

East Maitland Bowling Club Limited
(A Company Limited by Guarantee)

ABN: 58 000 960 216

Annual Financial Report for the
Financial Year Ended 30 June 2013

East Maitland Bowling Club Limited

Annual Financial Report for the Financial Year Ended 30 June 2013

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East Maitland Bowling Club Limited

Directors' Report

The directors of East Maitland Bowling Club Limited submit herewith the annual financial report of the company for the financial year ended 30 June 2013. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

The names of the directors of the company who held office during the year and at the date of this report are:

| <u>NAME</u> | <u>QUALIFICATIONS</u> | <u>EXPERIENCE</u> | <u>SPECIAL RESPONSIBILITIES</u> |
|-------------|--------------------------|-------------------|---------------------------------|
| W Hopkins | Retired | 3 years | President |
| N Lane | Construction Coordinator | 4 years | Snr Vice President |
| F Zurawski | Retired | 4 years | Jnr Vice President |
| D Price | Retired | 15 years | Director |
| K Price | Retired | 7 years | Director |
| A Small | Retired | 5 years | Director |
| C Coutts | Retired | 3 years | Director |
| R McKenzie | Retired | 3 years | Director |
| B Jones | Miner | 1 year | Director |

PRINCIPAL ACTIVITIES

The principal activities of the company in the course of the financial year were the promotion of lawn bowls, golf and the provision of amenities to members and their guests. There was no significant change in the nature of these activities during the year.

RESULTS

The company generated a net surplus of \$1,841,776 in the current financial year (2012: \$1,717,869).

The segment of the business at Easts Leisure & Golf returned a surplus of \$187,570 of which \$52,737 was generated from clubhouse activities (2012 \$162,552 and \$74,148).

CHANGES IN THE STATE OF AFFAIRS

During the financial year there was no significant change in the state of affairs of the company other than that referred to in the financial statements or notes thereto.

SUBSEQUENT EVENTS

There has not been any other matter or circumstance that has arisen since the end of the financial year, that has significantly affected, or may significantly affect, the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

FUTURE DEVELOPMENTS

Disclosure of information regarding likely developments in the operations of the company in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the company. Accordingly, this information has not been disclosed in this report.

ENVIRONMENTAL ISSUES

The company's operations are subject to significant environmental regulation under the law of the Commonwealth and State. The Directors are not aware of any significant breaches of the legislation during the financial year which are material in nature.

East Maitland Bowling Club Limited

Directors' Report (Continued)

DIRECTORS' MEETINGS

The following table sets out the number of directors' meetings (including meetings of committees of directors) held during the financial year and the number of meetings attended by each director (while they were a director or committee member).

| | | | | |
|------------|------------|-------|------------|-------|
| Attendance | W Hopkins | 21*21 | F Zurawski | 16*20 |
| | D Price | 17*20 | K Price | 18*21 |
| | N Lane | 18*20 | A Small | 20*20 |
| | R McKenzie | 20*20 | C Coutts | 19*20 |
| | B Jones | 12*16 | | |

Appointed 23/9/12

EMPLOYEES

As at 30 June 2013, the company employed the equivalent of 62 full time staff (2012: 60).

ADDITIONAL COMPANY INFORMATION

Principal Place of Business

Bank & Tenambit Streets
EAST MAITLAND, NSW

Registered Office

Bank Street
EAST MAITLAND, NSW

INDEMNIFICATION OF DIRECTORS' AND INSURANCE PREMIUMS

The company has not, during or since the financial year, in respect of any person who is or has been an officer or auditor of the company:

- Indemnified or made any relevant agreements for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings; or
- Paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the costs or expenses to defend legal proceedings; with the exception of the following.

During the financial year the company paid a premium to insure certain officers of the company. The officers of the company are previously listed in this report. The liabilities insured include the cost and expenses that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the company.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration is included on page 3 of the financial report.

Signed in accordance with a resolution of the directors.

On behalf of the Board

Director

EAST MAITLAND, NSW

5 SEPTEMBER 2013

Director

EAST MAITLAND, NSW

5 SEPTEMBER 2013

East Maitland Bowling Club Limited

Auditor's Independence Declaration

We declare that, to the best of our 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.

Pearson Smart Audit

373 HIGH ST 5 SEPTEMBER 2013
MAITLAND, NSW

PEARSON SMART AUDIT

M Matthews

M MATTHEWS (Partner)
REGISTERED COMPANY AUDITOR

East Maitland Bowling Club Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

We have audited the accompanying financial report of East Maitland Bowling Club Limited, which comprises the statement of financial position as at 30 June 2013, 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 accounting policies, other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 "Presentation of Financial Statements", that compliance with Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes complies with International Financial Reporting Standards.

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 Accounting Standards. These Auditing 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 judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to 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 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*.

Auditor's Opinion

In our opinion

- (a) the financial report of East Maitland 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 (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

**373 HIGH STREET
MAITLAND, NSW**

5 SEPTEMBER 2013

Pearson Smart Audit

PEARSON SMART AUDIT

M Matthews

**M MATTHEWS (Partner)
REGISTERED COMPANY AUDITOR**

East Maitland Bowling Club Limited

Directors' Declaration

The directors of the company declare that:

- (a) in the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- (b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with Australian accounting standards and giving a true and fair view of the financial position and performance of the company for the year ended 30 June 2013.

Signed in accordance with a resolution of the directors.

