments | NIL | NIL |
| (c) Capital expenditure commitments payable not later than one year | | |
| - Plant and equipment purchases | NIL | NIL |
| - Capital expenditure projects | NIL | NIL |

NOTE 18: CONTINGENT LIABILITY

| | | |
|--|-----|-----|
| At the 30 th June, 2013 the Club had no Contingent liabilities. | NIL | NIL |
|--|-----|-----|

NOTE 19: SUBSEQUENT EVENTS

| | | |
|--|-----|-----|
| | NIL | NIL |
|--|-----|-----|

NOTE 20: SEGMENT REPORTING

| | | |
|--|-----|-----|
| | NIL | NIL |
|--|-----|-----|

The Club operates predominantly in one industry. The principal activities of the Club are those of a Bowling club. The Club operates in one geographical area being Mosman, NSW Australia.

WARRINGAH BOWLING CLUB LIMITED
A.B.N. 85 000 014 219

NOTES TO AND FORMING PART OF THE 2013 FINANCIAL STATEMENTS

NOTE 21: FINANCIAL RISK MANAGEMENT

The Club's financial instruments consist mainly of deposits with banks, accounts receivable and The totals 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 | 2013 | 2012 |
|---|------|---------|---------|
| Financial Assets | | \$ | \$ |
| Cash on Hand | 6 | 218,422 | 233,950 |
| Accounts receivables and other debtors | 7 | 500 | 2,117 |
| | | 218,922 | 236,067 |
| | | | |
| Financial Liabilities | | | |
| Financial liabilities at amortised cost | | | |
| - Accounts Payable and other payables | 10 | 19,918 | 30,202 |
| - Taxes Payable | 12 | 11,634 | 7,814 |
| - Borrowings | 11 | 0 | 0 |
| | | 31,552 | 38,016 |

Financial Risk Management Policies

The committee's overall risk management strategy seeks to assist the Club in meeting its financial targets, whilst minimizing potential adverse effects on financial performance. Risk management policies are approved and reviewed by the committee on a regular basis. These include credit risk policies and future cash flow requirements

Specific Financial Risk Exposures and Management

The main risk the Club is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

a. Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at reporting date whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial rate instruments.

b. Liquidity risk

Liquidity risk arises from the possibility that the Club might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Club manages this risk through the following mechanisms:

- Preparing forward looking cash flow analysis in relation to its operational, investing and financing activities;
- Maintaining a reputable credit profile;
- Managing credit risk related to financial assets;
- Investing only in surplus cash with major financial institutions; and
- Comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

WARRINGAH BOWLING CLUB LIMITED
A.B.N. 85 000 014 219

NOTES TO AND FORMING PART OF THE 2013 FINANCIAL STATEMENTS

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates

Financial liability and financial asset maturity analysis

| | Within 1 Year | | 1 - 5 Years | | Over 5 Years | | Total Contractual Cash Flow | |
|--|---------------|---------------|-------------|----------|--------------|----------|-----------------------------|---------------|
| | 2013 | 2012 | 2013 | 2012 | 2013 | 2012 | 2013 | 2012 |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Financial Liabilities Due for Payment | | | | | | | | |
| Lease Liabilities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Trade and Other Payables(excluding estimated Annual Leave and Deferred Income) | 31,552 | 38,016 | 0 | 0 | 0 | 0 | 31,552 | 38,016 |
| Total Expected Outflows | 31,552 | 38,016 | 0 | 0 | 0 | 0 | 31,552 | 38,016 |

Financial liability and financial asset maturity analysis

| | Within 1 Year | | 1 - 5 Years | | Over 5 Years | | Total Contractual Cash Flow | |
|--|----------------|----------------|-------------|----------|--------------|----------|-----------------------------|----------------|
| | 2013 | 2012 | 2013 | 2012 | 2013 | 2012 | 2013 | 2012 |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Financial Assets - Cash Flows Realisable | | | | | | | | |
| Cash on Hand | 218,422 | 233,950 | 0 | 0 | 0 | 0 | 218,422 | 233,950 |
| Trade Term and Loans Receivables | 500 | 2,117 | 0 | 0 | 0 | 0 | 500 | 2,117 |
| Total Anticipated Inflows | 218,922 | 236,067 | 0 | 0 | 0 | 0 | 218,922 | 236,067 |
| Net (Outflow) Inflow on Financial Instruments | 187,370 | 198,051 | 0 | 0 | 0 | 0 | 187,370 | 198,051 |

Credit Risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counter parties of contract obligations that could lead to a financial loss to the Club.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating.

Credit Risk Exposures

The maximum exposure to credit risk by class of recognised financial assets at balance date is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

WARRINGAH BOWLING CLUB LIMITED
A.B.N. 85 000 014 219

NOTES TO AND FORMING PART OF THE 2013 FINANCIAL STATEMENTS

Accounts Receivable and other receivables that are neither past due nor impaired are considered to be of quality. Aggregates of such amounts are as detailed in Note 7.

