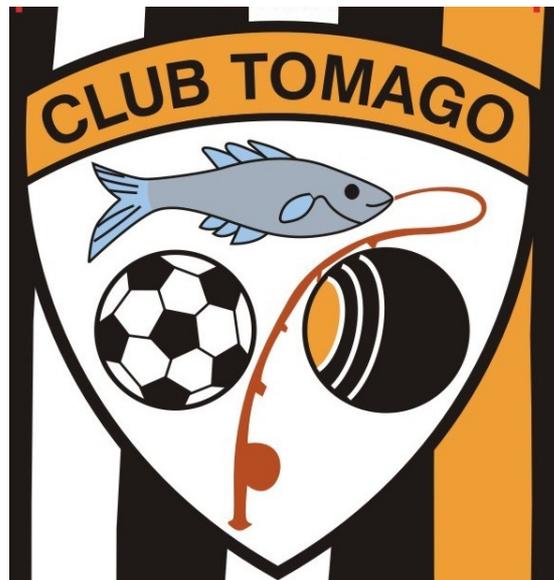


**TOMAGO BOWLING
&
SPORTING CLUB
CO-OPERATIVE LTD
TOMAGO RD TOMAGO**

**THE 56th ANNUAL REPORT
FOR YEAR ENDING 30TH OF JUNE 2020**



**TO BE SUBMITTED TO THE ANNUAL GENERAL MEETING
29th OCTOBER 2020**

The 56th Annual General Meeting will be held in the clubhouse on Thursday 29th day of October 2020 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 26th day of October 2020).

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	PETER JANSEN

PATRON	ALAN GERMON
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NOMINATIONS FOR 2020/2021

**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 LAURIE SHARAH

TOMAGO BOWLING & SPORTING CLUB

CEO REPORT 2019-2020

Another struggling year, throw in Covid 19 the pressure is on. We as a business are on the edge, we have made all cuts possible, and realistically are relying on the sale on land for the clubs ongoing future. Virtually since Christmas we have worked Aaron and myself with Josh throwing in a couple of hours a week, which is much appreciated, and thanks to the Government putting in jobkeeper we are still here.

Trade struggles through Covid but the aftermath is still no better as local businesses restrict their employees leaving work premises during their working hours and therefore restricting lunchtime trade which is one of our major income providers. Still Therese and Wayne open the bistro for lunch providing for the loyal followers, with some days not even doing a meal....

Looking forward, without the sale of the land or a backer it will be difficult see through next year with an improvement in trading. I have had meetings with a local Company who are keen for land but until RMS puts in rock solid new road plans they cannot make their decision on worth of land, but another snag or maybe god send....the new gasline from North Queensland is to go through our land, so I am in meetings as we speak to seek either compensation for land or for them to purchase etc, either way we need one of these scenarios to forth come.

On positive I'd like to thank Peter for continual work around the Club, everyone knows Kevin whom would love to be out there is unable at the moment and Peter turns up every week and keeps Club surrounds looking tidy. Thanks Brian for the odd jobs, caretaking of out the back and mowing etc oval,

And to the staff Lisa Viesha whom haven't had opportunity to work since March I thankyou, Aaron who is the perfectionist always steps up fills my shoes with ease, thanks Aaron....and Josh who doesn't do lots hours but always available to help out and has in these times been a great asset

Lastly thanks to Board for support and believing in these trying times, no one else puts their hands up but you guys have stuck strong, even when the outlook is grim, thanks again.

Gary Adams

TOMAGO BOWLING & SPORTING CLUB

PRESIDENTS REPORT 2019-2020

My 2020 conclusions are very different this year. Covid-19 has given all of us many challenges. Our social interaction with the Club has of course been limited. Social distancing, Covid-safe practices, hand sanitizing, these new practices are here to provide a healthy environment for both patrons and staff.

I would like to thank Gary for his diligence and duty of care by providing this safe environment for all in accordance with the NSW State regulations

To all the wonderful bowlers, times have been tough but keep bowling, hoping the next 12 months will encourage new members to join this social event.