On behalf of the Board

| | |
|---|---|
|  |  |
| Director | Director |
| EAST MAITLAND, NSW | EAST MAITLAND, NSW |
| 5 SEPTEMBER 2013 | 5 SEPTEMBER 2013 |

East Maitland Bowling Club Limited

Statement of Profit or Loss and Other Comprehensive Income for the Financial Year Ended 30 June 2013

| | Note | 2013 \$ | 2012 \$ |
|---|------|-------------|-------------|
| Sales revenue | 2(a) | 15,882,461 | 15,292,837 |
| Cost of sales | 2(c) | (4,427,721) | (4,271,432) |
| Gross profit | | 11,454,740 | 11,021,405 |
| Other income | 2(a) | 1,086,787 | 1,068,459 |
| Gain on disposal of property, plant & equipment | 2(b) | 121,480 | 86,815 |
| Employee benefits expense | | (4,228,319) | (4,201,537) |
| Depreciation & amortisation expense | 2(c) | (1,993,269) | (1,956,016) |
| Other bar expense | | (138,046) | (103,244) |
| Other bowls expense | | (185,400) | (180,976) |
| Course expense | | (487,295) | (449,475) |
| Administration expense | | (3,788,902) | (3,567,562) |
| Profit before income tax expense | | 1,841,776 | 1,717,869 |
| Income tax expense | 1(f) | - | - |
| Profit from continuing operations | 16 | 1,841,776 | 1,717,869 |
| Other comprehensive income | | - | - |
| Total comprehensive income | | 1,841,776 | 1,717,869 |

Notes to the financial statements are included on pages 10 to 26.

East Maitland Bowling Club Limited

Statement of Financial Position as at 30 June 2013

| | Note | 2013 \$ | 2012 \$ |
|--------------------------------------|-------|-------------------|-------------------|
| Current assets | | | |
| Cash and cash equivalents | 20(a) | 10,213,659 | 9,193,001 |
| Trade and other receivables | 5 | 27,058 | 56,858 |
| Inventories | 6 | 137,478 | 121,577 |
| Other | 7 | 426,870 | 430,487 |
| Total current assets | | <u>10,805,065</u> | <u>9,801,923</u> |
| Non-current assets | | | |
| Other financial assets | 8 | 750 | 750 |
| Property, plant and equipment | 9 | 21,822,910 | 21,262,074 |
| Investment property | 10 | 2,047,552 | 1,418,985 |
| Total non-current assets | | <u>23,871,212</u> | <u>22,681,809</u> |
| Total assets | | <u>34,676,277</u> | <u>32,483,732</u> |
| Current liabilities | | | |
| Trade and other payables | 11 | 1,475,824 | 1,206,710 |
| Provisions | 13 | 745,894 | 672,633 |
| Total current liabilities | | <u>2,221,718</u> | <u>1,879,343</u> |
| Non-current liabilities | | | |
| Provisions | 14 | 112,503 | 104,109 |
| Total non-current liabilities | | <u>112,503</u> | <u>104,109</u> |
| Total liabilities | | <u>2,334,221</u> | <u>1,983,452</u> |
| Net assets | | <u>32,342,056</u> | <u>30,500,280</u> |
| Equity | | | |
| Retained earnings | 15 | 32,342,056 | 30,500,280 |
| Total equity | | <u>32,342,056</u> | <u>30,500,280</u> |

Notes to the financial statements are included on pages 10 to 26.

East Maitland Bowling Club Limited

Statement of Changes in Equity for the Financial Year Ended 30 June 2013

| | Retained Earnings | Reserves | Total Equity |
|-------------------------|------------------------------|-----------------|---------------------|
| | \$ | \$ | \$ |
| Balance at 1 July 2011 | 28,782,411 | - | 28,782,411 |
| Profit for the year | 1,717,869 | - | 1,717,869 |
| Balance at 30 June 2012 | 30,500,280 | - | 30,500,280 |
| Profit for the year | 1,841,776 | - | 1,841,776 |
| Balance at 30 June 2013 | 32,342,056 | - | 32,342,056 |

Notes to the financial statements are included on pages 10 to 26.

East Maitland Bowling Club Limited

Statement of Cash Flows for the Financial Year Ended 30 June 2013

| | Note | 2013 \$ | 2012 \$ |
|---|-------|--------------|--------------|
| Cash flows from operating activities | | | |
| Receipts from customers | | 18,199,406 | 17,385,248 |
| Payments to suppliers and employees | | (14,546,598) | (14,330,719) |
| Interest received | | 429,043 | 468,519 |
| Net cash provided by operating activities | 20(b) | 4,081,851 | 3,523,048 |
| Cash flows from investing activities | | | |
| Payment for property, plant and equipment | | (3,255,481) | (2,739,462) |
| Proceeds from sale of property, plant and equipment | | 194,288 | 123,181 |
| Net cash used in investing activities | | (3,061,193) | (2,616,281) |
| Cash flows from financing activities | | | |
| Proceeds from borrowings | | - | - |
| Repayment of borrowings | | - | - |
| Net cash used in financing activities | | - | - |
| Net increase in cash and cash equivalents | | 1,020,658 | 906,767 |
| Cash and cash equivalents at the beginning of the financial year | | 9,193,001 | 8,286,234 |
| Cash and cash equivalents at the end of the financial year | 20(a) | 10,213,659 | 9,193,001 |

Notes to the financial statements are included on pages 10 to 26.

East Maitland Bowling Club Limited

Notes to the Financial Statements For the Financial Year Ended 30 June 2013

1 Summary of accounting policies

Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and Interpretations, and complies with other requirements of the law. Accounting Standards include Australian equivalents to International Financial Reporting Standards ('A-IFRS'). Compliance with the A-IFRS ensures that the financial statements and notes of the company comply with International Financial Reporting Standards ('IFRS').

The financial statements were authorised for issue by the directors on the 5th September 2013.

Basis of preparation

The financial report has been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

(a) Borrowings

Borrowings are recorded initially at fair value, net of transaction costs.

Subsequent to initial recognition, borrowings are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the borrowing using the effective interest rate method.

(b) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash in banks and investments in money market instruments, net of outstanding bank overdrafts.

(c) Employee benefits

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required and they are capable of being measured reliably.

Provisions made in respect of employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Provisions made in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the company in respect of services provided by employees up to reporting date.

East Maitland Bowling Club Limited

Notes to the Financial Statements For the Financial Year Ended 30 June 2013

1 Summary of accounting policies (cont'd)

(d) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- i. where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- ii. for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(e) Impairment of assets

At each reporting date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

East Maitland Bowling Club Limited

Notes to the Financial Statements For the Financial Year Ended 30 June 2013

1 Summary of accounting policies (cont'd)

(f) Income tax

The company has been granted an exemption from income tax in accordance with section 50-45 of the Income Tax Assessment Act (1997). There has been no provision made out of profits for the year.

