

TENTERFIELD BOWLING CLUB LIMITED

ABN 81 213 011 418

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

TENTERFIELD BOWLING CLUB LIMITED
ABN 81 213 011 418

ANNUAL REPORT
FOR THE YEAR ENDED 30 JUNE 2019

TABLE OF CONTENTS

Office Bearers

President's Report

Secretary Manager's Report

Ladies Bowls Report

Auditor's Independence Declaration

Statement of Profit or Loss and Other Comprehensive Income

Statement of Financial Position

Statement of Changes in Equity

Statement of Cash Flows

Notes to the Financial Statements

Directors Declaration

Independent Auditors Report

Compilation Report

Detailed Trading Statements

Detailed Income and Expenditure Statement

TENTERFIELD BOWLING CLUB LIMITED

ABN 81 213 011 418

**OFFICE BEARERS
FOR THE YEAR ENDED 30 JUNE 2019**

PATRONS

D Pepper

LIFE MEMBERS

T Kneipp, M Annis-Brown, D Pepper, M Johnston

PRESIDENT

J Bennett

VICE PRESIDENT

R Jordan

HONOURARY TREASURER

A Donges

DIRECTORS

M Johnston

K Mooney

S Davies

PUBLICITY OFFICER

GAMES & SELECTION COMMITTEES

MEN

B Titcume

G Ambrose

B Parker

G Warner

LADIES

P Stanbridge

K Hurtz

A Scott

AUDITOR

Crowe Central North

TENTERFIELD BOWLING CLUB LIMITED

ABN 81 213 011 418

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

It is with pleasure I present the 2019 Annual Presidents report of the Tenterfield Bowling Club. Once again, the reports, including the financial and operational reports show a positive result, indicating we are going well as a business overall in what is becoming a challenging industry, especially in rural communities.

The Club continues to perform well in many areas including the Motel, Gaming and Bar sales as well as the Greenview Restaurant, a result of good all-round management, from the Board of directors, senior Management, all staff including administration and of course with the assistance of our many valued volunteers. All stakeholders play an important role in the team including contract cleaners, and of course the diligent work of our greenkeeper Terry, who currently, as with many of us, are dealing with unprecedented dry weather conditions. The on-going drought and uncertain longevity of it poses challenges to our Bowling Green survival, as indeed it does to the wider community.

With the persistent support of our Bowling Committees the Tenterfield Bowling Club was successful in securing a \$50,000 grant from the Federal Government to assist with the purchase and installation of sun-shades for the Bowling Greens which will have a real value in sun-protection for Bowlers as well as being an attractive look for members, visitors and tourists.

Special thanks to our Ladies and Men's Bowls Committees, including selectors and the many bowlers who volunteer their time to ensure the success of Bowls Carnivals and the regular weekly social games.

The challenge remains of course to maintain and increase our affiliated bowling member numbers, and I'm aware that all bowlers, affiliated or otherwise are working towards turning this around, among the challenges being the demographics which include the difficulty in recruiting younger people into the sport and the ageing of our traditional bowling member base, a situation not unique to Tenterfield.

A great deal of time and energy has gone into Strategic Planning workshops this year and finally the Board has determined a starting point for Stage 1 of a multi-stage Strategic Plan which we believe will hold the Tenterfield Bowling Club in good stead in the coming years.

On behalf of the Board of Directors and Members I take this opportunity to extend our best wishes to members who are ailing, and also to pay tribute to all members who have passed in the last year. Our deepest sympathy and commiserations to their family and friends.

Finally, many thanks to General Manager Stephen Bowen for his input to another good year for the Club, and thanks also to all Directors, including those who stood down through the course of the year.

Due to the two-year term of the next Board, we wish all successful Directors the best of success for the term.

Most importantly thanks to all members for their patronage and support.

**James Bennett
President**

TENTERFIELD BOWLING CLUB LIMITED

ABN 81 213 011 418

**GENERAL MANAGERS REPORT
FOR THE YEAR ENDED 30 JUNE 2019**

It is my pleasure to present to you my report for the 2018/19 financial year.

This year has seen continued growth in most areas of the club. Bar sales increased to \$623,475 compared to \$605,134 in 2018, with costs of goods decreasing to \$306,694 in 2019 compared to \$318,228 in 2018. With sales increasing and cost of goods decreasing it is reflected in our bar GP improving by 3.4% and the overall profit increasing by \$29,875 to \$316,781 for the year. Ongoing improvements and updates on our gaming floor included a new, familiar and efficient way for members and especially visitors to collect their winnings through a system introduced called TITO (ticket in ticket out). Once again, the club has invested in new gaming machines to keep our gaming floor up to date and refreshed. Along with these changes and smaller changes our gaming income for the 18/19 financial year reached in excess of 1.3 million dollars compared to just over 1 million dollars last year. Gaming expenses more than doubled, the reason for this being tax on income over 1 million dollars. Overall an increase of \$177,523 for the year; a great result.

Motel sales decreased to \$457,863 in 2019 from \$471,860 in 2018. Expenses increased by \$10,000 but our motel rooms are now equipped with new appliances and have been repainted. More refurbishments in the 19/20 financial year will improve the overall look of our motel rooms which should increase business and keep the rooms up to standard. Overall, a very healthy profit of \$311,551 for the year.

The 2019/20 year will see the club face many new and unfamiliar challenges. With the drought worsening, it is hard to say what sort of impact that will have on the club. I would like to mention it is important that we as a club, support the overall community where we can in these tough times for the town.

Plenty of new events have been added this year including, live bands & karaoke. While some nights have been more successful than others it has given members & visitors a place to go on Saturday night and I am sure leading into summer we will see continuous growth for these monthly events. The club also hosted 2 sporting legend nights throughout the year which were both a success. This year, with the support of the bowls committee's I would like to see more social bowls events for the local Tenterfield community. Making them aware bowls can be a sport enjoyed by all will be a vital step in making sure bowls is a sport of the future for Tenterfield.