I am encouraging members and their guests to support our Bistro now that numbers for dining have been increased. Wayne and Therese are like many of us battling to keep afloat. Their good nature, optimism and hard work are an inspiration.....keep looking forward.

Peter and Brian your efforts in keeping the surrounds of the club in optimal order throughout the year have been greatly appreciated.....many thanks.

To the Club Committee and Members your input throughout 2020 is gratefully acknowledged. The Committee is here to support the Club remaining viable into the future.

May I wish you all a very safe and Covid free year ahead. Enjoy the Christmas period with family and friends and I look forward to renewing friendships in the New Year.



Kevin Tomkins

President



**Tomago Bowling
Club Co-Operative Limited**

ABN 45 408 512 862

**Annual Financial Report
for the year ended 30 June 2020**

Tomago Bowling Club Co-Operative Limited ABN 45 408 512 862
Annual financial report for the year ended 30 June 2020

Contents

	Page
Directors' report	3-4
Assurance Practitioner's independence declaration	5
Financial statements	
Statement of profit or loss and other comprehensive income	6
Statement of financial position	7
Statement of changes in equity	8
Statement of cash flows	9
Notes to the financial statements	10-18
Directors' declaration	19
Independent auditor's report to the members	20-21

These financial statements are the financial statements of Tomago Bowling Club Co-Operative Limited. The financial statements are presented in the Australian currency.

The financial statements were authorised for issue by the Directors on 1 October 2020. The Club has the power to amend and reissue the financial statements.

Director's report

Your Directors present their report on Tomago Bowling Club Co-Operative Limited (the Club) for the year ended 30 June 2020.

Directors details

The following persons were Directors of Tomago Bowling Club Co-Operative Limited during the financial year, and up to the date of this report:

Mr Kevin Tomkins

President
Director since 2007
Retired

Mr Robert Everson

Treasurer
Director since 2016
Retired

Mr John Linabury

Games Secretary
Director since 2018
Retired

Mr Robert Cotton

Vice President
Director since 2013
Recycler

Mr William Stocks

Assistant Games Secretary
Director since 2011
Retired

Mr Peter Jansen

Director
Director since 2018
Retired

Director's meetings

The number of meetings the Directors held during the year and the number of meetings attended by each director is as follows:

Board members	Board meetings	
	A	B
Mr Kevin Tomkins	8	8
Mr Robert Cotton	8	6
Mr Robert Everson	8	8
Mr William Stocks	8	8
Mr John Linabury	8	8
Mr Peter Jansen	8	5
Mr William Richards	2	0

Where:

- column A: the number of meetings the Director was entitled to attend
- column B: the number of meetings the Director attended

Core and non-core property

Pursuant to Section 41E(5) of the Registered Clubs Act 1976 (NSW) for the financial year ended 30 June 2020, the following land and buildings are considered to be core and non-core property:

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

Non-Core Property - Nil.

Principal activities

During the year, the principal activities of the Club were the promotion of the game of bowls for the benefit for its members.

There have been no significant changes in the nature of these activities during the year.

Review of operations and financial results

The loss incurred for the year was \$80,681 (2019: \$115,684). This improvement is driven by the sale of poker machine entitlements (proceeds of \$50,000), and the receipt of JobKeeper and Government stimulus payments being in excess of the lost trading profit during the COVID-19 pandemic, which led to the closure of the Club from 23 March 2020 to 1 June 2020.

	2020	2019
	\$	\$
Revenue	568,487	736,173
Expenses	(649,168)	(851,857)
Profit before income tax	(80,681)	(115,684)
Income tax	-	-
Net profit	(80,681)	(115,684)

Significant changes in state of affairs

No significant changes in the Club's state of affairs occurred during the financial year other than the impact of COVID19 as mentioned above.

Events since the end of the financial year

The Club reopened on 1 June 2020 following the COVID-19 pandemic shutdown and remains open as at the date of this report. The Club is complying with all social distancing and other restrictions still in place.

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

Likely developments and expected results of operations

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.

Environmental regulation

The Club's operations are not regulated by any significant environmental regulations under the law of the Commonwealth or of a state or territory of Australia.