(g) Inventories

Inventories are valued at the lower of cost and net realisable value.

(h) Payables

Trade payables and other accounts payable are recognised when the company becomes obliged to make future payments resulting from the purchase of goods and services.

(i) Property, plant and equipment

Where assets have been revalued any revaluation increase arising on the revaluation of land and buildings is credited to the asset revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised as an expense in profit or loss, in which case the increase is credited to the income statement to the extent of the decrease previously charged. A decrease in carrying amount arising on the revaluation of land and buildings is charged as an expense in profit or loss to the extent that it exceeds the balance, if any, held in the asset revaluation reserve relating to a previous revaluation of that asset.

Property, plant and equipment are stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item. In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

Depreciation is provided on property, plant and equipment. Depreciation is calculated on a straight line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value. The estimated useful lives, residual values and depreciation method is reviewed at the end of each annual reporting period.

The following estimated useful lives are used in the calculation of depreciation:

| | |
|--------------------------|----------------|
| · Buildings | 10 - 100 years |
| · Plant and equipment | 3 - 10 years |
| · Poker Machines | 3 years |
| · Poker Machine Licences | 10 years |

East Maitland Bowling Club Limited

Notes to the Financial Statements For the Financial Year Ended 30 June 2013

1 Summary of accounting policies (cont'd)

(j) Provisions

Provisions are recognised when the company has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cashflows estimated to settle the present obligation, its carrying amount is the present value of those cashflows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

(k) Revenue recognition

Sale of goods

Revenue from the sale of goods is recognised when the company has transferred to the buyer the significant risks and rewards of ownership of the goods.

Rendering of Services

Revenue from rendering of services is recognised when the service is provided, or in the case of subscriptions, in the period to which membership is covered.

Interest Revenue

Interest revenue is recognised on a time proportionate basis which takes into account the effective yield on the financial asset.

(l) Financial Risk Management

The company has exposure to the following risks from their use of financial instruments:

- a) credit risk;
- b) liquidity risk; and
- c) market risk.

The company has no exposure to currency risk as all transactions are denominated in Australian dollars.

This note presents information about the company's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital. Further quantitative disclosures are included throughout this financial report.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework.

Risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities. The company through their training and management standards and procedures, aim to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

East Maitland Bowling Club Limited

Notes to the Financial Statements For the Financial Year Ended 30 June 2013

1 Summary of accounting policies (cont'd)

Capital Management

The Board's policy is to maintain a strong capital base so as to maintain member, creditor and market confidence and to sustain future development of the business.

The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

There were no changes in the company's approach to capital management during the year, although a number of new fixed asset additions were purchased during the year by cash, with a value of approximately \$2.74 million.

The company is not subject to externally imposed capital requirements.

(m) New Accounting Standards for application in future periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The co-operative has decided against early adoption of these Standards. The following table summarises those future requirements, and their impact on the company:

AASB 9 Financial Instruments and amending standards AASB 2009-11 / AASB 2010-7

Effective date for entity - 30 June 2016

| | |
|--------------|---|
| Requirements | - Changes to the classification and measurement requirements for financial assets and financial liabilities. - New rules relating to derecognition of financial instruments. |
|--------------|---|

The impact of AASB 9 has not yet been determined as the entire standard has not been released.

AASB 2011-2 Amendments to Australian Accounting Standards arising from Trans-Tasman convergence - Reduced Disclosure Requirements

Effective date for entity - 30 June 2015

Requirements - Highlights the disclosures not required in AASB 1054 for entities applying the RDR.

No impact expected.

AASB 2011-9 Amendments to Australian Accounting Standards - Presentation of Items of Other Comprehensive Income.

Effective date for entity - 30 June 2014

Requirements - entities will be required to group items presented in other comprehensive income on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments).

The items shown in other comprehensive income will be separated into two categories.

East Maitland Bowling Club Limited

Notes to the Financial Statements For the Financial Year Ended 30 June 2013

| | 2013 \$ | 2012 \$ |
|--|------------|------------|
| 2 Profit from operations | | |
| (a) Revenue | | |
| Revenue from continuing operations consisted of the following items: | | |
| Revenue from the sale of goods | 4,127,862 | 4,151,740 |
| Revenue from the rendering of services | 11,754,599 | 11,141,097 |
| | 15,882,461 | 15,292,837 |
| Rental revenue: | | |
| Hire, licence & rental income | 278,597 | 245,626 |
| | 278,597 | 245,626 |
| Interest revenue: | | |
| Other entities | 426,426 | 476,484 |
| | 426,426 | 476,484 |
| Other (<i>aggregate of immaterial items</i>) | 381,764 | 346,349 |
| | 16,969,248 | 16,361,296 |
| Attributable to: | | |
| Continuing operations | 16,969,248 | 16,361,296 |
| | 16,969,248 | 16,361,296 |

East Maitland Bowling Club Limited

Notes to the Financial Statements For the Financial Year Ended 30 June 2013

2 Profit from operations (cont'd)

(b) Profit before income tax

Profit before income tax has been arrived at after crediting/ (charging) the following gains and losses:

Gain on disposal of property, plant and equipment

| 2013 | 2012 |
|---------|--------|
| \$ | \$ |
| 121,480 | 86,815 |
| 121,480 | 86,815 |

(c) Expenses

Profit before income tax has been arrived at after charging the following expenses:

Cost of sales

(4,427,721) (4,271,432)

Depreciation of non-current assets

(1,820,277) (1,786,004)

Amortisation of non-current assets

(172,992) (170,012)

(1,993,269) (1,956,016)

Operating lease rental expenses:

Minimum lease payments

(77,814) (80,025)

(77,814) (80,025)

Transfer (to)/from Provisions for:

Employee entitlements

(81,655) (44,936)

(81,655) (44,936)

East Maitland Bowling Club Limited

Notes to the Financial Statements For the Financial Year Ended 30 June 2013

3 Key management personnel compensation

The specified directors of East Maitland Bowling Club Limited during the year were:

| | | |
|------------|----------|------------|
| W Hopkins | D Price | F Zurawski |
| K Price | N Lane | A Small |
| R McKenzie | C Coutts | B Jones |

The specified employees of East Maitland Bowling Club Limited during the year were:

| | |
|-----------|-------------|
| S Duggan | Z Davis |
| J Scanlon | S Driffield |

The aggregate compensation of key management personnel of the company is set out below.