Strategic planning is well underway and with a new board being introduced for a 2-year term I am certain members and visitors will see some great improvements to the club in this time frame. It is important we all embrace the future to ensure the viability of the club.

I would personally like to thank the Members, Board of Directors, Annette, bar staff, Scott and his team, Terry, bowls committees, Kylie & Debbie and volunteers for their continuous support throughout the year to make Tenterfield Bowling Club clearly the place to be!

I hope you all have a safe, healthy and happy year.

Stephen Bowen
General Manager

TENTERFIELD BOWLING CLUB LIMITED

ABN 81 213 011 418

**LADIES BOWLS REPORT
FOR THE YEAR ENDED 30 JUNE 2019**

Congratulations to the winners of our Ladies Section Club Championships.

A Grade Singles	Elana Scott
Pairs	Penny Stanbridge and Sue Ross
Triples	Barbara Carter, Shirley Alcock and Penny Stanbridge
Fours	Barbara Carter, Shirley Alcock, Sue Ross and Penny Stanbridge

Some of our ladies competed in the SDDLBA (Southern Downs District Ladies Bowling Association) Competitions with wonderful results.

Fours	Judy Richardson, Julie Brown, Elena Scott and Shirley Tribe
A Grade Singles	Runner Up - Elana Scott

The most recently held Pairs in early August 2019
Pairs Judy Richardson and Julie Brown were the champions

Tenterfield Ladies also hold important positions on the SDDLBA Executive, with Barbara Carter the District President, Shirley Alcock – Vice President, Elana Scott – Match Chairperson and Past President Pauline Ezzey.

In February we held our own successful P & M/Gala Day with clubs coming from our district and NSW. Tenterfield Ladies represented our club by attending P & M/Gala Days at Southern Cross, Inglewood, Tannymorel, Goondiwindi, Texas, Glen Innes, Guyra and Inverell.
In May we held the SDDLBA Championships here at our Club.

We have donated money to the Rural Fire Brigade, after the huge fires we suffered from Wallangarra through to Boonoo Boonoo. Our biggest and by far most successful fund raiser was “Beanies for Brain Cancer”. We thank all the ladies who knitted or crocheted the beautiful beanies that were sold on the fun day. Also, thanks to the people who donated prizes for the raffle and contributed donations via the “Box on the Bar”

Some of our Super Veterans chose to retire this year – Elma Coughran, Pat Ebert and Pat Pepper. We thank them for their many years of devotion to our club. Margaret Green and Fay Bohn moved away. Sadly, we lost our dear Katie Graham in April.

We have continued inviting the Men to join us for bowls on Wednesdays. We commenced Mixed Wednesdays in January 2017 and I'm sure the Wednesday men enjoy our company.
Thanks to our selectors Elana Scott, Shirley Alcock and Judy Richardson for your work in the Selectors Office organising our games and competitions. Thank you to Past President Rita Kling (July to November) and Penny Stanbridge (November to June) for their dedication and leadership of the Ladies section. Thanks also goes to Vice President Pauline Ezzey and Jnr. Vice Val Bulter.

Thank you to our Green Keeper Terry for keeping our green running during this long drought. Of course, were would be without our Bar Staff serving us coffee and drinks. Congratulations to our Manager Stephen Bowen and the Board for another successful year.

**Kay Hurtz
Ladies Secretary**

TENTERFIELD BOWLING CLUB LIMITED

ABN 81 213 011 418

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

Your directors present their report on the Club for the financial year ended 30 June 2019.

Directors

The names of the directors in office at any time during, or since the end of, the year and the period that each director has been in office:

Directors Name	Special Responsibilities	Period as Director	Qualifications and Experience
Mr J Bennett	President	Appointed September 2017	President Since September 2017 Board Member since September 2017
Mr R Jordan	Director	Appointed September 2018	Board Member since September 2018 Vice President Since September 2018
Mr A Donges	Treasurer	Appointed September 2012	Board Member since September 2012 Treasurer since September 2012
Mrs M Johnston	Director	Appointed September 2014	Board Member since September 2014
Mr G Battersby	Director	Appointed September 2014 Resigned September 2018	Board Member since September 2014
Mr K Mooney	Director	Appointed September 2014	Board Member since September 2014
Mr N Richardson	Director	Appointed September 2018 Resigned March 2019	Board Member since September 2018
Mr G Ambrose	Director	Appointed September 2017 Resigned February 2019	Board Member since September 2017
Ms S Davies	Director	Appointed September 2018	Board Member since September 2018
Mr R Baguley	Director	Appointed September 2017 Resigned September 2018	Board Member since September 2017

Meetings of Directors

During the financial year, 14 meetings of directors (including committees of directors) were held and the attendances by each director during the year were as follows:

	Directors' Meetings	
	Eligible to attend	Number attended
Mr J Bennett	14	14
Mr R Jordan	11	10
Mr A Donges	14	13
Mrs M Johnston	14	14
Mr G Battersby	4	4
Mr K Mooney	14	10
Mr N Richardson	8	8
Mr G Ambrose	9	9
Ms S Davies	11	9
Mr R Baguley	4	4

TENTERFIELD BOWLING CLUB LIMITED

ABN 81 213 011 418

DIRECTORS REPORT FOR THE YEAR ENDED 30 JUNE 2019

Principal Activities

The principal activities of the Club are that of a Licensed Club to facilitate the promotion and development of lawn bowls, to assist other sporting associations, schools, cultural and charity organisations.