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 Club indemnified or made any relevant agreements for indemnifying against a liability incurred as an officer, including costs in successfully defending legal proceedings.

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.

Rounding of amounts

The Club is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the Directors' report. Amounts in the Directors' report have been rounded off in accordance with the instrument to the nearest dollar.

Assurance practitioner's independence declaration

The assurance practitioner's independence declaration for the year ended 30 June 2020 has been received and is set out of page 5 of the financial report. The Club may decide to engage the assurance practitioner in addition to their statutory review where the assurance practitioner's expertise and experience with the Club is important.

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



Kevin Tomkins - President



Robert Everson - Treasurer

Dated: 1 October 2020

Assurance practitioner's independence declaration

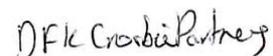
To the Directors of Tomago Bowling Club Co-Operative Limited

In accordance with the requirements of Co-operatives National Regulations (NSW) 2014, as lead assurance practitioner for the review of Tomago Bowling Club Co-Operative Limited for the year ended 30 June 2020, I declare that, to the best of my knowledge and belief, there have been:

- (a) no contraventions of the assurance practitioner independence requirements as set out in the Co-operatives National Regulations (NSW) 2014 in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.



Shaun Mahony - Partner



DFK Crosbie Partners
Chartered Accountants

Dated: 1 October 2020
Newcastle West, NSW

Newcastle | Sydney

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

Tomago Bowling Club Co-Operative Limited

Statement of profit or loss and other comprehensive income

For the year ended 30 June 2020

	Notes	2020 \$	2019 \$
Revenue from continuing operations	2	433,023	685,173
Other Income	3	135,464	51,000
Bar cost of goods sold		(150,080)	(220,080)
Bar direct expenses		(77,192)	(81,523)
Gaming direct expenses		(84,504)	(106,504)
Members amenities		(44,789)	(86,244)
Greens direct expenses		(13,351)	(13,204)
Clubhouse operations		(117,130)	(178,316)
Administration expenses		(162,122)	(165,986)
		(649,168)	(851,857)
Profit / (loss) before income tax		(80,681)	(115,684)
Income tax expense		-	-
Profit / (loss) for the year		(80,681)	(115,684)
Other comprehensive income		-	-
Total comprehensive income / (loss) for the year		(80,681)	(115,684)

The above *statement of profit or loss and other comprehensive income* should be read in conjunction with the accompanying notes

Tomago Bowling Club Co-Operative Limited
Statement of financial position
For the year ended 30 June 2020

	Notes	2020 \$	2019 \$
ASSETS			
Current assets			
Cash and cash equivalents	4	44,171	111,258
Inventories	5	19,331	26,061
Financial assets at amortised cost	6	25,280	82,149
Other assets	7	15,451	23,620
Total current assets		104,233	243,088
Non-current assets			
Property, plant and equipment	8	371,973	355,369
Total non-current assets		371,973	355,369
Total assets		476,206	598,457
LIABILITIES			
Current liabilities			
Trade and other payables	10	36,560	37,142
Financial liabilities	11	4,989	13,318
Provisions	12	74,515	97,565
Other liabilities	13	9,245	9,987
Total current liabilities		125,309	158,012
Non-current liabilities			
Provisions	12	558	889
Other liabilities	13	108,312	116,848
Total non-current liabilities		108,870	117,737
Total liabilities		234,179	275,749
Net assets		242,027	322,708
MEMBERS FUNDS			
Reserves		197	197
Retained profits		241,830	322,511
Total members funds		242,027	322,708

The above *statement of financial position* should be read in conjunction with the accompanying notes

Tomago Bowling Club Co-Operative Limited
Statement of changes in equity
For the year ended 30 June 2020

	Reserves	Retained Profits	Total
	\$	\$	\$
Balance at 1 July 2018	197	438,195	438,392
Profit / (Loss) for the year	-	(115,684)	(115,684)
Total comprehensive income for the year	197	322,511	322,708
Balance at 30 June 2019	197	322,511	322,708
Profit / (Loss) for the year	-	(80,681)	(80,681)
Total comprehensive income for the year	-	(80,681)	(80,681)
Balance at 30 June 2020	197	241,830	242,027