(a) Key management personnel compensation

| | 2013 | 2012 |
|-------------------------------|----------------|----------------|
| | \$ | \$ |
| Short- term employee benefits | 426,315 | 392,940 |
| Post-employment benefits | 38,368 | 35,365 |
| | <u>464,683</u> | <u>428,305</u> |

4 Remuneration of auditors

| | | |
|-------------------------------|---------------|---------------|
| Audit of the financial report | 23,220 | 22,000 |
| | <u>23,220</u> | <u>22,000</u> |

5 Current trade and other receivables

| | | |
|-----------------------|---------------|---------------|
| Trade receivables (i) | 21,271 | 55,927 |
| Other receivables | 5,787 | 931 |
| | <u>27,058</u> | <u>56,858</u> |

(i) The debtors exposure is relatively small and all debts are usually received within 60 days. No interest is charged on outstanding debts. No allowance is considered necessary for irrecoverable amounts.

East Maitland Bowling Club Limited

Notes to the Financial Statements For the Financial Year Ended 30 June 2013

| | 2013 \$ | 2012 \$ |
|---|----------------|----------------|
| 6 Current inventories | | |
| Bar | 106,153 | 90,846 |
| Greens/Course | 31,325 | 30,731 |
| | <u>137,478</u> | <u>121,577</u> |
| 7 Other current assets | | |
| Prepayments | 426,870 | 430,487 |
| | <u>426,870</u> | <u>430,487</u> |
| 8 Non-current other financial assets | | |
| ILG (Distribution) Co-operative Ltd | 250 | 250 |
| ILG (Suppliers) Co-operative Ltd | 500 | 500 |
| | <u>750</u> | <u>750</u> |

ILG (Distribution) and (Suppliers) Co-operative shares are non-listed and currently valued at \$1 each.

9 Property, plant and equipment

Section 41J(2) of the Registered Club's Act requires the annual report to specify the core and non-core property of the club as at the end of the financial year to which the report relates.

Core Property is any real property owned or occupied by the club that comprises:

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

Non-core property is any other property that is not referred to above as core property and any property which is declared by the members at a general meeting of ordinary members of the club not to be core property.

The following properties are the core properties of the club:

- Lot 1,21,397 Bank Street, East Maitland
- 23 William Street, East Maitland
- 2 Tenambit Street, East Maitland

The following properties are the non-core properties of the club:

- 30 Bank Street, East Maitland
- 34 Bank Street, East Maitland
- 44 Bank Street, East Maitland
- 46 Raymond Terrace Road, East Maitland
- 32 Bank Street, East Maitland
- 42 Bank Street, East Maitland
- 172 Newcastle Road, East Maitland
- 21 William Street, East Maitland

East Maitland Bowling Club Limited

Notes to the Financial Statements For the Financial Year Ended 30 June 2013

9 Property, plant and equipment (cont'd)

| | Land, Buildings & Leasehold Improvement at cost | Plant, Equipment & Machinery at cost | Poker Machines at cost | Poker Machine Licences at cost | Total |
|--------------------------------|---|---|------------------------------|--------------------------------------|-------------|
| | \$ | \$ | \$ | \$ | \$ |
| Gross carrying amount | | | | | |
| Balance at 1 July 2011 | 21,074,444 | 6,482,221 | 4,257,852 | 981,728 | 32,796,245 |
| Additions | 545,493 | 452,759 | 823,901 | - | 1,822,153 |
| Disposals | (169,330) | (273,003) | (615,908) | - | (1,058,241) |
| Balance at 30 June 2012 | 21,450,607 | 6,661,977 | 4,465,845 | 981,728 | 33,560,157 |
| Additions | 1,322,634 | 526,726 | 761,782 | - | 2,611,142 |
| Disposals | (278,333) | (568,106) | (647,576) | - | (1,494,015) |
| Balance at 30 June 2013 | 22,494,908 | 6,620,597 | 4,580,051 | 981,728 | 34,677,284 |

| | Land, Buildings & Leasehold Improvement at cost | Plant, Equipment & Machinery at cost | Poker Machines at cost | Poker Machine Licences at cost | Total |
|--|---|---|------------------------------|--------------------------------------|-------------|
| | \$ | \$ | \$ | \$ | \$ |
| Accumulated depreciation/ amortisation and impairment | | | | | |
| Balance at 1 July 2011 | 3,516,688 | 4,057,328 | 3,365,869 | 425,801 | 11,365,686 |
| Disposals | (143,797) | (268,451) | (609,627) | - | (1,021,875) |
| Depreciation expense | 437,952 | 782,743 | 635,134 | 98,443 | 1,954,272 |
| Balance at 30 June 2012 | 3,810,843 | 4,571,620 | 3,391,376 | 524,244 | 12,298,083 |
| Disposals | (263,630) | (525,651) | (631,925) | - | (1,421,206) |
| Depreciation expense | 421,553 | 794,526 | 669,865 | 91,553 | 1,977,497 |
| Balance at 30 June 2013 | 3,968,766 | 4,840,495 | 3,429,316 | 615,797 | 12,854,374 |

Net book value

| | | | | | |
|---------------------------|------------|-----------|-----------|---------|------------|
| As at 30 June 2012 | 17,639,764 | 2,090,357 | 1,074,469 | 457,484 | 21,262,074 |
| As at 30 June 2013 | 18,526,142 | 1,780,102 | 1,150,735 | 365,931 | 21,822,910 |