Short Term Objectives of the Club

The Club has identified the following short term objectives:

- To provide services to members commensurate with industry needs and regulatory requirements.
- To encourage more members to use the clubs facilities
- To meet financial viability and accountability requirements
- To provide a workplace that is compliant with industry and legislative requirements.
- To reduce club debt

The Club has adopted the followings strategies in order to achieve these short term objectives:

- To continue the operation of sport committees to achieve sporting outcomes and promotion of the Club
- Continue to be provided with timely financial reports to assist in making financial decisions
- Development of an operational budget and reporting back to such budget

Long Term Objectives of the Club

The Club has identified the following long term objectives:

- To ensure a sustainable industry
- To continue to be financially secure and viable
- To grow the Club operations in accordance with member interests.
- To continue to comply with industry regulations and legislation

The Club has adopted the followings strategies in order to achieve these long term objectives:

- Continue to be provided with timely financial reports to assist in making financial decisions
- The preparation of budgets to accommodate club infrastructure needs, service delivery, and employment costs, whilst remaining financially secure.

Performance Measurement

The Club uses the following key performance indicators to measure performance:

- A profit for the financial year of \$311,551 compared to the 2018 profit of \$63,175
- Cash flow from operating activities for the financial year was \$661,034, last year \$384,831
- Borrowings of the Club for the financial year \$219,915, last year \$317,251

Membership Details

The Tenterfield Bowling Club is incorporated under the Corporations Act 2001, and is an entity limited by guarantee. As such there is no issued capital nor is any member liable for any debts of the Club in the event the Club is wound up. However at the same time no member is entitled to share in any profits that arise from the operations of the Club.

In the event of the Club being wound up, any profits any profits or surplus assets are to be transferred to another such like organisation with similar aims and objectives to this Club. In the event of a winding up the contributions to be made by members are limited to \$20 per member.

As of the 30th June the Club had 1,790 members including 4 life members. At \$20 per member, the total member contribution on winding up would be \$35,800.

TENTERFIELD BOWLING CLUB LIMITED

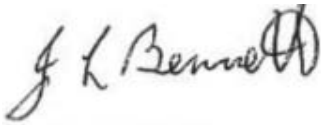
ABN 81 213 011 418

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

Auditors' Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is attached to these financial statements.

Signed in accordance with a resolution of the Board of Directors



President



Treasurer

Dated this 26 August 2019

**AUDITORS' INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
TENTERFIELD BOWLING CLUB**

ABN 81 213 011 418

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

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

CROWE CENTRAL NORTH



Kylie Ellis
Partner
Registered Company Auditor (ASIC RAN 483424)
90 Rusden St
ARMIDALE NSW 2350

Dated: 26 August 2019

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss Verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Central North, an affiliate of Findex (Aust) Pty Ltd. Liability limited by a scheme approved under Professional Standards Legislation. Liability limited other than for acts or omissions of financial services licensees.
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TENTERFIELD BOWLING CLUB LIMITED

ABN 81 213 011 418

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

	Note	2019 \$	2018 \$
Sales revenue	3	623,475	605,134
Cost of goods sold		<u>(306,694)</u>	<u>(318,228)</u>
Gross profit		<u>316,781</u>	<u>286,906</u>
Other revenue	3	2,095,346	1,724,454
Advertising and marketing expenses		(137,179)	(126,678)
Gaming Expenses		(246,173)	(132,284)
Bowling Expenses		(37,376)	(28,115)
Motel Expenses		(258,286)	(248,126)
Employee benefits expense		(558,197)	(609,427)
Depreciation expense	4	(296,115)	(291,583)
Occupancy expenses		(249,399)	(246,678)
Administration expenses		(137,201)	(125,915)
Other expenses		<u>(180,650)</u>	<u>(139,380)</u>
Profit/(Loss) before income tax expense		<u>311,551</u>	<u>63,175</u>
Income tax expense	1(a)	<u>-</u>	<u>-</u>
Profit/(Loss) after income tax expense		<u>311,551</u>	<u>63,175</u>
Other comprehensive income for the year, net of tax		<u>-</u>	<u>-</u>
Total comprehensive profit/(loss) for the year		<u>\$ 311,551</u>	<u>\$ 63,175</u>
Total comprehensive income attributable to members of the entity		<u>\$ 311,551</u>	<u>\$ 63,175</u>

TENTERFIELD BOWLING CLUB LIMITED

ABN 81 213 011 418

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019**

	Note	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	689,183	476,633
Trade and other receivables	6	5,315	9,760
Inventories	7	32,682	27,935
Financial assets	10	5,306	5,280
Other current assets	8	14,925	24,741
TOTAL CURRENT ASSETS		747,411	544,349
NON CURRENT ASSETS			
Property, plant and equipment	9	2,746,899	2,719,294
TOTAL NON CURRENT ASSETS		2,746,899	2,719,294
TOTAL ASSETS		3,494,310	3,263,644
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	125,553	111,557
Borrowings	12	80,319	110,391
Provisions	13	162,979	156,969
Other liabilities	14	13,460	12,305
TOTAL CURRENT LIABILITIES		382,311	391,221
NON CURRENT LIABILITIES			
Borrowings	12	139,596	206,860
Provisions	13	7,640	12,438
TOTAL NON CURRENT LIABILITIES		147,236	219,298
TOTAL LIABILITIES		529,547	610,520
NET ASSETS		\$ 2,964,763	\$ 2,653,123
EQUITY			
Retained earnings		2,958,348	2,646,797
Travelling bowlers reserve		6,415	6,325
TOTAL EQUITY		\$ 2,964,763	\$ 2,653,123

TENTERFIELD BOWLING CLUB LIMITED

ABN 81 213 011 418

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

	Travelling Bowlers Reserve	Retained Earnings	Total
	\$	\$	\$
Balance at 30 June 2017	<u>\$ 7,108</u>	<u>\$ 2,583,622</u>	<u>\$ 2,590,730</u>
Total comprehensive profit for the year	-	63,175	63,175
Transfers to/(from) reserves	<u>(784)</u>	<u>-</u>	<u>(784)</u>
Balance at 30 June 2018	<u>\$ 6,324</u>	<u>\$ 2,646,797</u>	<u>\$ 2,653,121</u>
Total comprehensive profit for the year	-	311,551	311,551
Transfers to/(from) reserves	<u>91</u>	<u>-</u>	<u>91</u>
Balance at 30 June 2019	<u>\$ 6,415</u>	<u>\$ 2,958,348</u>	<u>\$ 2,964,763</u>

