

**TOMAGO BOWLING
&
SPORTING CLUB
CO-OPERATIVE LTD
TOMAGO RD TOMAGO**

**THE 55th ANNUAL REPORT
FOR YEAR ENDING 30TH OF JUNE 2019**



**TO BE SUBMITTED TO THE ANNUAL GENERAL MEETING
26th SEPTEMBER 2019**

The 55th Annual General Meeting will be held in the clubhouse on Thursday 26th day of September 2019 at 8.30am.

The ordinary business of the Annual General Meeting shall be:

1. To confirm the minutes of the last General Meeting, whether the Annual General Meeting or Special Meeting.
2. To receive from the Board, Assurance Practitioner and or officers of the club, reports upon transactions of the club during the financial year, in accordance with the Act, Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Statement of Cashflows and Statement of Changes in Equity.

Members may submit written questions to be considered at the Annual General Meeting. Written questions should be sent by post to Gary Adams, Tomago Bowling Club Co-Operative Ltd, Tomago Rd 2322. The Co-Operative reserves the right to consider any question that is not, in the Boards opinion, reasonable in context of an Annual General Meeting, or any question received fewer than 4 days prior to the Annual General Meeting (ie received after Monday 23rd day of September 2019).

3. To declare the election of the Directors to hold office in accordance with these rules. The Board shall be President, Vice President, Treasurer, Games Secretary, Assistant Games Secretary and two (2) ordinary Board members.
4. To elect Assurance Practitioner (if necessary)
5. To approve Honorariums and Directors expenses
6. To consider, and if thought fit to pass the following resolutions with such amendment, if any, as shall be determined at the meeting, as an ordinary Resolution
That the members approve
 - (a) The board may determine the reasonable costs of Directors
Attending seminars, lectures, trade displays and other similar events as from time to time
 - (b) The reasonable costs of directors attending other clubs or casinos for the purpose of observing their facilities and methods of operations
 - (c) That the Secretary is supplied with a parking area
 - (d) That the members acknowledge that the above mentioned expenditure is not offered equally to every full member of the club, but only to those who are Directors of the Club
7. Business set down for consideration of which members have been given due notice.

The Annual General Meeting may also transact such special business of which notice has been given to members in accordance with these rules. All business shall be deemed Special Business other than such business of the Annual General Meeting as is by the rule termed ordinary business.

In case of Special Resolutions, twenty one days (21) notice shall be given of intention to propose such a resolution to all members entitled to vote. This notice must be lodged with the Secretary of the Club and forthwith posted by him on the notice board.

Note to Re Elections

Only Bowling, Pension and Life Members shall be eligible for the election of the Board. Nominations for election of Board shall be in writing and shall be signed by two(2) Bowling, Pensioner or Life Members of the club and any nominee shall signify his or her consent to the nomination.

Financial Bowling, Pensioner and Life Members shall have full voting rights to vote at the Annual General Meeting or Special General Meetings of Members, provide however that Sporting Members shall be entitled to vote for election of the Board and setting of honorariums, but shall have no other voting rights. Each such member shall have one (1) vote.

THE ASSURANCE PRACTITIONERS REVIEW REPORT IS ATTACHED

Annual Subscriptions

BOWLING MEMBERS	\$45
PENSIONER	\$30
SPORTING MEMBERS	\$10
JUNIOR MEMBERS	\$6

OFFICE BEARERS

PRESIDENT	KEVIN TOMKINS
VICE PRESIDENT	ROBERT COTTON
TREASURER	ROBERT EVERSON
GAMES SECRETARY	JOHN LINABURY
ASS GAMES SECRETARY	TED STOCKS
DIRECTORS	BILL RICHARDS
	PETER JANSEN

PATRON	ALAN GERMON
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NOMINATIONS FOR 2019/2020

**ARE LOCATED AT THE CLUB FOR YOUR PERUSAL
NOMINATIONS HAVE CLOSED**

PRESIDENT	KEVIN TOMKINS
VICE PRESIDENT	ROBERT COTTON
TREASURER	ROBERT EVERSON
GAMES SECRETARY	JOHN LINABURY
ASS GAMES SECRETARY	TED STOCKS
DIRECTORS	PETER JANSEN
	NOMINATION FROM FLOOR

PATRONS	ALAN GERMON
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DECEASED MEMBERS JOE SMITH

TOMAGO BOWLING & SPORTING CLUB

CEO REPORT 2018-2019

Coming into this year thoughts were around improving trade in the area, which being in an industrial area you would think that with the mining sector improving that we would follow suit. Not to be we still struggle along trying different things to draw in the dollar. The afternoons are not as busy as people watch their money. The functions we have put on generally are well supported and remain a great source of extra income, private functions are down this year....once again people entertaining at home.

To sustain the club as an ongoing proposition we are going to have to look to sell the land at the rear of the club and buy something that gives the club an outside income stream, because as it stands the business itself can't withhold ongoing increases in expenses like power etc. We do have an interested party and I am pursuing .