The above *statement of changes in equity* should be read in conjunction with the accompanying notes

Statement of cash flows

For the year ended 30 June 2020

	Notes	2020 \$	2019 \$
Cash flows from operating activities			
Receipts from members and customers		521,572	895,755
Payments to suppliers and employees		(647,506)	(834,537)
Interest received		730	1,788
Interest paid		(2,096)	(276)
Government stimulus		38,771	-
Net cash inflow (outflow) from operating activities		(88,529)	62,730
Cash flows from investing activities			
Payments for property, plant and equipment		(70,229)	(33,765)
Proceeds from sale of intangible assets		50,000	-
Transfer to/from interest bearing deposit		50,000	30,000
Net cash inflow (outflow) from investing activities		29,771	(3,765)
Cash flows from financing activities			
Proceeds from borrowings		37,737	-
Repayment of borrowings		(46,066)	(14,232)
Net cash inflow (outflow) from financing activities		(8,329)	(14,232)
Net increase in cash and cash equivalents		(67,087)	44,733
Cash and cash equivalents at the beginning of the financial year		111,258	66,525
Cash and cash equivalents at the end of the financial year		44,171	111,258

The above *statement of cash flows* should be read in conjunction with the accompanying notes

Notes to the financial statements

For the year ended 30 June 2020

1 Summary of significant accounting policies

(a) Basis of preparation

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the Co-operatives National Regulations (NSW) 2014. Tomago Bowling Club Co-Operative Limited (the Club) is a not for profit entity for financial reporting purposes under Australian Accounting Standards.

(b) Statement of compliance

This financial report complies with Australian Accounting Standards - *Reduced Disclosure Requirements* as issued by the Australian Accounting Standards Board (AASB).

The financial report has been prepared on an accruals basis and is based on historical costs. The financial report is presented in Australian Dollars.

(c) New and amended standards adopted by the Club

The Club has applied the following standards and amendments for the first time for their annual reporting period commencing 1 July 2019:

- AASB 15 *Revenue from Contracts with Customers*
- AASB 16 *Leases*

The principal accounting policies adopted are consistent with those of the previous financial year except for the policies stated below:

AASB 15 Revenue from Contracts with Customers

The Club has adopted AASB 15 'Revenue from Contracts with Customers' and AASB 2014-5 'Amendments to Australian Accounting Standards arising from AASB 15' from 1 July 2019. AASB 15 establishes a comprehensive five-step framework for recognising revenue. AASB 15 applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. AASB 15 has replaced past revenue recognition guidance including AASB 18 Revenue, AASB 11 Construction Contracts and the related Interpretations.

Under AASB 15, revenue is recognised when a performance obligation has been satisfied at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer/member. The standard requires entities to exercise judgment, taking into consideration all the relevant facts and circumstances when applying each step of the model to contracts with their customers/members.

AASB 15 has been applied by the Club in accounting for and recognising revenue. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer. The new policies are set out in note 2.

The standard permits either a full retrospective or a modified retrospective approach for adoption. The Club employed the modified retrospective approach for adoption as at 1 July 2019.

The adoption has impacted the accounts as follows:

The Club concluded that AASB 15 required no change in the method of accounting for the sale of goods and the provision of services. Sales are made at a point in time as the products and services are provided, with no contingent features to the price or volumes delivered. Sales for the provision of services are made at a point in time, with no contingent features to the price. The Club has a customer loyalty program which allows customers to earn points from selected purchases which are redeemable on future purchases. It was determined that the impact of the loyalty program on 1 July 2019 and 30 June 2020 was immaterial.

The application of AASB 15 has not had a significant impact on the financial position and/or financial performance of the Club.

AASB 16 Leases

The Club has adopted AASB 16 'Leases' from 1 July 2019. AASB 16 Leases ('AASB 16') removes the current operating and finance lease distinction for lessees and requires entities to recognise all material leases on the statement of financial position. AASB 16 requires the recognition of a right-of-use asset and a corresponding lease liability at the commencement of all leases, except for short-term leases and leases of low value assets.