TENTERFIELD BOWLING CLUB LIMITED

ABN 81 213 011 418

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019**

	Note	2019 \$	2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		2,980,981	2,593,725
Payments to suppliers and employees		(2,307,691)	(2,193,898)
Interest received		1,145	931
Finance costs		<u>(13,401)</u>	<u>(15,927)</u>
Net cash provided by (used in) operating activities		<u>661,034</u>	<u>384,831</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment & Insurance Recoveries		23,504	4,913
Transfers from investments		(26)	(84)
Purchase of property, plant and equipment		<u>(374,626)</u>	<u>(152,341)</u>
Net cash (used in) provided by investing activities		<u>(351,148)</u>	<u>(147,512)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		<u>(97,336)</u>	<u>(100,511)</u>
Net cash (used in) provided by financing activities		<u>(97,336)</u>	<u>(100,511)</u>
Net increase (decrease) in cash held		212,550	136,808
Cash at the beginning of the financial year		<u>476,633</u>	<u>339,825</u>
Cash at the end of the financial year	5 (a)	<u>\$ 689,183</u>	<u>\$ 476,633</u>

TENTERFIELD BOWLING CLUB LIMITED
ABN 81 213 011 418
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

Note 1: Statement of Significant Accounting Policies

Basis of Preparation

The financial statements cover Tenterfield Bowling Club as an individual entity. Tenterfield Bowling Club is a public company limited by guarantee, incorporated and domiciled in Australia.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for not-for-profit oriented entities.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies.

The financial statements were authorised for issue on 26 August 2019 by the directors of the company.

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Accounting Policies

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

(a) Income Tax

No provision for income tax has been raised as the entity is exempt from paying income tax under Div 50 of the Income Tax Assessment Act 1997. Please refer to Note 16 pertaining to further information regarding to the Club's Tax exemption.

(b) Inventories

Inventory is recorded on a first in first out (FIFO) basis. Inventories are measured at the lower of cost and net realisable value.

(c) Property, Plant and Equipment

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

Property

Freehold land and buildings are shown at cost less depreciation and impairment losses.

TENTERFIELD BOWLING CLUB LIMITED

ABN 81 213 011 418

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

Note 1: Statement of Significant Accounting Policies

Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining the recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including building and capitalised leased assets, but excluding freehold land, is depreciated on a diminishing value basis over their useful lives to the Club commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Class of Fixed Asset	Depreciation Rate
Land Improvements	3.0%
Bowling Greens & Additions	2.5% to 10%
Club House & Additions	2.5% to 12.5%
Bar Plant & Equipment	5% to 100%
Gaming Machines	20% to 33.3%
Plant & Equipment	2.5% to 100%
Gaming Facilities	2.5% to 20%
Office Equipment	2.5% to 100%
Motel & Motel Plant & Equipment	2.5% to 100%
Restaurant Plant & Equipment	10% to 50%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An assets' carrying amount is written down immediately to its recoverable amount if the assets' carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(d) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Club commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified as 'fair value through profit and loss' in which case transactions costs are expensed to the statement of profit or loss and other comprehensive income immediately.

TENTERFIELD BOWLING CLUB LIMITED

ABN 81 213 011 418

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

Note 1: Statement of Significant Accounting Policies

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The effective interest rate method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contract terms) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in the statement of profit or loss and other comprehensive income.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(ii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Club's intention to held these investment to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iv) Financial liabilities

Non-derivative financial liabilities, other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised through the statement of profit or loss and other comprehensive income through the amortisation process and when the financial liability is recognised.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions.

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for sale financial instruments, a significant or prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of profit or loss and other comprehensive income.

TENTERFIELD BOWLING CLUB LIMITED

ABN 81 213 011 418

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

Note 1: Statement of Significant Accounting Policies

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in the statement of profit or loss and other comprehensive income.

(e) Impairment of Assets

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use to the asset's carrying value. Any excess of the asset's carrying value of its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the Club estimates the receivable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for intangible assets with indefinite lives.

(f) Employee Benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are recognised in non-current liabilities, provided there is an unconditional right to defer settlement of the liability. The liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government or commercial bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

TENTERFIELD BOWLING CLUB LIMITED

ABN 81 213 011 418

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

Note 1: Statement of Significant Accounting Policies

(g) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(h) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(i) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Club during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(j) Revenue

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvements in those goods.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

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

(k) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case it is recognised as part of the cost of the 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 included in receipts from customers or payments to suppliers.

Commitments and contingencies are disclosed on a gross basis.

(l) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

TENTERFIELD BOWLING CLUB LIMITED
ABN 81 213 011 418
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

Note 1: Statement of Significant Accounting Policies

(m) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

(n) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the company are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for that period.

Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the company will obtain ownership of the asset or over the term of the lease.

Leases continued

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight line basis over the life of the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(o) Key Management Personnel

One Key Management Personnel exists but non compliance with AASB 124 has been chosen as not to breach confidentiality of the employee.

TENTERFIELD BOWLING CLUB LIMITED
ABN 81 213 011 418
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

Note 1: Statement of Significant Accounting Policies

(p) New, revised or amending Accounting Standards and Interpretations adopted

New and amended standards and interpretations

The company has applied AASB 9 for the first time. The nature and effect of the changes as a result of the adoption of AASB 9 are described below. The impact of adoption of AASB 9 is not considered material.

Several amendments and interpretations apply for the first time in 2019, but do not have an impact on the financial statements of the company.

AASB 9 *Financial Instruments*

AASB 9 *Financial Instruments* replaces AASB 139 *Financial Instruments: Recognition and Measurement* for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The company has applied AASB 9 retrospectively, with the initial application date of 1 January 2018. AASB 9 has not resulted in changes in the carrying amount of the company's financial instruments due to changes in classification and measurement categories.