Once again the usual personnel, President Kev, Laurie and our new gardening expert peter Jansen tending to the grounds outside, painting, cleaning surrounds and other general works. Big thanks to Peter Dewhurst for building rockery surrounding front gardens. Looks fantastic, he also backs as the Friday night bus conductor.

Big thanks to Wayne and Terese in the kitchen, great meals throughout the week and meals for our functions that make our dinner shows the best value meal n show deal in Newcastle.

Hopefully when our new green is installed in October we get some more bowlers back on the green.

Personally I'd like to thank the Board led by president Kev and staff for efforts throughout the year. Being a small club Everyone's' input is greatly appreciated not only by me but everyone that uses our facilities. Big thankyou goes out to Eric our regular bus driver, everyone gets home safely thanks to you.

Lastly we said farewell to Sue Rimoni who had worked at the club for over 20 years as a casual cleaner, we wish her well.

Gary Adams

TOMAGO BOWLING & SPORTING CLUB

PRESIDENTS REPORT 2018-2019

It's my pleasure to present this annual report for the period 2018-2019 to the Committee and Members.

To the Directors' thank you for your contribution throughout the year. To the Committee members, your contribution is always appreciated, the growth of this Club remains in your hands.

To Gary and his staff , again, remain such a positive force. To Wayne and Therese, we are so pleased to have you on board. Always positive comments, so good to acknowledge.

To Laurie and Peter my personal thanks for their tireless effort in keeping the oval and surrounds in tip top condition.

To our Bowlers another year with positive outcomes. I thank all bowlers for their continued support and wish to encourage all members for continued support in the year ahead. Our new "green" will be arriving in October 2019, with this new investment we are hoping to attract greater interest and a new membership.



Kevin Tomkins

President

TOMAGO BOWLING & SPORTING CLUB CO-OPERATIVE LIMITED
(ABN 45 408 512 862)

**FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2019**

CONTENTS

Directors' Report	2-3
Reviewer's Independence Declaration	4
Review Report to Members	5-6
Directors' Declaration	7
Statement of Financial Position	8
Statement of Profit or Loss and Other Comprehensive Income	9
Statement Cashflows	10
Statement of Changes in Equity	11
Notes to and Forming Part of the Financial Statements	12-18
Detailed Profit and Loss Statement	19-22

The financial report was authorised for issue by the Directors on 29 August 2019. The Co-operative has the power to amend and re-issue the financial report.

TOMAGO BOWLING & SPORTING CLUB CO-OPERATIVE LIMITED
(ABN 45 408 512 862)

DIRECTORS' REPORT

Your Directors present their report for the financial year ended 30 June 2019

1. Directors

The names of the Directors in office at the date of this report are:

Name	Occupation/ Qualifications	Position	No. of years service as a Director
Kevin Tomkins	Retired	President	13
Robert Cotton	Recycler	Vice President	7
Robert Everson	Retired	Treasurer	4
William Stocks	Retired	Assistant Games Secretary	9
William Richards	Retired	Director	3
John Linabury	Retired	Games Secretary	2
Peter Jansen	Retired	Director	1

** Refer to page 3 for details of Directors' meeting attendances.

2. Activities

The principal activities of the Co-operative in the course of the financial year ended 30 June 2019 were promotion of the game of bowls for the benefit of its members.

There have been no significant changes in the activities conducted by the Club in the year under review.

3. Objectives of the Club

The Club's short and long term objectives are to:

Provide the best facilities available to members and their guests with a special interest in bowling activities and other sports.

To achieve these objectives the Club has adopted the following strategies;

- Increase existing revenue levels and control costs to return to a profitable position which will allow the Club's premises to be continually improved ;
- Ensure greens are kept to an optimum standard by undertaking regular maintenance ;
- Seeking strategic opportunities to ensure future viability of the Club.

These strategies are measured through both financial and non financial key performance indicators that have been developed relevant to the club industry.

4. Results

The net result of operations after income tax was a loss of \$115,684 (2018 loss \$70,118).

5. Review of Operations

The net loss has increased as a result of lower bar sales and poker machine net revenue. Expenses also increased, with increases in repairs and maintenance, insurance and bookkeeping expenses, partly offset by decreases in depreciation and promotions.

6. Events Subsequent to Balance Date

Since the end of the financial year the Directors are not aware of any matters or circumstances not otherwise dealt with in the report or accounts that has significantly or may significantly affect the operations of the Club, the results of those operations, or the state of affairs of the Club in subsequent financial years.

7. Likely Developments and Expected Results

The Directors do not anticipate any major changes in the operations of the Club and expect the Club to reduce the level of operating losses with costs to be reviewed.

8. Directors Benefits

Since the end of the previous financial year no Director has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due to be received by Directors shown in the accounts or received as the fixed salary of a full time employee of the Club) by reason of a contract made by the Club or by a related corporation with the Director or with a firm of which they are a member, or with a Company in which they have a substantial financial interest.