East Maitland Bowling Club Limited

Notes to the Financial Statements For the Financial Year Ended 30 June 2013

10 Investment Property

| | \$ |
|--|-----------|
| Gross carrying amount | |
| Balance at 1 July 2011 | 591,603 |
| Additions | 917,309 |
| Disposals | (61,967) |
| Balance at 30 June 2012 | 1,446,945 |
| Additions | 644,339 |
| Disposals | - |
| Balance at 30 June 2013 | 2,091,284 |
| Accumulated depreciation/ amortisation and Depreciation expense | |
| Balance at 1 July 2011 | 26,216 |
| Disposals | - |
| Depreciation expense | 1,744 |
| Balance at 30 June 2012 | 27,960 |
| Disposals | - |
| Depreciation expense | 15,772 |
| Balance at 30 June 2013 | 43,732 |
| Net book value | |
| As at 30 June 2012 | 1,418,985 |
| As at 30 June 2013 | 2,047,552 |

Lessor Commitments

The majority of the leases on the rental properties are on a week by week basis and therefore no lease payments receivable have been recognised in the financial statements.

East Maitland Bowling Club Limited

Notes to the Financial Statements For the Financial Year Ended 30 June 2013

| | 2013 \$ | 2012 \$ |
|--|------------------|------------------|
| 11 Current trade and other payables | | |
| Trade payables (i) | 1,225,172 | 956,409 |
| Security deposits held | 10,375 | 13,748 |
| Subscriptions in advance | 240,277 | 236,553 |
| | <u>1,475,824</u> | <u>1,206,710</u> |

(i) The average credit period on bar purchases is 7-10 days. The average credit period on all other purchases is 0 - 30 days. No interest is charged on late payments. The company has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

12 Borrowings

Financing Arrangements

Unrestricted access was available at the balance date to the following lines of credit:

| | | |
|-----------------------------------|----------------|----------------|
| Total Facilities - Bank Overdraft | 500,000 | 500,000 |
| - Credit Cards | 10,000 | 5,000 |
| Used at Balance Date | - | - |
| Unused at Balance Date | <u>510,000</u> | <u>505,000</u> |

The Club has an unused overdraft facility that is secured by a registered first mortgage over club property and plant situated at Bank Street, East Maitland.

13 Current provisions

| | | |
|-------------------|----------------|----------------|
| Employee benefits | 745,894 | 672,633 |
| | <u>745,894</u> | <u>672,633</u> |

14 Non-current provisions

| | | |
|-------------------|----------------|----------------|
| Employee benefits | 112,503 | 104,109 |
| | <u>112,503</u> | <u>104,109</u> |

East Maitland Bowling Club Limited

Notes to the Financial Statements For the Financial Year Ended 30 June 2013

| | 2013 \$ | 2012 \$ |
|--|------------|------------|
| 15 Retained earnings | | |
| Balance at beginning of financial year | 30,500,280 | 28,782,411 |
| Net surplus attributable to members of the parent entity | 1,841,776 | 1,717,869 |
| Balance at end of financial year | 32,342,056 | 30,500,280 |

16 Contingent liabilities

A bank guarantee has been lodged with the Commonwealth Bank of Australia as security for monies held for TAB operations conducted at the club. The guarantee is for \$5,000 (2012: \$5,000).

17 Leases

Operating leases

Leasing arrangements

The club has rental agreements for poker machines at both operating sites. The agreements run until December 2013 and October 2015. A photocopier agreement will run until December 2016.

Non-cancellable operating lease

payments

| | 2013 \$ | 2012 \$ |
|------------------------|------------|------------|
| Not longer than 1 year | 52,894 | 54,000 |
| 1 to 2 years | 42,252 | 21,142 |
| 2 to 5 years | 23,695 | 25,375 |
| | 118,841 | 100,517 |

Capital Commitments

East Maitland Bowling Club Limited has a capital commitment to purchase ILG (Suppliers) Co-operative Ltd shares for a cost of \$4,500.

The club has a capital commitment to JMC Building Pty Ltd for works undertaken at Easts Leisure & Golf. The work was commenced in June 2013 and completed in August 2013. The commitment totals \$35,119 ex gst.

Perpetual Lease

The Club has a perpetual lease on land occupied by the golf course with the Department of Lands. The annual rental on this land at present is \$35,447 per annum. This lease has not been reflected in the table above due to it being in perpetuity.

18 Segment information

The club's operations are wholly within New South Wales and this activity is within one industry, namely the provision of amenities to members and their guests.

19 Related party disclosures

Key management personnel compensation

Details of key management personnel remuneration are disclosed in note 3(a) to the financial statements.

East Maitland Bowling Club Limited

Notes to the Financial Statements For the Financial Year Ended 30 June 2013

20 Notes to the cash flow statement

(a) Reconciliation of cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

| | 2013 \$ | 2012 \$ |
|----------------------|-------------------|------------------|
| Cash on hand | 288,100 | 288,100 |
| Cash at bank | 1,038,497 | 1,025,409 |
| Cash on term deposit | 8,887,062 | 7,879,492 |
| | <u>10,213,659</u> | <u>9,193,001</u> |

(b) Reconciliation of profit for the period to net cash flows from operating activities

| | | |
|---|------------------|------------------|
| Profit for the period | 1,841,776 | 1,717,869 |
| (Gain)/loss on sale or disposal of non-current assets | (121,480) | (86,815) |
| Depreciation and amortisation of non-current assets | 1,993,269 | 1,956,016 |
| Provision for employee entitlements | 81,655 | 44,936 |
| Changes in net assets and liabilities, net of effects from acquisition and disposal of (Increase)/decrease in assets: | | |
| Current receivables | 29,800 | (25,243) |
| Current inventories | (15,900) | 1,398 |
| Other current assets | 3,617 | 10,187 |
| Increase/(decrease) in liabilities: | | |
| Current payables | 269,114 | (95,300) |
| Net cash from operating activities | <u>4,081,851</u> | <u>3,523,048</u> |

21 Financial instruments

(a) Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 1 to the financial statements.