Given the general quality of the company's trade receivables, there will be no material impact on the introduction of an expected-loss impairment method.

Accounting Standards and Interpretations issued but not yet effective

Certain Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the company for the annual reporting period ending 30 June 2019. The directors have not early adopted any of these new or amended standards and interpretations. The directors are in the process of assessing the impact of AASB 15 *Revenue from Contracts with Customers* (effective 1 January 2019), AASB 1058 *Income of Not-for-Profit Entities* (effective 1 January 2019) and AASB 16 *Leases* (effective 1 January 2019) and its amendments to the extent relevant to the financial statements of the company.

TENTERFIELD BOWLING CLUB LIMITED
ABN 81 213 011 418
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

Note 2: Accounting Policies, Changes in Accounting Estimates and Errors

Management of the Company has determined that there were two errors in the prior year financial statements, one error relating to the calculation of employee sick leave provisions, the other relating to the classification of poker machine revenue and expenses.

The Company has assessed that the employee sick leave provision was overstated in the prior year as a result of an error in the way the provision was calculated. This also resulted in the provision expense being overstated. The Company has also assessed that poker machine revenue and poker machine jackpot expenses were both overstated due to a classification error. There is no impact on the net result relating to this error.

As a result of the these errors and in accordance with AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors, the prior period accounts have been restated. What follows is the result of the restatement.

	Original 2018 \$	Effect of Restatement \$	Restated 2018 \$
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME			
Other revenue	1,754,209	(29,753)	1,724,456
Gaming Expenses	(162,037)	29,753	(132,284)
Employee benefits expense	<u>(604,069)</u>	<u>(5,358)</u>	<u>(609,427)</u>
Profit/(Loss) before income tax expense	68,533	(5,358)	63,175
Income tax expense	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the year	<u>68,533</u>	<u>(5,358)</u>	<u>63,175</u>

	Original 2018 \$	Effect of Restatement \$	Restated 2018 \$
STATEMENT OF FINANCIAL POSITION			
LIABILITIES			
CURRENT LIABILITIES			
Provisions	<u>182,017</u>	<u>(25,048)</u>	<u>156,969</u>
TOTAL CURRENT LIABILITIES	<u>416,269</u>	<u>(25,048)</u>	<u>391,221</u>
TOTAL LIABILITIES	<u>635,568</u>	<u>(25,048)</u>	<u>610,520</u>
NET ASSETS	<u>2,628,075</u>	<u>25,048</u>	<u>2,653,123</u>
EQUITY			
Retained earnings	<u>2,621,751</u>	<u>25,048</u>	<u>2,646,799</u>
TOTAL EQUITY	<u>2,628,075</u>	<u>25,048</u>	<u>2,653,123</u>

TENTERFIELD BOWLING CLUB LIMITED
ABN 81 213 011 418
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

Note 2: Accounting Policies, Changes in Accounting Estimates and Errors

	Original 2017 \$	Effect of Restatement \$	Restated 2017 \$
STATEMENT OF FINANCIAL POSITION			
LIABILITIES			
CURRENT LIABILITIES			
Provisions	186,999	(30,405)	156,594
TOTAL CURRENT LIABILITIES	<u>386,808</u>	<u>(30,405)</u>	<u>356,403</u>
TOTAL LIABILITIES	<u>696,557</u>	<u>(30,405)</u>	<u>666,152</u>
NET ASSETS	<u>2,560,326</u>	<u>30,405</u>	<u>2,590,731</u>
EQUITY			
Retained earnings	<u>2,553,218</u>	<u>30,405</u>	<u>2,583,623</u>
TOTAL EQUITY	<u>2,560,326</u>	<u>30,405</u>	<u>2,590,731</u>

TENTERFIELD BOWLING CLUB LIMITED

ABN 81 213 011 418

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

	Note	2019 \$	2018 \$
Note 3: Revenue			
Operating activities:			
Sales of goods		<u>623,475</u>	<u>605,134</u>
Total Sales		<u>623,475</u>	<u>605,134</u>
Other activities:			
Interest received from other persons		1,145	931
Poker machine income		1,343,720	1,046,096
TAB and Keno Income		40,111	49,150
Bowling Income		20,640	18,494
Motel operations		457,863	471,860
Rebates & Subsidies		82,458	15,682
Raffles & Vouchers		68,648	68,562
Membership subscriptions		7,405	6,894
Vending Machine Commissions		(6,311)	(5,840)
Other revenue		57,071	50,219
Profit on sale of fixed assets		<u>22,596</u>	<u>2,408</u>
Total revenue from other activities		<u>2,095,346</u>	<u>1,724,454</u>
Total revenue		<u>\$ 2,718,821</u>	<u>\$ 2,329,588</u>
Note 4: Significant Expenses			
Advertising		83,656	84,421
Cleaning Contract		224,507	230,915
Insurances		57,624	51,920
Electricity		68,661	72,499
Repairs and Maintenance		32,066	51,801
Superannuation		47,223	50,338
Wages		435,840	543,673
Depreciation expense		296,115	291,583
Note 5: Cash and Cash Equivalents			
Cash on hand		78,400	78,400
Cash at bank		<u>610,783</u>	<u>398,233</u>
		<u>\$ 689,183</u>	<u>\$ 476,633</u>
(a) Reconciliation of cash and cash equivalents			
Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:			
Cash and cash equivalents		<u>689,183</u>	<u>476,633</u>
		<u>\$ 689,183</u>	<u>\$ 476,633</u>