TOMAGO BOWLING & SPORTING CLUB CO-OPERATIVE LIMITED
(ABN 45 408 512 862)

DIRECTORS' REPORT (Cont.)

9. Indemnifying Officer or Auditor

The Club has, not during or since the end of the financial year, in respect of any person who is or has been an officer or auditor of the Co-operative:

* Indemnified or made any relevant agreements for indemnifying against a liability incurred as an officer, including costs 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 matters:

During the financial year, the Club has paid a premium in respect of a contract of insurance insuring Directors and Officers (including former and future Directors and Officers) against certain liabilities incurred in that capacity. Disclosure of the total amount of premiums and the nature of the liabilities in respect of such insurance is prohibited by the contract of the insurance.

10. Assurance Practitioner's Independence Declaration

The assurance practitioner's independence declaration for the year ended 30 June 2019 has been received and is set out on page 4 of the financial report. The Co-operative may decide to engage the assurance practitioner in addition to their statutory review where the assurance practitioner's expertise and experience with the Co-operative is important. Details of the amounts paid or payable to the assurance practitioner (DFK Crosbie) for review and non-review services are provided in Note 16.

11. Environmental Regulations

The Club's operations are subject to various environmental regulations under both Commonwealth and State Legislations. The Directors are not aware of any breaches of the legislation during the financial year, which are material in nature.

12. Dividends

The Club is prohibited from paying dividends under its constitution.

13. Meeting Attendances

The number of Board meetings held during the financial year ended 30 June 2019 was 12, being 12 normal Board meetings. The details of each Directors attendances at those meetings is given below:

<u>Director</u>	<u>Normal</u>	<u>Eligible to Attend</u>
K. Tomkins	11	12
W. Stocks	11	12
R. Cotton	12	12
R. Everson	12	12
W. Richards	11	12
J. Linabury	12	12
P. Jansen (Elected at AGM)	9	10
C. Ritter (Did not stand at AGM)	0	2

The AGM for 2018 was held on 23/09/2018

14. Property Report

The Directors have determined that all property of the Club shall be classified as follows in accordance with section 41J of the Registered Clubs Act 1976 :-

Core Property - Clubhouse, Oval and Bowling Greens situated at Tomago Road, Tomago

Non-Core Property - Nil

Signed in accordance with a resolution of the Board of Directors



Kevin Tomkins - President



Robert Everson - Treasurer

Date: 29 August 2019



Business Advisers and Accountants

ASSURANCE PRACTITIONER'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
TOMAGO BOWLING & SPORTING CLUB CO-OPERATIVE LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2019 there have been:

- (i) no contraventions of the assurance practitioner independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

A handwritten signature in black ink, appearing to read 'Brent Perkins'.

Brent Perkins - Partner

A handwritten signature in black ink, appearing to read 'DFK Crosbie Partners'.

DFK Crosbie Partners
Chartered Accountants

Date: 29 August 2019
Newcastle West, NSW



Business Advisers and Accountants

TOMAGO BOWLING & SPORTING CLUB CO-OPERATIVE LIMITED

(ABN 45 408 512 862)

INDEPENDENT ASSURANCE PRACTITIONER'S REVIEW REPORT TO MEMBERS

To the Members of Tomago Bowling & Sporting Club Co-operative Limited

Report on the Financial Report

We have reviewed the accompanying financial report of Tomago Bowling & Sporting Club Co-operative Limited (the Club), which comprises the Statement of Financial Position as at 30 June 2019 and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cashflows 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 Club are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the Co-operatives National Law (NSW) 2014. This responsibility includes designing, implementing 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.

Assurance Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Australian Standard on Review Engagements ASRE 2400, *Reviews of Financial Reports Performed by an Assurance Practitioner Who is Not the Auditor of the Entity* (ASRE 2400). ASRE 2400 requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of a financial report in accordance with ASRE 2400 is a limited assurance engagement. The assurance practitioner performs procedures, primarily consisting of making enquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with Australian Auditing Standards. Accordingly, we do not express an audit opinion on the financial report.

dfk crosbie

Business Advisers and Accountants

TOMAGO BOWLING & SPORTING CLUB CO-OPERATIVE LIMITED
(ABN 45 408 512 862)

INDEPENDENT ASSURANCE PRACTITIONER'S REVIEW REPORT TO MEMBERS

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the Directors of Tomago Bowling & Sporting Club Co-operative Limited has been dated the same date as this review report.

Matters relating to the electronic presentation of the reviewed financial report

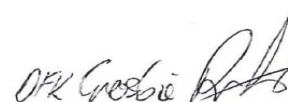
The assurance practitioner's report relates to the financial report of Tomago Bowling & Sporting Club Co-operative Limited (the Co-operative) for the year ended 30 June 2019 included on the Co-operative's web site. The Co-operative's Directors are responsible for the integrity of the Co-operative's web site. We have not been engaged to report on the integrity of this web site. The assurance practitioner's report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the reviewed financial report to confirm the information included in the reviewed financial report presented on this web site.