East Maitland Bowling Club Limited

Notes to the Financial Statements For the Financial Year Ended 30 June 2013

21 Financial instruments (Cont'd)

(b) Interest rate risk management

The company is exposed to interest rate risk as it invests funds at both fixed and floating interest rates.

The liabilities that are subject to interest rate risk are detailed below under the section on 'Liquidity Risk Management'.

Some of the company's assets are subject to interest rate risk, but the company is not dependent on this income. Interest income is not a material revenue stream to the company operations and operating cash flows.

Maturity profile of financial instruments

The following tables detail the company's exposure to interest rate risk as at 30 June 2013 and 30 June 2012:

| 2013 | Weighted average effective interest rate % | Variable interest rate \$ | Non interest bearing \$ | Total \$ |
|------------------------------------|--|---------------------------------|-------------------------------|-------------|
| Financial assets: | | | | |
| Cash on hand | 0.00 | - | 288,100 | 288,100 |
| Cash at bank | 1.25 | 1,038,497 | - | 1,038,497 |
| Term deposits | | | | |
| - Commonwealth Bank of Australia | 4.73 | 404,192 | - | 404,192 |
| - Greater Building Society | 4.17 | 4,499,679 | - | 4,499,679 |
| - Maitland Mutual Building Society | 4.28 | 3,983,191 | - | 3,983,191 |
| | | 9,925,559 | 288,100 | 10,213,659 |
| Financial liabilities: | | | | |
| Trade payables | | - | 1,475,824 | 1,475,824 |
| | | - | 1,475,824 | 1,475,824 |

| 2012 | Weighted average effective interest rate % | Variable interest rate \$ | Non interest bearing \$ | Total \$ |
|------------------------------------|--|---------------------------------|-------------------------------|-------------|
| Financial assets: | | | | |
| Cash on hand | 0.00 | - | 288,100 | 288,100 |
| Cash at bank | 2.00 | 1,025,409 | - | 1,025,409 |
| Term deposits | | | | |
| - Greater Building Society | 5.39 | 4,100,397 | - | 4,100,397 |
| - Maitland Mutual Building Society | 5.53 | 3,779,095 | - | 3,779,095 |
| | | 8,904,901 | 288,100 | 9,193,001 |
| Financial liabilities: | | | | |
| Trade payables | | - | 1,206,710 | 1,206,710 |
| | | - | 1,206,710 | 1,206,710 |

East Maitland Bowling Club Limited

Notes to the Financial Statements For the Financial Year Ended 30 June 2013

21 Financial instruments (Cont'd)

Interest rate risk

At reporting date the interest rate profile of the company's interest-earning financial assets and liabilities was:

| | Club carrying amount | |
|---------------------------|----------------------|-----------|
| | 2013 | 2012 |
| | \$ | \$ |
| Fixed rate instruments | | |
| Financial assets | - | - |
| Variable rate instruments | | |
| Financial assets | 9,925,559 | 8,904,901 |
| | 9,925,559 | 8,904,901 |
| Fixed rate instruments | | |
| Financial liabilities | - | - |
| Variable rate instruments | | |
| Financial liabilities | - | - |
| | - | - |

Cash flow sensitivity analysis for variable rate instruments

A increase of 100 basis points in interest rates at the reporting date would have increased equity and profit by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis for 2012.

| | Equity 100bp Increase \$ | Profit or loss 100bp Increase \$ |
|---|-----------------------------------|---|
| 30 June 2013 | | |
| Assets - Variable rate instruments | 94,152 | 94,152 |
| Liabilities - Variable rate instruments | - | - |
| Cash flow sensitivity (net) | 94,152 | 94,152 |
| 30 June 2012 | | |
| Assets - Variable rate instruments | 84,515 | 84,515 |
| Liabilities - Variable rate instruments | - | - |
| Cash flow sensitivity (net) | 84,515 | 84,515 |

East Maitland Bowling Club Limited

Notes to the Financial Statements For the Financial Year Ended 30 June 2013

21 Financial instruments (Cont'd)

(c) Credit risk management

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from customers. As the overwhelming majority of the company's sales are tendered in cash, the directors' consider credit risk to be minimal with respect to trade receivables. The company's term deposits are invested with three financial institutions to mitigate any credit risk associated with these investments.

(d) Liquidity risk management

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

Typically the company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. In addition, the company maintains the following lines of credit:

Bank overdraft facility of \$500,000 that is secured.

(e) Market risk

Market risk is the risk that changes in market prices will affect the company's income.

The company manages market risks by monitoring pricing changes and gross margins in the different operational areas of the company.

22 Capital

The company is limited by guarantee and there is no issued capital. The memorandum and articles of the club prohibit any distribution of profits or property to members. In the event of winding up, each member can be called upon to contribute \$20 to cover winding up costs.

23 Additional company information

East Maitland Bowling Club Limited is a public company, incorporated and operating in Australia.

Registered office

Bank Street
EAST MAITLAND, NSW
Phone: 4933 7533

Principal place of business

Bank & Tenambit Streets
EAST MAITLAND, NSW
Phone: 4933 7533

East Maitland Bowling Club Limited

Disclaimer for the Financial Year Ended 30 June 2013

The additional financial data presented in the following pages is in accordance with the books and records of East Maitland Bowling Club Limited which have been subjected to the auditing procedures applied in our statutory audit of the company for the year ended 30 June 2013. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and no warranty of accuracy or reliability is given. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person in respect of such data, including any errors or omissions therein however caused.