TENTERFIELD BOWLING CLUB LIMITED

ABN 81 213 011 418

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

	Note	2019 \$	2018 \$
Note 6: Trade and Other Receivables			
CURRENT			
Sundry receivables		90	1,635
Trade receivables		<u>5,225</u>	<u>8,125</u>
		<u>\$ 5,315</u>	<u>\$ 9,760</u>
Note 7: Inventories			
CURRENT			
Stock on hand		<u>32,682</u>	<u>27,935</u>
		<u>\$ 32,682</u>	<u>\$ 27,935</u>
Note 8: Other Assets			
CURRENT			
Prepayments		<u>14,925</u>	<u>24,741</u>
		<u>\$ 14,925</u>	<u>\$ 24,741</u>

TENTERFIELD BOWLING CLUB LIMITED

ABN 81 213 011 418

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

	Note	2019 \$	2018 \$
Note 9: Property, Plant & Equipment			
Land and Buildings (at cost)			
Land & Improvements		128,918	128,914
Less Accumulated Depreciation		<u>(24,256)</u>	<u>(22,736)</u>
		<u>104,662</u>	<u>106,178</u>
Bowling Greens		150,000	150,000
Less: Accumulated depreciation		<u>(66,177)</u>	<u>(63,585)</u>
		<u>83,823</u>	<u>86,415</u>
Bowling Green Additions		84,977	30,484
Less: Accumulated depreciation		<u>(13,781)</u>	<u>(11,577)</u>
		<u>71,196</u>	<u>18,907</u>
Bowling Green Sheds		34,469	34,470
Less Accumulated Depreciation		<u>(14,351)</u>	<u>(13,768)</u>
		<u>20,118</u>	<u>20,702</u>
Club House		459,659	459,659
Less: Accumulated depreciation		<u>(176,284)</u>	<u>(169,018)</u>
		<u>283,375</u>	<u>290,641</u>
Club House Additions		889,045	888,492
Less: Accumulated depreciation		<u>(124,583)</u>	<u>(95,120)</u>
		<u>764,462</u>	<u>793,372</u>
Car Park		18,369	18,369
Less: Accumulated depreciation		<u>(5,525)</u>	<u>(5,186)</u>
		<u>12,844</u>	<u>13,183</u>
Motel		986,883	986,883
Less: Accumulated depreciation		<u>(422,003)</u>	<u>(396,873)</u>
		<u>564,880</u>	<u>590,010</u>
Total Land and Buildings		<u>1,905,360</u>	<u>1,919,408</u>

TENTERFIELD BOWLING CLUB LIMITED

ABN 81 213 011 418

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

	Note	2019 \$	2018 \$
Plant, Equipment & Fittings (at cost)			
Bar Plant & Equipment		109,593	264,802
Less: Accumulated depreciation		<u>(89,977)</u>	<u>(220,203)</u>
		<u>19,616</u>	<u>44,599</u>
Gaming Machines		927,171	868,114
Less: Accumulated depreciation		<u>(584,823)</u>	<u>(611,116)</u>
		<u>342,348</u>	<u>256,998</u>
Plant & Machinery		755,145	872,745
Less: Accumulated depreciation		<u>(555,082)</u>	<u>(611,713)</u>
		<u>200,063</u>	<u>261,033</u>
Gaming Facilities		348,525	300,998
Less: Accumulated depreciation		<u>(124,250)</u>	<u>(106,898)</u>
		<u>224,275</u>	<u>194,100</u>
Office Equipment		61,968	56,211
Less: Accumulated depreciation		<u>(44,255)</u>	<u>(42,521)</u>
		<u>17,713</u>	<u>13,690</u>
Motel Plant & Equipment		41,192	40,374
Less: Accumulated depreciation		<u>(33,736)</u>	<u>(31,184)</u>
		<u>7,456</u>	<u>9,190</u>
Restaurant Plant & Equipment		69,531	51,811
Less: Accumulated depreciation		<u>(39,463)</u>	<u>(31,534)</u>
		<u>30,068</u>	<u>20,277</u>
Total Plant, Equipment and Fittings		<u>841,539</u>	<u>799,887</u>
Total Property, Plant and Equipment		<u>\$ 2,746,899</u>	<u>\$ 2,719,294</u>

(a) Movements in carrying amounts

Movements in carrying amount for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Land and Buildings	Plant and Equipment	Total
Balance at the beginning of the year	1,919,408	799,887	2,719,295
Additions	59,420	297,500	356,920
Disposals	(2,123)	(31,077)	(33,200)
Depreciation expense	(71,344)	(224,771)	(296,115)
Carrying amount at the end of the year	<u>\$ 1,905,360</u>	<u>\$ 841,539</u>	<u>\$ 2,746,899</u>

An independent valuation of the Club was carried out on 15 May 2013 by Damien Burley (AAPI CPV Reg No. 6667) of Taylor Byrne.

At 30 June 2019 the directors reviewed the key assumptions made by the valuers at 15 May 2013. They have concluded that these assumptions remain materially unchanged, and are satisfied that carrying value does not exceed the recoverable amount of land and buildings at 30 June 2019.

TENTERFIELD BOWLING CLUB LIMITED

ABN 81 213 011 418

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

	Note	2019 \$	2018 \$
Note 10: Financial Assets			
Held to maturity financial assets		<u>5,306</u>	<u>5,280</u>
		<u>\$ 5,306</u>	<u>\$ 5,280</u>
(a) Held-to-maturity financial assets comprise:			
- term deposits		<u>5,306</u>	<u>5,280</u>
		<u>\$ 5,306</u>	<u>\$ 5,280</u>
Held-to-maturity assets comprise term deposits with financial institutions. There are fixed rate returns upon maturity of these assets.			
Note 11: Trade and Other Payables			
CURRENT			
Unsecured liabilities;			
Trade payables		80,278	67,702
Accrued expenses		-	4,473
Sundry payables and accrued expenses		<u>45,275</u>	<u>39,383</u>
		<u>\$ 125,553</u>	<u>\$ 111,557</u>
Note 12: Borrowings			
CURRENT			
Secured liabilities:			
Bank loan		65,154	64,896
Lease liability - Card IT		<u>15,165</u>	<u>45,495</u>
		<u>\$ 80,319</u>	<u>\$ 110,391</u>
NON-CURRENT			
Secured liabilities:			
Bank loan		139,596	191,695
Lease liability - Card IT		-	<u>15,165</u>
		<u>\$ 139,596</u>	<u>\$ 206,860</u>
Total Borrowings		<u>\$ 219,915</u>	<u>\$ 317,251</u>
(a) Total current and non-current secured liabilities:			
Bank loan		204,750	256,591
Lease liability - Card IT		<u>15,165</u>	<u>60,659</u>
		<u>\$ 219,915</u>	<u>\$ 317,251</u>
The bank loan is secured by the Club.			