The standard permits either a full retrospective or a modified retrospective approach for adoption. The Club has elected to apply the modified retrospective method of adoption from the date of initial application, which allows the Club to not restate comparative financial statement information.

Notes to the financial statements

For the year ended 30 June 2020

(c) New and amended standards adopted by the Club (continued)

The adoption has impacted the annual financial statements as follows:

As a result of the adoption of AASB 16, there is no impact on the Statement of Profit or loss and other Comprehensive Income or the Statement of Financial Position.

(d) Going Concern

The Club incurred a loss of \$80,631, negative operating cashflow of \$88,529 and has a working capital deficiency of \$21,076 represented by current assets of \$104,233 and current liabilities of \$125,309.

Current liabilities includes:

- (a) Employee leave entitlements of \$74,515 which is included as a current liability, however the Directors do not expect to be required to settle the full amount owing to employees within the next 12 months.

The Directors have determined that the going concern basis is appropriate given:

- (a) The Club has a cash balance at 30 June 2020 of \$44,171.
- (b) Whilst the Club has a recent history of incurring negative operating cashflows the Club has realised assets to fund these losses to date. In the short term Directors will continue to look for opportunities to sell assets to allow the club to be in a position to benefit from improved economic conditions in the future.
- (c) The Directors expect to continue to receive support from government stimulus measures including the Jobkeeper and Cashflow Boost programs for at least the period until 30 September 2020.
- (d) The Directors and management have continued to review costs and implement savings since year end in order to reduce costs in response to continued declining revenue.
- (e) The Directors expect to receive the ongoing support of its members, suppliers and the Australian Taxation Office
- (f) The Directors continue to explore opportunities to sell assets including the Land adjacent to the Club in order to realise cash to support the Club's operations and activities and to meet its obligations to creditors and employees.

It is on this basis that the Directors have determined that the going concern basis is appropriate.

If the Club is unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in this financial report. The financial report does not include any adjustments relating to the recoverability and classification of recorded amounts or to the amounts and classification of liabilities that might be necessary should the Club not continue as a going concern.

(e) Income Taxes

The Club is exempt from income tax under section 50-45 of the Income Tax Assessment Act 1997.

(f) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case, it is recognised as part of the cost of acquisition of the asset or as part of the expense.

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

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

(g) Rounding of amounts

The Club is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with the instrument to the nearest dollar.

Notes to the financial statements

For the year ended 30 June 2020

2 Revenue**(a) Disaggregation of revenue from contracts with customers**

The Club derives revenue from the transfer of goods and services over time and at a point in time for the following services:

	Beverage revenue \$	Gaming revenue \$	Promotions revenue \$	Other revenue \$	Total \$
2020					
Revenue from contracts with customers	257,864	125,913	8,611	31,195	423,583
Other revenue (not covered by AASB15)		9,440	-	-	9,440
	257,864	135,353	8,611	31,195	433,023

Timing of revenue recognition

At a point in time	257,864	135,353	8,611	30,304	432,132
Over time	-	-	-	891	891
	257,864	135,353	8,611	31,195	433,023

	Beverage revenue \$	Gaming revenue \$	Promotions revenue \$	Other revenue \$	Total \$
2019					
Revenue from contracts with customers	407,646	213,904	13,004	33,439	667,993
Other revenue (not covered by AASB15)		17,180	-	-	17,180
	407,646	231,084	13,004	33,439	685,173

Timing of revenue recognition

At a point in time	407,646	231,084	13,004	32,347	684,081
Over time	-	-	-	1,092	1,092
	407,646	231,084	13,004	33,439	685,173

(b) Accounting policies and significant judgements

The Club recognises revenue related to the transfer of promised goods or services when a performance obligation is satisfied and when control of the goods or services passes to the customer. The amount of revenue recognised reflects the consideration to which the Club is or expects to be entitled in exchange for those goods or services.