Conclusion

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of Tomago Bowling Club Co-operative Limited as at 30 June 2019, and its financial performance and its cash flows for the year then ended, in accordance with the Australian Accounting Standards and the Co-operatives National Law (NSW) 2014.



Brent Perkins - Partner



DFK Crosbie Partners
Chartered Accountants

Date: 29 August 2019

Newcastle | Sydney

Liability limited by a scheme approved under the Professional Standards legislation.

TOMAGO BOWLING & SPORTING CLUB CO-OPERATIVE LIMITED
(ABN 45 408 512 862)

DIRECTORS' DECLARATION

The Directors of the Co-operative declare that:

- 1 The financial statements and notes, as set out on pages 8 to 18 are in accordance with the Co-operatives National Law (NSW) 2014 and:
 - (a) comply with Australian Accounting Standards - Reduced Disclosure Requirements and the Co-operatives National Regulations 2014.
 - (b) give a true and fair view of the financial position as at 30 June 2019 and of the performance for the year ended on that date of the Co-operative.
- 2 In the Directors' opinion there are reasonable grounds to believe that Tomago Bowling Club Co-operative Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and signed for on behalf of the Directors by:



Kevin Tomkins - President



Robert Everson - Treasurer

Date: 29 August 2019

TOMAGO BOWLING & SPORTING CLUB CO-OPERATIVE LIMITED
(ABN 45 408 512 862)

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	Note	2019 \$	2018 \$
CURRENT ASSETS			
Cash & Cash Equivalents	7	111,258	66,525
Inventory	8	26,061	24,608
Financial Assets at Amortised Cost	9	82,149	89,396
Other Assets	10	23,620	15,659
TOTAL CURRENT ASSETS		243,088	196,188
NON-CURRENT ASSETS			
Property, Plant and Equipment	11	355,369	373,591
TOTAL NON-CURRENT ASSETS		355,369	373,591
TOTAL ASSETS		598,457	569,779
CURRENT LIABILITIES			
Trade and Other Payables	12	37,142	43,852
Financial Liabilities	13	13,318	13,036
Provisions	14	97,565	54,908
Other Liabilities	15	9,987	4,519
TOTAL CURRENT LIABILITIES		158,012	116,315
NON-CURRENT LIABILITIES			
Financial Liabilities	13	-	14,514
Provisions	14	889	558
Other Liabilities	15	116,848	-
TOTAL NON-CURRENT LIABILITIES		117,737	15,072
TOTAL LIABILITIES		275,749	131,387
NET ASSETS		322,708	438,392
MEMBERS' FUNDS			
General Reserve		197	197
Accumulated Profits/(Losses)		322,511	438,195
TOTAL MEMBERS' FUNDS		322,708	438,392

TOMAGO BOWLING & SPORTING CLUB CO-OPERATIVE LIMITED
(ABN 45 408 512 862)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019

Note	2019 \$	2018 \$
Bar Sales	407,646	442,095
Cost of Goods Sold	222,962	233,175
Bar Gross Profit (\$)	184,684	208,920
Bar Gross Profit (%)	45.3%	47.3%
Poker Machine Net Revenue	186,267	205,299
Paper Gaming Commission	27,637	30,854
Members Subscriptions	1,092	1,482
Commissions	2,118	3,096
ATM Rebate	8,894	11,132
Games Fees, Socials & Donations	3,351	2,837
Insurance Recoveries	23,388	12,909
Interest Received	1,647	2,615
Optus Lease Income	12,602	1,926
Profit on Sale of Assets	-	5,580
Raffles & Housie Income	13,004	18,104
Sundry Income	34,228	10,655
Total Trading and Other Income	498,912	515,409
Expenses		
Bar Direct Expenses	81,523	80,791
Poker Machine Direct Expenses	56,691	59,116
Paper Gaming Direct Expenses	32,633	31,354
Members Amenities	87,122	97,538
Clubhouse Expenses	178,315	152,441
Greens & Bowling Activities	13,204	28,612
Finance Costs	276	1,343
Administration Expenses	164,832	134,332
Total Expenses	614,596	585,527
Net Profit/(Loss) Before Income Tax	6 (115,684)	(70,118)
Income Tax Expense	1	-
Net Profit/(Loss) After Income Tax	(115,684)	(70,118)
Other Comprehensive Income	-	-
Total Comprehensive Income/(Loss)	(115,684)	(70,118)

TOMAGO BOWLING & SPORTING CLUB CO-OPERATIVE LIMITED
(ABN 45 408 512 862)

STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 30 JUNE 2019

Note	2019 \$	2018 \$
Cash Flows from Operating Activities		
Receipts from Members and Guests	895,755	812,264
Payments to Suppliers and Employees	(834,537)	(789,789)
Interest Paid	(276)	(1,343)
Interest Received	1,788	2,539
<i>Net Cash Flows provided by (used in) Operating Activities</i>	62,730	23,671
Cash Flows from Investing Activities		
Transfer from/(to) Term Deposits > 3 months	30,000	20,000
Payments for Plant and Equipment	(33,765)	(31,909)
Proceeds from Sale of Plant and Equipment	-	5,580
<i>Net Cash Flows provided by (used in) Investing Activities</i>	(3,765)	(6,329)
Cash Flows from Financing Activities		
Repayment of Lease Liabilities	(14,232)	(20,818)
<i>Net Cash Flows provided by (used in) Financing Activities</i>	(14,232)	(20,818)
Net Increase/(Decrease) in Cash Held	44,733	(3,476)
Cash at the Beginning of the Financial Year	66,525	70,001
Cash and Cash Equivalents at the End of the Financial Year	111,258	66,525

7

TOMAGO BOWLING & SPORTING CLUB CO-OPERATIVE LIMITED
(ABN 45 408 512 862)

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

	Accumulated Profits	General Reserves	Total
Balance as at 1 July 2017	508,313	197	508,510
Profit/(Loss) attributable to members of the Club	(70,118)	-	(70,118)
Balance as at 30 June 2018	438,195	197	438,392
Profit/(Loss) attributable to members of the Club	(115,684)	-	(115,684)
Balance as at 30 June 2019	<u>322,511</u>	<u>197</u>	<u>322,708</u>

TOMAGO BOWLING & SPORTING CLUB CO-OPERATIVE LIMITED
(ABN 45 408 512 862)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

1 Statement of Significant Accounting Policies

Basis of Preparation

This financial report is a general purpose financial report that has been prepared in accordance with applicable Australian Accounting Standards, other mandatory professional requirements and other authoritative pronouncements and the Co-operatives National Law (NSW) 2014. The Co-operative is a not for profit entity for financial reporting purposes under Australian Accounting Standards.

The financial report has been prepared on the basis of historical costs. The financial report is presented in Australian Dollars.

The following is a summary of the significant accounting policies adopted by the Co-operative in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Statement of Compliance

The financial report complies with Australian Accounting Standards - Reduced Disclosure Standards as issued by the Australian Accounting Standards Board (AASB) being AASB 1053 Application of Tiers of Australian Accounting Standards and AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements.

Income Tax

The Co-operative is exempt from income tax under Section 50-45 of the Income Tax Assessment Act (1997).

Inventories

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

Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost less any accumulated depreciation and any impairment in value.

Property, Plant and Equipment are depreciated so as to write off the assets over their estimated useful life to the Club. Depreciation rates used are as follows :

Buildings and Club Improvements	2.5%
Plant and Equipment	10-40%
Poker Machines	20%
Bowling Greens	10%

Impairment

At each reporting date, the Club assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Club makes a formal estimate of the recoverable amount. Where the carrying amount of the asset exceeds the recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in the Statement of Profit or Loss and Other Comprehensive Income in the administration expense line item.

Recoverable Amount of Assets

Recoverable amount is the greater of fair value less cost to sell and value in use. It is determined for an individual asset, unless the asset's value in use can not be estimated to be close to its fair value less cost to sell and it does not generate cash in flows that are largely independent of those of other assets, in which case, the recoverable amount is determined for the cash generating unit to which the asset belongs.

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 assessment of the time value of money and the risks specific to the asset.

TOMAGO BOWLING & SPORTING CLUB CO-OPERATIVE LIMITED
(ABN 45 408 512 862)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

Trade Receivables

Trade receivables are recognised initially at the amount of the consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Co-operative holds the trade receivables with the objective to collect the contractual cashflows and therefore measures them subsequently at amortised cost. Trade receivables are generally due within 30 days from the date of recognition.

Cash and Cash Equivalents

Cash and short-term deposits in the Statement of Financial Position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less. For the purpose of the Statement of Cashflows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Financial Assets at Amortised Cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in interest income using the effective interest rate method.

Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Co-operative and the revenue can be reliably measured.

Sales revenue comprises the revenue earned from the provision of products or services to entities outside the Co-operative.

Interest income is recognised as it accrues.

The profit or loss on disposal of asset is brought to account at the date an unconditional contract is signed.

Other revenue is recognised as it accrues.

Employee Benefits

Short Term

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' service up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Other Long Term

The liabilities for long service leave and annual leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to expected future wage levels and period of service. Discount rates of the Australian bond rates matching the estimated future cash outflows have been used.

The obligations are presented as current liabilities in the Statement of Financial Position if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

Accounts Payable

Liabilities are recognised for amounts to be paid for goods and services received, whether or not billed to the Co-operative. Trade accounts payable are normally settled within 30 days.