TENTERFIELD BOWLING CLUB LIMITED

ABN 81 213 011 418

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

	Note	2019 \$	2018 \$
Note 13: Provisions			
CURRENT			
Provision for Employee Benefits		124,768	122,567
Provision for Poker Machine Jackpots		<u>38,211</u>	<u>34,403</u>
		<u>\$ 162,979</u>	<u>\$ 156,969</u>
NON-CURRENT			
Provision for Employee Benefits		<u>\$ 7,640</u>	<u>\$ 12,438</u>
		<u>\$ 7,640</u>	<u>\$ 12,438</u>
a) Aggregate employee benefits liability		<u>\$ 132,408</u>	<u>\$ 135,005</u>

Provision for employee benefits

A provision has been recognised for employee entitlements relating to annual, long service and personal leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits has been included in note 1 to this report.

Provision for Poker Machine Jackpots

Provision has been made for poker machine jackpots representing the liability accrued as a result of turnover on poker machines in excess of the minimum jackpot amount. The measurement and recognition criteria relating to provisions has been included in Note 1 to this report.

TENTERFIELD BOWLING CLUB LIMITED
ABN 81 213 011 418
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
Note 14: Other Liabilities			
CURRENT			
Funds held		10,025	8,055
Subscriptions received in advance		3,435	4,250
		\$ 13,460	\$ 12,305

Note 15: Capital and Leasing Commitments

(a) Finance Lease Commitments

Payable -minimum lease payments:

- not later than 12 months

15,165 45,495

- between 12 months and five years

- 15,165

Minimum lease payments

\$ 15,165 \$ 60,660

The company has entered into a 3 year lease arrangement with eBet

(b) Capital Expenditure Commitments

As at 30 June 2019, the company had entered an arrangement to purchase a Swiftpos till system.

Note 16: Events After the End of the Reporting Period

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

Note 17: Related Party Transactions

Other Related Parties

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

Transactions with related parties were:

Gil Battersby - Plumbing	\$	-	\$	3,101
TDG Business Services Pty Ltd - contracted to perform accountancy assistance	\$	27,050	\$	26,785
Directors Honorariums	\$	1,500	\$	500

TENTERFIELD BOWLING CLUB LIMITED

ABN 81 213 011 418

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

Note 18: Contingency Regarding Private Binding Ruling Application 2019

During the financial year the Club lodged an application for a Private Binding Ruling via the Australian Taxation Office regarding our entitlement to an Income Tax exemption. Under section 50-45 of the Income Tax Act (1997), the Club is entitled to an exemption from paying tax provided that we can maintain that the Club operates and is maintained primarily for the encouragement of a game or sport.

Our Auditors Crowe advised management to seek advice regarding our revenue and the main areas the club sources this revenue from. It was decided that this avenue was the most efficient in terms of financial cost, and direct communication with the entity ultimately responsible for deciding these matters. Should the ATO rule that the Club does not satisfy the requirements of the Act, we may be faced with a minimum 27.5% rate on taxable income, which may be retrospectively applied to prior financial years.

Whilst awaiting the outcome of this ruling, which may take some time, the Board are committed to ensuring that the Club's conduct, operation, business planning and strategies reflect our position as an active contributor to the Tenterfield Community and surrounds.

TENTERFIELD BOWLING CLUB LIMITED

ABN 81 213 011 418

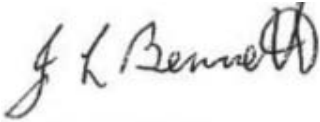
**DIRECTORS' DECLARATION
FOR THE YEAR ENDED 30 JUNE 2019**

In the directors' opinion

1. The attached financial statements and notes thereto comply with the Corporations Act 2001, the Australian Accounting Standards - Reduced Disclosure Requirements, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
2. The attached financial statements and notes thereto give a true and fair view of the company's financial position as at 30 June 2019 and of its performance for the financial year ended on that date; and
3. There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



President



Treasurer

Dated this 26 August 2019

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
TENTERFIELD BOWLING CLUB**

ABN 81 213 011 418

Qualified Opinion

We have audited the accompanying financial report of Tenterfield Bowling Club Limited (the Company), which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss and other comprehensive income, statement of changes in equity and statements of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, except for the possible effect of the matter described in the basis for qualified paragraph, the financial report of Tenterfield Bowling Club is in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the company's financial position as at 30 June 2019 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards Reduced Disclosure Requirements as described in Note 1 and the Corporations Regulations 2001.

Basis for Qualified Opinion

Attention is drawn to Note 1(o) in the financial statements 'Key Management Personnel'. One Key Management Personnel exists but non-compliance with AASB 124 has been chosen as not to breach confidentiality of the employee. All other requirements of this standard have been met.

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Other Information

The directors are responsible for the other information. The other information comprises the information contained in the Company's Directors Report for the year ended 30 June 2019, but does not include the financial report and our auditor's report thereon.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

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**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
TENTERFIELD BOWLING CLUB**

ABN 81 213 011 418

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

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**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
TENTERFIELD BOWLING CLUB**

ABN 81 213 011 418

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

CROWE CENTRAL NORTH



Kylie Ellis
Partner
Registered Company Auditor (ASIC RAN 483424)
90 Rusden St
ARMIDALE NSW 2350

Dated: 27 August 2019

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TENTERFIELD BOWLING CLUB LIMITED

ABN 81 213 011 418

**COMPILATION REPORT TO THE MEMBERS OF
TENTERFIELD BOWLING CLUB LIMITED**

Compilation Report to the Financial Report

We have compiled the accompanying general purpose financial report of Tenterfield Bowling Club, which comprises the statement of financial position as at 30 June 2019, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors declaration. These have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Act 2001 as described in Note 1 to the financial report.