The Club considers whether there are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g. Loyalty Points Program). In determining the transaction price for the sale of goods, the Club considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

(i) Sale of goods - beverage

Revenue from the sale of beverages is recognised at a point in time when the physical control of the goods passes to the customer.

(ii) Provision of services - gaming revenue

Revenue from rendering services from gaming facilities to members and other patrons of the Club is recognised when the services are provided. Gaming revenue is measured at the fair value of the consideration received from the net position of the wagers placed less customer winnings paid out. Commission revenue where the Club acts as an agent for third parties who provide wagering services to members and guests is recognised at a point in time when the wagering transaction has been completed.

(iii) Provision of services - promotions revenue

Promotions revenue comprises income from raffle and housie and is recognised at a point in time when the customer takes possession of the ticket and the raffle or housie game has been conducted as at this point the performance obligations have been satisfied.

(iv) Other revenue

The Club recognises other revenue at a point in time when the performance obligation has been satisfied.

Notes to the financial statements

For the year ended 30 June 2020

3 Other income and expense items

	2020	2019
	\$	\$
(a) Other income		
Lease Income	22,639	25,965
Interest Income	179	1,647
Government stimulus payment - Jobkeeper	29,893	-
Government stimulus payment - Cashflow boost	16,235	-
Government stimulus payment - Other	10,000	-
Insurance claims	6,518	23,388
Gain on disposal of intangible assets	50,000	-
	<u>135,464</u>	<u>51,000</u>

(i) Lease income

Lease income is recognised in the statement of profit or loss and other comprehensive income on a straight line basis over the term of the lease. Refer to note 9 for further information where the Club acts as lessor.

(ii) Interest income

Interest income is recognised on an accruals basis.

(iii) Government stimulus funding

The Club recognises stimulus funding from the Australian Taxation Office when it is considered to be receivable.

(iv) Insurance recoveries

The Club recognises income from insurance claims when an insured event has occurred and the realisation of the insurance recovery is virtually certain.

(v) Gain on disposal of intangible assets

The Club recognised gains and losses on disposal of intangible assets by comparing proceeds received on sale with the carrying amount of the asset being sold.

(b) Other expenses

Employee Benefits Expense	167,630	185,327
Depreciation expense	53,625	51,987
Interest costs	2,096	276

Notes to the financial statements

For the year ended 30 June 2020

4 Cash and cash equivalents

	2020	2019
	\$	\$
Current		
Cash and Cash Equivalents	44,171	111,258
	<u>44,171</u>	<u>111,258</u>

Accounting policy

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 cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

5 Inventories

Current		
Stock on hand	19,331	26,061
	<u>19,331</u>	<u>26,061</u>

Accounting policy

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

6 Financial assets at amortised cost

Current		
Term deposits	5,000	55,000
Other receivables	20,280	27,149
	<u>25,280</u>	<u>82,149</u>

Accounting policy

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.

7 Other assets

Current		
Prepayments	15,451	23,620
	<u>15,451</u>	<u>23,620</u>

Accounting policy

This includes prepayments made in advance for goods and services which are to be received in a future period.

Notes to the financial statements

For the year ended 30 June 2020

8 Property, plant and equipment

	Land and buildings	Plant and equipment	Poker machines	Bowling greens	Total
	\$	\$	\$	\$	\$
Non-current assets					
At 1 July 2019					
Cost	829,684	456,137	354,449	171,512	1,811,782
Accumulated depreciation	579,623	411,031	328,100	137,659	1,456,413
Net book amount	<u>250,061</u>	<u>45,106</u>	<u>26,349</u>	<u>33,853</u>	<u>355,369</u>
Year ended 30 June 2020					
Opening net book amount	250,061	45,106	26,349	33,853	355,369
Additions	6,359	5,630	-	58,240	70,229
Depreciation charge	27,408	7,837	12,474	5,906	53,625
Closing net book amount	<u>229,012</u>	<u>42,899</u>	<u>13,875</u>	<u>86,187</u>	<u>371,973</u>
At 30 June 2020					
Cost	836,043	461,766	315,922	117,642	1,731,373
Accumulated depreciation	607,031	418,867	302,047	31,455	1,359,400
Net book amount	<u>229,012</u>	<u>42,899</u>	<u>13,875</u>	<u>86,187</u>	<u>371,973</u>

Accounting policy**(a) Land and buildings**

Land and buildings is carried at cost less any accumulated depreciation and any impairment in value.