TOMAGO BOWLING & SPORTING CLUB CO-OPERATIVE LIMITED
(ABN 45 408 512 862)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of an asset or as part of an item of expense. Receivables and payables are stated with the amount of GST included. The amount of GST recoverable or payable to the ATO is included as a current asset or current liability in the Statement of Financial Position. Cash flows are included in the Statement of Cashflows on a gross basis. The GST component of cash flows arising from investing and financing activities which are recoverable from or payable to the ATO are classified as operating cash flows.

Comparatives

Comparative information has been adjusted to reflect current year disclosures.

2 Significant Accounting Judgements, Estimates and Assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

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.

Significant accounting estimates and assumptions

Useful lives of non-current assets

The useful life of Property, Plant and Equipment is initially assessed at the date the asset is ready for use and reassessed at each reporting date based on the use of the assets and the period over which economic benefits will be derived from the asset. There is uncertainty in relation to the assessment of the life of the asset including factors such as the rate of wear and tear and technical obsolescence.

The estimates and judgements involved may impact the carrying value of the non-current assets and the depreciation and amortisation charges recorded in the statement of profit or loss and other comprehensive income should they change.

Impairment of non-current assets

Impairment testing of non-current assets is performed where indicators of impairment exist. In assessing impairment, estimates are made of the recoverable amount of each asset or cash generating unit based on discounted expected future cash flows discounted or estimated replacement cost. Estimation uncertainty exists in relation to assumptions regarding future operating results and cash flows, determination of an appropriate discount rate and estimated current replacement cost of the asset.

TOMAGO BOWLING & SPORTING CLUB CO-OPERATIVE LIMITED
(ABN 45 408 512 862)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

3 Going Concern Basis of Preparation

The Club incurred a net loss for the year ended 30 June 2019 of \$115,684 (2018: net loss of \$70,118) and positive operating cashflow of \$66,525 (2018: positive operating cashflow of \$23,761). As at 30 June 2019 the Club's current assets were \$243,088 and current liabilities were \$158,012 which represents a positive working capital position of \$85,076 (2018: \$79,873). The positive operating cashflow and improvement in the working capital position for the year is primarily due to the advance payment from Optus with the history of operating losses creating uncertainty as to the Co-operative's ability to continue as a going concern.

Whilst considering the above, the Directors are of the opinion that the going concern basis upon which the financial report has been prepared is appropriate due to the following:

- a) The Club has cash and investment balances of \$166,258 at 30 June 2019.
- b) The Board continues to pursue options to increase patronage and revenue of the Club and minimise expenses where possible.
- c) The Board is considering possible sale of surplus Club land to address the working capital concerns.
- d) The Club can sell some of its poker machine entitlements to address the working capital concerns.

The Co-operative relies on the continued support of its members and co-operation of the Board of Directors to achieve these goals.

4 Other Information

The Club is an incorporated body being a Co-operative under the Co-operatives National Law (NSW), having no share capital. The registered address of the Club is Tomago Road, Tomago.

5 Operating Revenue

	2019	2018
	\$	\$
Bar Sales	407,646	442,095
Poker Machine Net Revenue	186,267	205,299
Paper Gaming Commission	27,637	30,854
Raffle & Housie Income	13,004	18,104
Members Subscriptions	1,092	1,482
Commissions	2,118	3,096
ATM Rebate	8,894	11,132
Insurance Recoveries	23,388	12,909
Game Fees, Socials & Donations	3,351	2,837
Interest Received	1,647	2,615
Optus Lease Income	12,602	1,926
Proceeds on Disposal of Assets	-	5,580
Sundry Income	34,228	10,655
Total	721,874	748,584

TOMAGO BOWLING & SPORTING CLUB CO-OPERATIVE LIMITED
(ABN 45 408 512 862)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

6 Operating Profit

The operating profit/(loss) before income tax is arrived at after crediting and charging the following specific items:-

	2019	2018
	\$	\$
Credits		
Interest Received / Receivable	1,647	2,615
Profit on Sale of Fixed Assets	-	5,580
Charges		
Depreciation		
Poker Machines	12,720	22,775
Greens	2,836	13,411
Administration	9,182	11,997
	<u>24,738</u>	<u>48,183</u>
Amortisation		
Buildings	27,249	27,069
Interest on Finance Lease	276	1,343
Employee Benefits - Wages	152,768	168,015
- Superannuation	13,959	14,765
- Leave Provisions	18,600	4,135
	<u>185,327</u>	<u>186,915</u>

7 Cash and Cash Equivalents

Cash & Cash Equivalents	111,258	66,525
	<u>111,258</u>	<u>66,525</u>

8 Inventories

Stock on Hand - Bar	26,061	24,608
	<u>26,061</u>	<u>24,608</u>

9 Financial Assets at Amortised Cost

Term Deposits > 3 Months	55,000	85,000
Other Financial Assets at Amortised Cost	27,149	4,396
	<u>82,149</u>	<u>89,396</u>

The Co-operative has adopted AASB 9 Financial Instruments from 1 July 2018 . AASB 9 replaces the provisions of AASB 139 relating to the recognition, classification and measurement of financial assets and financial liabilities. In accordance with the transitional provisions in AASB 9 the standard has been applied retrospectively resulting in the restatement of comparative figures. There was no impact on the measurement and recognition of the Co-operative's financial assets resulting from the adoption of AASB 9. The Co-operative has assessed the classification of the financial assets which has resulted in changes in the classification of the following financial assets on the statement of financial position:

- Other Receivables and Accrued Income were reclassified from Trade and Other Receivables to Financial Assets at Amortised Cost
 - Term deposits were reclassified from Held to Maturity Investments to Financial Assets at Amortised Cost.
- The accounting policies in Note 1 have been updated to reflect the adoption of AASB 9.