The Club does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the company. The trade receivables balance at 30 June 2013 and 30 June 2012 do not include any counter parties with external credit ratings. Customers are assessed for credit criteria worthiness based on enquiry of the customer and management due diligence enquiries.

Credit risk related to balances with banks and other financial institutions is managed by the committee in accordance with approved Board policy. The following table provides information regarding credit risk relating to cash and cash equivalents

| | Note | 2013 | 2012 |
|---------------------------|-------------|-------------|-------------|
| Cash and Cash Equivalents | 6 | 218,422 | 233,950 |

Net Fair Values

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the balance sheet. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Fair values derived may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgment and the assumptions have been detailed below.

| | Footnote | 2013 | | 2012 | |
|--------------------------------------|----------|---------|----------|---------|----------|
| | | Net | Net Fair | Net | Net Fair |
| Financial assets | | | | | |
| Cash on Hand | (i) | 218,422 | 218,422 | 233,950 | 233,950 |
| Accounts receivables & other Debtors | (i) | 500 | 500 | 500 | 500 |
| Total financial assets | | 218,922 | 218,922 | 234,450 | 234,450 |
| Financial liabilities | | | | | |
| Accounts Payables and other payables | (i) | 31,552 | 31,552 | 38,016 | 38,016 |
| Total financial liabilities | | 31,552 | 31,552 | 38,016 | 38,016 |

The fair values disclosed in the above table have been determined based on the following methodologies:

(i) Cash and cash equivalents, trade and other receivables and trade and other payables are short-term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables exclude amounts provided for, relating to annual leave and deferred income which is not considered a financial instrument.

WARRINGAH BOWLING CLUB LIMITED
A.B.N. 85 000 014 219

NOTES TO AND FORMING PART OF THE 2013 FINANCIAL STATEMENTS

Sensitivity Analysis

The following table illustrates sensitivities to the company's exposures to changes in interest rates. The table indicates the impact on how profit reported at balance date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables

| Year Ended 30 June 2013 | Profit | Equity |
|--------------------------------|---------------|---------------|
| | \$ | \$ |
| ± 2% in interest rates | ± \$2,677 | ± \$2,677 |

The above interest rate sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

No sensitivity analysis has been performed on foreign exchange risk, as the Club is not exposed to foreign currency fluctuations.

NOTE 22: CLUB DETAILS

The registered office and principal place of business for the club is
Warringah Bowling Club Ltd
74 – 82 Bradleys Head Rd
Mosman NSW 2088

NOTE 23: CAPITAL MANAGEMENT

The Board controls the capital of the entity to ensure that adequate cash flows are generated to fund its operations.

Risk management policies are approved and reviewed by the board on a regular basis. These include credit risk policies and future cash flow requirements.

WARRINGAH BOWLING CLUB LIMITED
A.B.N. 85 000 014 219

DIRECTORS' DECLARATION

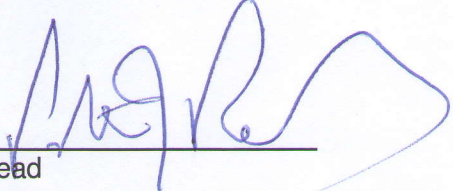
The Directors of the Club declare that:

- 1 The financial statements and notes, as set out on pages 6 to 25 are in accordance with the Corporations Act 2001:
 - (a) Comply with Australian Accounting Standards; and
 - (b) Give a true and fair view of the financial position of the Club as at 30 June, 2013 and of the performance of the year ended on that date of the Club.
- 2 In the opinion of the Directors these are reasonable grounds to believe that the Company will be able to pay its debts and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



J. Broughton
Chairman



P. Read
Director

Dated 24 September, 2013

WARRINGAH BOWLING CLUB LIMITED

A.B.N. 85 000 014 219

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
WARRINGAH BOWLING CLUB LIMITED**

Report on the Financial Report

We have audited the accompanying financial report of Warringah Bowling Club Limited, which comprises the statement of financial position as at 30 June, 2013, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility for the Financial Statements

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 (including the Australian Accounting Interpretations) 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 is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall report presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Warringah Bowling Club Limited, would be in the same terms if given to the directors as at the time of this auditor's report

WARRINGAH BOWLING CLUB LIMITED
A.B.N. 85 000 014 219

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
WARRINGAH BOWLING CLUB LIMITED

Auditor's Opinion

In our opinion, the financial report of Warringah 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 30 June 2013 and of its performance for the year ended on that date; and
- ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Other Matters

The financial report of Warringah Bowling Club Limited, for the year ended 30 June, 2012, was audited by another auditor, who expressed an unmodified opinion on that financial report on 28 August, 2012.

Roberts Nissen

NAME OF FIRM ROBERTS NISSEN

NAME OF PARTNER P M MELDRUM

P M Meldrum

DATE: 30th September, 2013

30th

ADDRESS: Suite 2, Level 3, 121 Walker Street, North Sydney