(b) Plant and equipment, poker machines, bowling greens

Each class of plant and equipment, poker machines and bowling greens is carried at cost less any accumulated depreciation and any

(c) Depreciation

Depreciation is calculated on a straight line basis over the estimated useful life of the asset as follows:

Buildings	10 - 50 years
Plant & Equipment	2.5 - 40 years
Poker Machines	4 years
Bowling Greens	10 years

(d) Impairment

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

For an asset that does not generate largely independent cash in flows, the recoverable amount is determined for the cash generating unit in which the asset belongs.

If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash generating units are written down to their recoverable amount.

The recoverable amount of plant and equipment is the greater of fair value less cost 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. Where the future economic benefits of an asset are not dependant on the asset's ability to generate net cash inflows and if deprived of the asset the Club would replace its remaining future economic benefit, value in use is determined as the depreciated replacement cost of the asset.

Impairment losses are recognised in the statement of profit or loss and other comprehensive income as a separate line item.

Notes to the financial statements

For the year ended 30 June 2020

9 Leases

Lessor

Leases for which the Club is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

As lessor for operating leases, the Club recognises lease payments as income. The underlying asset is depreciated on a straight line basis over its expected useful life.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Club leases out Club land to Optus to use for hosting telecommunications equipment. The lease period for the agreement is 25 years, for which the Club has received an upfront lump sum payment, which is being recognised over the lease period. The Club has classified this lease as an operating lease as it does not transfer substantially all of the risks and rewards incidental to the ownership of the assets. The Club received all payments due to it under this lease agreement in 2019 and any amounts relating to future years is included as an other liability (Note 13). Lease income recognised by the Club during the 2020 financial year was \$9,069 (Note 3).

The Club also leases out Club land to Tomra Collection Pty Ltd to use for hosting recycling services plant. The lease is in place for 5 years, for which the Club receives monthly lease payments. The Club has classified this lease as an operating lease as it does not transfer substantially all of the risks and rewards incidental to the ownership of the assets. Lease income recognised by the Club during the 2020 financial year was \$13,570 (Note 3).

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

Operating lease revenue	Total
	\$
Less than one year	13,570
One to two years	13,570
Two to three years	7,917
Total	<u>35,057</u>

Notes to the financial statements

For the year ended 30 June 2020

10 Trade and other payables

	2020	2019
	\$	\$
Current		
Trade payables	28,323	21,823
GST payable	8,237	15,319
	<u>36,560</u>	<u>37,142</u>

Accounting policy

Trade and other payables, including accruals, are recorded initially at fair value and subsequently at amortised cost. Trade and other payables are non-interest bearing. Trade accounts payable are normally settled within 30 days.

11 Financial liabilities**Current***Secured*

Other finance liabilities (i)	1,221	13,318
Total secured financial liabilities	<u>1,221</u>	<u>13,318</u>

Unsecured

Insurance loan	3,768	-
Total unsecured financial liabilities	<u>3,768</u>	<u>-</u>
	<u>4,989</u>	<u>13,318</u>

(i) Other secured finance liabilities

The other finance liabilities are secured by a fixed charge over the specific assets that are financed.

Accounting policy

Financial liabilities are initially recognised at fair value, net of transaction costs incurred. Borrowing costs are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit or loss and other comprehensive income over the period of the borrowings using the effective interest rate method.

Financial liabilities are classified as current liabilities unless the Club has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

12 Provisions**Current**

Employee entitlements (i) & (ii)	74,515	73,177
Maintenance	-	24,388
	<u>74,515</u>	<u>97,565</u>

Non-current

Employee entitlements (ii)	558	889
	<u>558</u>	<u>889</u>

Accounting policy*(i) Annual leave*

Liabilities for annual leave expected to be settled within 12 months of the reporting date, are recognised in the provision for employee benefits in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Any annual leave expected to be settled beyond 12 months of the reporting date is measured at the present value of expected future payments.