TOMAGO BOWLING & SPORTING CLUB CO-OPERATIVE LIMITED
(ABN 45 408 512 862)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

10 Other Assets							2019	2018
Current							\$	\$
Prepayments							23,620	15,659
							<u>23,620</u>	<u>15,659</u>
11 Property, Plant and Equipment								
	Leased Assets	Plant & Equipment	Land & Buildings	Bowling Greens	Poker Machines	Total		
Year ended 30 June 2019								
At 1 July 2018								
Net of Acc. Depreciation/Amortisation	581	51,883	277,310	5,329	38,488	373,591		
Additions	-	2,405	31,360	-	-	33,765		
Transfers	- 581	-	-	-	581	-		
Less: Depreciation/Amortisation	-	9,182	27,249	2,836	12,720	51,987		
At 30 June 2019								
Net of Acc. Depreciation/Amortisation	<u>581</u>	<u>42,701</u>	<u>250,061</u>	<u>2,493</u>	<u>25,768</u>	<u>321,604</u>		
At 1 July 2018								
Cost or Fair Value	37,415	454,060	829,684	140,152	317,034	1,778,345		
Accumulated Depreciation/Amortisation	36,834	402,177	552,374	134,823	278,546	1,404,754		
Net Carrying Amount	<u>581</u>	<u>51,883</u>	<u>277,310</u>	<u>5,329</u>	<u>38,488</u>	<u>373,591</u>		
At 30 June 2019								
Cost or Fair Value	-	456,137	861,044	140,152	354,449	1,811,782		
Accumulated Depreciation/Amortisation	-	411,031	579,623	137,659	328,100	1,456,413		
Net Carrying Amount	<u>-</u>	<u>45,106</u>	<u>281,421</u>	<u>2,493</u>	<u>26,349</u>	<u>355,369</u>		
12 Trade and Other Payables								
Current								
Trade Creditors and Accruals							21,823	40,402
GST Payable							15,319	3,450
							<u>37,142</u>	<u>43,852</u>
13 Finance Liabilities								
Current								
Lease Liabilities							13,318	13,036
							<u>13,318</u>	<u>13,036</u>
Non-Current								
Lease Liabilities							-	14,514
							<u>-</u>	<u>14,514</u>
14 Provisions								
Current								
Provision for Annual Leave							50,250	37,514
Provision for Long Service Leave							22,927	17,394
Provision for Maintenance							24,388	-
							<u>97,565</u>	<u>54,908</u>
Non-Current								
Provision for Long Service Leave							889	558
							<u>889</u>	<u>558</u>

TOMAGO BOWLING & SPORTING CLUB CO-OPERATIVE LIMITED
(ABN 45 408 512 862)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

15 Other Liabilities	2019	2018
Current	\$	\$
Income in Advance	9,741	4,192
Subscriptions in Advance	246	327
	<u>9,987</u>	<u>4,519</u>
Non-Current		
Income in Advance	116,848	-
	<u>116,848</u>	<u>-</u>

16 Directors' Benefits

Total benefits paid or payable to all Directors of the Club amounted to \$7,011 (2018: \$6,280).

17 Related Parties**Directors**

The names of persons who were Directors of the Club at any time during the year are as they appear in the attached Directors Report.

Key Management Personnel

The following remuneration was provided to the key management personnel of the Club during the year:

Short term employment benefits	86,249	75,998
Post employment benefits	6,984	6,931
	<u>93,233</u>	<u>82,929</u>

18 Commitments for Expenditure**(a) Capital Commitments**

The Club has the following capital commitments as at the balance date:

- New Green (balance owing)

58,240	-
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(b) Rental Agreements

Total commitments in respect of rental agreement are as follows:

Payable not later than one year	1,473	1,473
Later than one year but not later than five years	858	2,331
	<u>2,331</u>	<u>3,804</u>

(c) Lease Commitments

Commitments in relation to Lease Agreements are payable as follows:

Payable not later than one year	13,453	14,676
Later than one year but not later than five years	-	13,453
Minimum Payments	13,453	28,129
Less : Future Finance Charges	<u>(135)</u>	<u>(579)</u>
Provided for in Accounts	<u>13,318</u>	<u>27,550</u>

TOMAGO BOWLING & SPORTING CLUB CO-OPERATIVE LIMITED
(ABN 45 408 512 862)