Pearson Smart Audit

DATED at MAITLAND, NSW this 5 day of September 2013. PEARSON SMART AUDIT

M Matthews

M MATTHEWS (Partner)
REGISTERED COMPANY AUDITOR

East Maitland Bowling Club Limited

Income & Expenditure Statement for the Financial Year Ended 30 June 2013

| | 2013 \$ | 2012 \$ |
|---|---------------------|---------------------|
| Income | | |
| Net Surplus - Bar | 1,081,807 | 1,164,036 |
| - Gaming | 6,262,898 | 5,903,819 |
| - Bowls | (345,890) | (270,750) |
| - Golf Course | 134,833 | 88,404 |
| | <u>7,133,648</u> | <u>6,885,509</u> |
| Cleaning & Hire Fees Received | 62,509 | 59,373 |
| Commissions Received | 126,778 | 124,795 |
| Donations Received | - | 500 |
| Formal Packages | 6,376 | 8,372 |
| Licence Fees - Gym | 36,000 | 36,000 |
| Licence Fees - Restaurant & Cafe | 103,600 | 103,600 |
| Locker Rentals | 428 | 523 |
| Profit on Disposal of Assets | 616 | 727 |
| Raffles | (32,596) | (17,967) |
| Rent - Properties | 57,669 | 27,803 |
| Subscriptions | 136,170 | 127,409 |
| Sundry Income | 8,282 | 4,055 |
| Telephone | 1,609 | 1,807 |
| Wage Subsidies | 2,500 | - |
| Wedding Packages | 59,731 | 48,016 |
| | <u>7,703,320</u> | <u>7,410,522</u> |
| Less: Expenses | 6,342,304 | 6,209,185 |
| Net surplus from trading | <u>1,361,016</u> | <u>1,201,337</u> |
| Add: Government Grants & Training Subsidies | 10,000 | 2,135 |
| Insurance Claims | 44,334 | 37,913 |
| Interest Received | 426,426 | 476,484 |
| | <u>480,760</u> | <u>516,532</u> |
| Net surplus from ordinary activities | <u>\$ 1,841,776</u> | <u>\$ 1,717,869</u> |

Refer attached audit disclaimer

East Maitland Bowling Club Limited

Bar Trading Account for the Financial Year Ended 30 June 2013

| | | 2013 | 2012 |
|-----------------------------|--------------------------------|-------------|--------------|
| | | \$ | \$ |
| Income | | | |
| Sales | | 4,127,862 | 4,151,740 |
| Less: Member discounts | | (436,338) | (445,305) |
| | | 3,691,524 | 3,706,435 |
| Opening Stock | | 90,846 | 91,119 |
| Purchases | | 1,681,813 | 1,628,854 |
| Freight | | 21,040 | 20,420 |
| | | 1,793,699 | 1,740,393 |
| Less Closing Stock | | 106,153 | 90,846 |
| | | 1,687,546 | 1,649,547 |
| Gross Profit | 54.3% (Last Year 55.5%) | 2,003,978 | 2,056,888 |
| Less Direct Expenses | | | |
| Bar Snacks | | 9,175 | 9,490 |
| Depreciation | | 947 | 8,417 |
| Glass Recycling | | 6,360 | 2,555 |
| Glasses Replaced | | 10,827 | 7,763 |
| Repairs & Requisites | | 74,654 | 44,920 |
| Stocktake Fees | | 17,400 | 17,400 |
| Uniforms | | 2,143 | 4,392 |
| Wages | 21.2% (Last Year 21.9%) | 783,178 | 781,191 |
| Waste | | 17,487 | 16,724 |
| | | 922,171 | 892,852 |
| Net Surplus | 29.3% (Last Year 31.4%) | \$1,081,807 | \$ 1,164,036 |

Refer attached audit disclaimer

East Maitland Bowling Club Limited

Gaming Trading Account for the Financial Year Ended 30 June 2013

| | 2013 | 2012 |
|--|--------------|--------------|
| | \$ | \$ |
| Income | | |
| Net Clearances from Machines | 9,942,876 | 9,396,326 |
| Government Tax Subsidy | 34,360 | 34,360 |
| Commission - Keno | 156,071 | 176,821 |
| - TAB | 43,571 | 50,478 |
| Profit on Disposal of Machines | 105,928 | 115,423 |
| Sundry - Sale of Poker Machine Wedges | 2,000 | 845 |
| | 10,284,806 | 9,774,253 |
| Less Direct Expenses | | |
| Amortisation Poker Machine Licences | 91,553 | 98,443 |
| Commission Paid - Statewide Link | 148,475 | 122,070 |
| Depreciation | 669,865 | 635,134 |
| DMS Monitoring Fee | 91,320 | 89,795 |
| Operating Rentals Machines | 67,314 | 73,900 |
| Promotions | 310,834 | 291,954 |
| Provision for Jackpots | (32,991) | 12,494 |
| Provision for Unclaimed Payout Tickets | 966 | 414 |
| Repairs and Maintenance | 164,596 | 153,757 |
| Poker Machine Duty | 1,932,513 | 1,821,014 |
| Stationery | 7,069 | 8,238 |
| Sky Channel Subscription | 51,045 | 48,663 |
| Wages | 519,349 | 514,558 |
| | 4,021,908 | 3,870,434 |
| Net Surplus | \$ 6,262,898 | \$ 5,903,819 |
| Profit to Turnover percentage | 60.9% | 60.4% |
| Wages to Turnover percentage | 5.0% | 5.3% |

Refer attached audit disclaimer

East Maitland Bowling Club Limited

Bowls Trading Account for the Financial Year Ended 30 June 2013

| | 2013 \$ | 2012 \$ |
|--|--------------|--------------|
| Income | | |
| Match & Entry Fees | 8,676 | 12,202 |
| Member Subscriptions | 15,730 | 12,530 |
| Sponsorship & Advertising | 21,296 | 21,320 |
| Bowls Polishing Machine Income | - | 244 |
| | 45,702 | 46,296 |
| Less Expenses | | |
| Advertising | 2,541 | 4,106 |
| Affiliation Fees | 19,758 | 17,908 |
| Big Bowls Challenge | 7,219 | 3,700 |
| Catering | 20,392 | 20,240 |
| Greens Maintenance | 37,315 | 30,777 |
| Pennant Travel & Accommodation | 11,193 | 9,260 |
| Pennant Payments | 25,650 | 19,410 |
| Pennant Uniforms | 3,131 | 2,875 |
| Replace Bowls Equipment, Entry Fees & Sundries | 7,737 | 5,826 |
| Telephone | 2,095 | 765 |
| Travelling & Rep Bowling Expenses | 4,056 | 8,259 |
| Trophies & Prizes | 43,791 | 57,121 |
| Uniforms | 522 | 729 |
| Wages | 206,192 | 136,070 |
| | 391,592 | 317,046 |
| Operating (Subsidy) | \$ (345,890) | \$ (270,750) |