(ii) Long service leave

The liabilities for long service 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.

Notes to the financial statements

For the year ended 30 June 2020

13 Other liabilities

	2020	2019
	\$	\$
Current		
Contract liabilities - membership income	36	246
Other liabilities	9,209	9,741
	<u>9,245</u>	<u>9,987</u>
Non-current		
Other liabilities	108,312	116,848
	<u>108,312</u>	<u>116,848</u>

Accounting policy

Revenues received in advance are recorded as a contract liability if they are in relation to contracts with customers under AASB 15 and recognised as revenue when they are earned in future periods. Other revenue received in advance that is not covered by AASB 15 is recorded as other liabilities and is recognised as revenue when they are earned in future periods.

14 Commitments

(i) <i>Capital Commitments</i>		
New bowling green (balance owing)	-	58,240
	<u>-</u>	<u>58,240</u>

15 Related parties

Transactions between related parties are on normal commercial terms and conditions, and are no more favourable than those available to other parties unless otherwise stated.

(a) *Key management personnel compensation*

Total key management personnel benefits	<u>80,999</u>	<u>93,233</u>
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16 Critical accounting estimates and judgements

Management is required to make judgements, estimates and assumptions about reported amounts of assets, liabilities, income and expenses that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

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 and future periods if the revision affects both current and future periods.

Judgements made by management that have significant effects on the financial statements and estimates with a significant risk of material adjustment in the next period are disclosed where applicable, in the relevant notes to the financial statements:

- Estimation of useful lives of non-current assets (note 8) - 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.

Directors' declaration

In the Directors' opinion:

- (a) the financial statements and notes set out on pages 6 to 18 are in accordance with the Co-operatives National Law (NSW) 2014, including:
 - (i) comply with Australian Accounting Standards - Reduced Disclosure Requirements, and the Co-operatives National Regulations (NSW) 2014.
 - (ii) giving a true and fair view of the Club's financial position as at 30 June 2020 and of its performance for the financial year ended on that date, and
- (b) there are reasonable grounds to believe that the Club will be able to pay its debts as and when they become due and payable.

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



Kevin Tomkins - President



Robert Everson - Treasurer

Tomago
1 October 2020

Independent assurance practitioner's review report to the members of Tomago Bowling Club Co-Operative Limited

Report of 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 2020 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.

Director's 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 and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Assurance practitioner's responsibility

Our responsibility is to express a conclusion on the accompanying financial report. We conducted our review in accordance with Australian Standard on Review Engagements ASRE 2400, Review of a Financial Report 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.

Matters relating to the electronic presentation of the audited financial report

The assurance practitioner's report relates to the financial report of the Club for the year ended 30 June 2020 included on the Club's web site. The Club's Directors are responsible for the integrity of the Club'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.

Basis for adverse conclusion

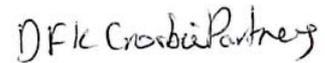
The Club has recorded a net loss of \$80,631 for the year ended 30 June 2020 with continued declining trading performance. Negative operating cashflows of \$88,529 have been incurred and a deficiency in working capital has been identified such that current liabilities exceeded current assets by \$21,076. The Club has also been significantly impacted by the onset of COVID-19 with the closure of the Club and subsequent restrictions upon reopening. The Club's continued net losses, negative operating cashflows and the deterioration in its statement of financial position along with the matters outlined in Note 1(d) indicate that the going concern basis for preparation of the financial statements is inappropriate and therefore the Club may be required to realise its assets and discharge its liabilities other than in the normal course of business and at the amounts different to those stated in the financial report.

Adverse conclusion

Based on our review, due to the significance of the matter discussed in the Basis for Adverse Conclusion paragraph, the financial statements do not present fairly, the financial position of Tomago Bowling Club Co-operative Limited as at 30 June 2020, 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.



Shaun Mahony - Partner



DFK Crosbie Partners
Chartered Accountants

1 October 2020
Newcastle West, NSW