Directors' Responsibility for the Financial Report

The directors of the Tenterfield Bowling Club are solely responsible for the information contained in the general purpose financial report and have determined that the financial reporting framework and basis of accounting used is appropriate to meet their needs and for the purpose that the financial report was prepared.

Our Responsibility

On the basis of information provided by the Directors we have compiled the accompanying general purpose financial report in accordance with the financial reporting framework and basis of accounting specified in Note 1 to the financial report and APES 315 Compilation of Financial Information.

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

The general purpose financial report was compiled exclusively for the benefit of the Directors. We do not accept responsibility to any other person for the contents of the general purpose financial reports.

TDG BUSINESS SERVICES PTY LTD

Chartered Accountants



212 Rouse Street
TENTERFIELD NSW 2372

Dated 27 August 2019

TENTERFIELD BOWLING CLUB LIMITED

ABN 81 213 011 418

DETAILED TRADING STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	2019 \$	2018 \$
Bar Trading		
Sales	623,475	605,134
Cost of goods sold	<u>(306,694)</u>	<u>(318,228)</u>
Bar net profit	<u>\$ 316,781</u>	<u>\$ 286,906</u>
Gross profit percentage to sales	<u>50.81%</u>	<u>47.41%</u>
Poker Machine Income		
Gaming Income	1,343,720	1,046,096
Less: Gaming expenses	<u>(210,608)</u>	<u>(90,507)</u>
Poker Machines net profit	<u>\$ 1,133,112</u>	<u>\$ 955,589</u>
Keno		
Keno Income	<u>36,404</u>	<u>41,751</u>
Keno gross profit	<u>\$ 36,404</u>	<u>\$ 41,751</u>
TAB		
TAB Income	3,707	7,399
Less: TAB expenses	<u>(35,565)</u>	<u>(41,777)</u>
Net profit/(loss)	<u>\$ (31,858)</u>	<u>\$ (34,378)</u>
Motel		
Motel Sales	457,863	471,860
Less: Direct expenses	<u>(258,286)</u>	<u>(248,126)</u>
Net profit	<u>\$ 199,577</u>	<u>\$ 223,733</u>
Bowling Income		
Bowling Income	20,640	18,494
Less: Bowls expenses	<u>(37,376)</u>	<u>(28,115)</u>
Net profit/(loss)	<u>\$ (16,736)</u>	<u>\$ (9,621)</u>

TENTERFIELD BOWLING CLUB LIMITED
ABN 81 213 011 418
DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
Income		
Net profit/(loss) from trading:		
Bar net profit	316,781	286,906
Poker Machines net profit	1,133,112	955,589
Keno gross profit	36,404	41,751
TAB net loss	(31,858)	(34,378)
Motel	199,577	223,733
Bowls loss	(16,736)	(9,621)
Interest received	1,145	931
Alphy and Bingo	14,870	15,549
ATM Commission	15,089	13,061
Membership subscriptions	7,405	6,894
Raffles & Vouchers	68,648	68,562
Rebates & Subsidies	82,458	15,682
Vending Machine Commissions	(6,311)	(5,840)
Profit on sale of assets	22,596	2,408
Sundry income	27,112	21,609
Total Income	1,870,293	1,602,836
Expenditure		
<u>Administration Expenses</u>		
Accounting Fees	27,050	26,785
Audit Fees	22,900	17,010
Bank charges	7,681	7,516
Computer support	16,668	11,489
Consultants	1,120	-
Directors' expenses	8,278	12,932
Honorariums	1,500	500
Legal Fees	1,694	552
Licences & Subscriptions	14,694	11,914
Interest & Other administration expenses	17,064	20,941
Postage, Printing & Stationery	6,144	5,177
Sundry	682	463
Telephone	11,726	10,638
	137,201	125,915
<u>Advertising Expenses</u>		
Advertising	82,536	83,764
Donations & Sponsorships	17,773	7,678
Entertainment	36,870	35,237
	137,179	126,678
<u>Employee Expenses</u>		
Provision expense - annual leave	1,111	(4,330)
Provision expense - long service leave	(3,504)	9,051
Provision expense - sick leave	(204)	(336)
Superannuation	47,223	50,338
Wages	500,154	543,673
Workers Compensation Insurance	13,417	11,030
	558,197	609,427

TENTERFIELD BOWLING CLUB LIMITED
ABN 81 213 011 418
DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
<u>Occupancy Expenses</u>		
Cleaning contract	74,210	72,820
Cleaning materials	5,640	5,145
Electricity	41,778	45,108
Gas	6,936	6,511
Insurance	44,207	40,890
Members Amenities	4,691	1,717
Members Draw	13,364	14,182
Membership Expenses	2,403	3,818
Rates	14,382	13,957
Repairs and maintenance	33,202	37,001
Security	8,586	5,529
	<u>249,399</u>	<u>246,678</u>
<u>Other Expenses</u>		
Sundry expenses	(477)	(914)
Freight	12,649	14,043
Raffle Expenses	74,004	81,796
Alphy & Bingo Expenses	21,363	21,648
Loss on disposal of assets	49,999	-
Staff Amenities & Training	12,769	12,145
Vouchers Redeemed	10,343	10,662
	<u>180,650</u>	<u>139,380</u>
Depreciation	<u>296,115</u>	<u>291,583</u>
Total Expenditure	<u>1,558,742</u>	<u>1,539,660</u>
Profit/(Loss) before Income Tax Expense	<u>311,551</u>	<u>\$ 63,175</u>