Refer attached audit disclaimer

East Maitland Bowling Club Limited

Golf Course Trading Account for the Financial Year Ended 30 June 2013

| | 2013 | 2012 |
|-------------------------------------|------------|-----------|
| | \$ | \$ |
| Income | | |
| Advertising & Donations | 19,552 | 25,948 |
| Competition Fees | 291,095 | 248,408 |
| Golf Cart Hire | 144,768 | 127,358 |
| Golf Cart Storage Rentals | 18,391 | 18,327 |
| Government Fuel Rebate | 3,367 | 1,519 |
| Government Wage Subsidy | 2,500 | - |
| Green Fees | 241,483 | 218,869 |
| Joining Fees | - | 8,837 |
| Profit on Disposal | 32,211 | - |
| Registration Fees | 15,222 | 15,397 |
| Subscriptions | 373,184 | 369,679 |
| Sundry | 182 | 383 |
| | 1,141,955 | 1,034,725 |
| Less Expenses | | |
| Administration | 34,163 | 30,126 |
| Advertising | 393 | 501 |
| Affiliation Fees | 33,200 | 28,500 |
| Amortisation | 81,439 | 71,569 |
| Bank Charges | 5,287 | 1,672 |
| Catering | 4,999 | 4,629 |
| Computer Costs | 100 | 100 |
| Depreciation | 46,252 | 44,896 |
| Electricity | 26,629 | 11,710 |
| Employees Health & Safety | 778 | - |
| Fuel & Oil | 17,897 | 18,852 |
| Golf Cart Depreciation | 46,151 | 46,979 |
| Golf Cart Expenses | 38,927 | 31,730 |
| Insurance | 22,640 | 19,024 |
| Legal Fees | 2,834 | - |
| Loss on Disposal of Plant | 658 | 209 |
| Payroll Tax | 13,423 | 12,854 |
| Pennant Expenses | 9,686 | 8,726 |
| Printing Costs | 4,777 | 4,816 |
| Professional Commissions & Retainer | 46,835 | 40,073 |
| Provision for Employee Entitlements | 24,000 | 24,000 |
| Rates | 36,287 | 29,700 |
| Repairs & Maintenance | 79,399 | 112,207 |
| Rent | 35,447 | 34,808 |
| Rubbish Removal | 2,288 | 1,954 |
| Sand, Soil & Gravel | 9,917 | 6,694 |
| Security Cart Sheds | 836 | 836 |
| Subscriptions | 2,445 | 2,280 |
| Sundry Expenses | 1,916 | 6,978 |
| Superannuation | 23,232 | 21,978 |
| Telephone | 1,787 | 1,863 |
| Training | 3,185 | 3,655 |
| Trophies , Ball Comps & Prizes | 100,135 | 80,206 |
| Uniforms | 1,856 | 1,407 |
| Wages | 247,324 | 240,789 |
| | 1,007,122 | 946,321 |
| Operating Surplus | \$ 134,833 | \$ 88,404 |

Refer attached audit disclaimer

East Maitland Bowling Club Limited

Schedule of Expenses for the Financial Year Ended 30 June 2013

| | 2013 \$ | 2012 \$ |
|------------------------------------|--------------------|--------------------|
| Administration Wages | 644,077 | 592,022 |
| Advertising | 53,591 | 78,531 |
| Audit Fees | 23,220 | 22,000 |
| Bank Charges | 8,300 | 6,686 |
| Cash Collection Expenses | 8,896 | 10,812 |
| Catering & Entertainment | | |
| - General | 418,073 | 415,558 |
| - Housie | 31,907 | 28,709 |
| - Promotions | 297,198 | 275,730 |
| Cleaning | | |
| - Materials & Contractors | 375,851 | 285,269 |
| - Wages | - | 95,471 |
| Club Supervision Wages | 324,682 | 321,987 |
| Computer Link | 10,802 | 10,900 |
| Consultancy Fees | 36,100 | 73,514 |
| Courtesy Bus | 116,657 | 112,288 |
| Depreciation | 1,035,300 | 1,028,757 |
| Directors Remuneration | 45,447 | 42,200 |
| Donations & Sponsorships | 198,431 | 183,178 |
| Electricity & Gas | 595,738 | 495,514 |
| Float Variances | 877 | 2,713 |
| Fringe Benefits Tax | 3,727 | 4,057 |
| Insurance | 323,519 | 313,944 |
| Land Tax | 12,684 | - |
| Legal Fees | - | 19,306 |
| Loss on Disposal of Assets | 16,617 | 29,126 |
| Membership Cards | 4,498 | 6,108 |
| Motor Vehicle Costs | 7,599 | 8,953 |
| Operating Rental - Photocopier | 10,500 | 6,125 |
| Payroll Tax | 154,545 | 153,903 |
| Printing & Stationery | 68,032 | 74,994 |
| Rates | 83,330 | 76,387 |
| Redundancy Paid | - | 46,687 |
| Repairs & Maintenance | | |
| - General | 282,082 | 252,252 |
| - Catering Equipment | 45,605 | 39,382 |
| Staff Meals & Gifts | 21,508 | 18,986 |
| Subscriptions, Seminars & Training | 86,001 | 92,537 |
| Sundry Expenses | 5,091 | 5,195 |
| Superannuation | 273,170 | 268,513 |
| Security & Reception Costs | 389,168 | 376,643 |
| Software & Support | 19,973 | 22,105 |
| Telephone | 32,545 | 34,226 |
| Travelling Expenses | 5,452 | 2,841 |
| Transfers to Employee Entitlements | 268,911 | 270,174 |
| Uniforms | 2,600 | 4,902 |
| Total Expenses | \$6,342,304 | \$6,209,185 |

Refer attached audit disclaimer