DETAILED PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019

TRADING ACCOUNT	2019	2018
	\$	\$
STATEMENT OF BAR TRADING		
Sales	407,646	442,095
LESS COST OF SALES		
Opening Stock	24,608	27,273
Purchases	224,415	230,510
	<u>249,023</u>	<u>257,783</u>
Closing Stock	26,061	24,608
	<u>222,962</u>	<u>233,175</u>
GROSS PROFIT	<u>184,684</u>	<u>208,920</u>
DIRECT EXPENSES		
Freight & Cartage	3,807	4,696
Promotions	5,835	2,636
Repairs & Maintenance	-	-
Wages	71,881	73,459
	<u>81,523</u>	<u>80,791</u>
NET PROFIT	<u>103,161</u>	<u>128,129</u>
STATEMENT OF POKER MACHINE OPERATIONS		
Net Revenue	186,267	205,299
DIRECT EXPENSES		
Data Monitoring	10,841	11,418
Depreciation	12,720	22,771
Interest	276	1,343
GST Rebate	(17,180)	(17,091)
Repairs and Maintenance	16,154	8,140
Wages	34,156	33,878
	<u>56,967</u>	<u>60,459</u>
NET PROFIT	<u>129,300</u>	<u>144,840</u>

TOMAGO BOWLING & SPORTING CLUB CO-OPERATIVE LIMITED
(ABN 45 408 512 862)

DETAILED PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
STATEMENT OF PAPER GAMING		
Keno Commission	18,915	22,403
TAB Commission	8,722	8,451
	27,637	30,854
DIRECT EXPENSES		
Maintenance & Stationery	1,876	850
Sky Channel	14,809	14,344
TAB Expenses	4,912	5,124
Wages	11,036	11,036
	32,633	31,354
NET PROFIT/LOSS	(4,996)	(500)
TOTAL TRADING PROFIT	227,465	272,469
INCOME		
Gross Profit Trading	227,465	272,469
ATM Commission	8,894	11,132
Insurance Recoveries	23,388	12,909
Commissions	2,118	3,096
Raffles & Housie Income	13,004	18,104
Game Fees, Social & Donations	3,351	2,837
Interest Received	1,647	2,615
Members Subscriptions	1,092	1,482
Optus Lease Income	12,602	1,926
Profit on Sale of Assets	-	5,580
Sundry Income	34,228	10,655
TOTAL INCOME	327,789	342,805

TOMAGO BOWLING & SPORTING CLUB CO-OPERATIVE LIMITED
(ABN 45 408 512 862)

DETAILED PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
LESS EXPENSES		
MEMBERS AMENITIES		
Bus Expenses	2,918	1,926
Catering & Entertainment	17,537	12,538
Donations & Sponsorships	944	1,216
Kitchen Subsidy	23,928	21,675
Promotions	22,027	38,329
Raffles & Housie Expenses	19,768	21,854
	87,122	97,538
CLUBHOUSE		
Amortisation of Buildings	27,249	27,069
Cleaning	19,433	22,863
Electricity, Gas and Heating	59,618	57,545
Rates - Council	16,920	13,652
Rates - Water	4,782	4,871
Repairs & Maintenance	40,788	17,080
Security	9,525	9,361
	178,315	152,441
GREENS & BOWLING ACTIVITIES		
Depreciation	3,017	13,680
NDBA Expenses	2,717	3,625
Prizes	2,270	6,106
Wages & Salaries	5,200	5,201
	13,204	28,612

TOMAGO BOWLING & SPORTING CLUB CO-OPERATIVE LIMITED
(ABN 45 408 512 862)

DETAILED PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
ADMINISTRATION		
Audit & Accountancy Fees	11,250	14,150
Advertising	3,753	3,125
Bank Charges	6,413	4,549
Bookkeeping Expenses	12,925	2,200
Cash Variances	8,247	2,711
Computer Support & Maintenance	2,323	572
Consultancy	1,604	-
Depreciation	9,001	11,760
Directors Honorariums	-	2,916
Directors Expenses	7,011	3,364
General Expenses	516	-
Insurance	37,856	32,914
Long Service Leave	18,600	1,093
Printing, Postage & Stationery	1,013	1,693
Staff Amenities	1,221	730
Staff Training	36	266
Subscriptions	1,576	973
Superannuation	13,959	14,765
Telephone	4,408	4,251
Wages & Salaries	23,120	32,300
	<hr/> 164,832	<hr/> 134,332
TOTAL EXPENSES	<hr/> 443,473	<hr/> 412,923
OPERATING PROFIT/(LOSS)	<hr/> (115,684)	<hr/> (70,118)
RETAINED PROFITS AT THE BEGINNING OF THE FINANCIAL YEAR	<hr/> 438,196	<hr/> 508,314
RETAINED PROFITS AT THE END OF THE FINANCIAL YEAR	<hr/> <hr/> 322,512	<hr/> <hr/> 438,196