

**SAWTELL BOWLING & RECREATION CLUB LIMITED**

**ABN 20 001 064 535**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2014**

**SAWTELL BOWLING & RECREATION CLUB LIMITED**

**ABN 20 001 064 535**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2014**

---

<b><u>Contents</u></b>	<b><u>PAGE</u></b>
<b>Understanding the Financial Statements</b>	<b>1</b>
<b>Directors' Report</b>	<b>2</b>
<b>Auditors' Independence Declaration</b>	<b>5</b>
<b>Statement of Profit or Loss and Other Comprehensive Income</b>	<b>6</b>
<b>Statement of Financial Position</b>	<b>7</b>
<b>Statement of Changes in Equity</b>	<b>8</b>
<b>Statement of Cash Flows</b>	<b>9</b>
<b>Notes to the Financial Statements</b>	<b>10</b>
<b>Directors' Declaration</b>	<b>21</b>
<b>Independent Auditors' Report</b>	<b>22</b>
<b>Disclaimer</b>	<b>24</b>
<b>Detailed Trading, Income and Expenditure Statements</b>	<b>25</b>

## SAWTELL BOWLING & RECREATION CLUB LIMITED

ABN 20 001 064 535

### UNDERSTANDING THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2014

---

#### Introduction

Each year, Sawtell Bowling & Recreation Club Limited is required to prepare and have audited a set of financial statements.

#### What you will find in the Financial Statements

The Financial Statements set out the financial performance, financial position and cash flows of the company for the financial year ended 30 April 2014.

The format of the Financial Statements is standard across company's and complies with both the accounting and reporting requirements of Australian Accounting Standards and requirements as set down in the Corporations Act 2001.

#### About the Directors Report

The Directors Report outlines information relating to the directors who held office during the financial year, and any changes to this board that has occurred until the date of signing.

The Directors Report also outlines the short and long term objectives of the Company and the strategies that the Directors have put in place to achieve these objectives. This report also outlines the key performance indicators that the Directors look at on a regular basis.

#### About the Primary Financial Statements

The Financial Statements incorporate four "primary" financial statement:

#### **1. Statement of Profit or Loss and Other Comprehensive Income**

A summary of the Company's financial performance for the year, listing all income and expenses.

Also records changes in fair values of assets including property, plant and equipment.

#### **2. Statement of Financial Position**

A snapshot of the Company's financial position as at 30 April including all its Assets and Liabilities.

#### **3. Statement of Changes in Equity**

The overall change for the year (in dollars) of the Company's "net wealth".

#### **4. Statement of Cash Flows**

Indicates where the Company's cash came from and where it was spent.

#### About the Notes to the Financial Statements

The Notes to the Financial Statement provide greater detail and additional information on the four primary financial statements.

#### About the Auditor's Report

The Company's Financial Statements are required to be audited by a Registered Company Auditor in line with the Corporations Act 2001.

The Auditor provides an opinion on whether the Financial Statements present fairly the Company's financial performance and position for the financial year and an Auditors Independence Statement confirming that the auditors have complied with Australian Professional Ethical Standards in the performance of the audit engagement.

#### What is an Emphasis of Matter?

An emphasis of matter is not a qualification to the audit opinion. It aims to alert readers of uncertainty of assumptions utilised by directors.

#### About the Disclaimer

This report advises that any pages in the financial statements after this page have not been subjected to audit procedures and have been compiled from the financial data provided by the company.

#### Detailed Trading, Income and Expenditure Statements

These pages provide additional breakdown of the information contained in the statement of comprehensive income.

#### Who uses the Financial Statements?

These financial statements are used by members, financiers and government regulators in various capacities.

## SAWTELL BOWLING & RECREATION CLUB LIMITED

ABN 20 001 064 535

### DIRECTORS REPORT FOR THE YEAR ENDED 30 APRIL 2014

---

Your directors present their report on the company for the financial year ended 30 April 2014.

#### Principal Activities

The company's principal activities are the operation of a registered club for the purposes of promoting bowling and other recreational activities.

These principal activities assist in achieving the short term and long term objectives of the company by:

- providing sporting facilities for the members and the community.
- providing entertainment, dining, gaming and social facilities for members and the community.
- providing turnover, cash flow and profit to meet the financial objectives of the company.

#### Short Term and Long Term Objectives

The company has identified the following short term objectives:

- to provide services to members commensurate with industry needs and regulatory requirements.
- to repay the funds borrowed for the club refurbishment in the short term.
- to encourage more members to use club and sporting facilities.
- to meet financial viability and accountability requirements.
- to provide a workplace that is compliant with industry standards and the Fair Work Act.

The company has identified the following long term objectives:

- to ensure a sustainable company.
- to continue to be financially secure.
- to grow the company operations in accordance with member interests.

#### Strategies

To achieve its stated objectives, the company has adopted the following strategies:

- the preparation of a business and strategic plan that identifies the future for the company and the initiatives that will need to be implemented to promote the company.
- the preparation of an annual budget for financial performance and the regular review of the company performance against the budget by management and directors.
- the review of the company compliance with workplace health and safety and compliance with employment law including the Fair Work Act.
- the preparation of a business and strategic plan to identify the opportunities and strengths of the company to provide a sustainable company.
- the preparation of long term budgets that consider the member service needs, infrastructure needs, service delivery, employment costs and maintaining prudent levels of working capital and liquidity in investment of funds surplus to current requirements.

#### Performance Measurement

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

- Profit, after income tax expense, for the financial year was \$24,312.
- Cash flow from operating activities for the financial year was \$188,274.
- Membership numbers for the financial year was 2,161.

**SAWTELL BOWLING & RECREATION CLUB LIMITED**

ABN 20 001 064 535

**DIRECTORS REPORT  
FOR THE YEAR ENDED 30 APRIL 2014**

**Directors Information**

**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:

<b>Directors Name</b>	<b>Special Responsibilities</b>	<b>Period as Director</b>	<b>Qualifications and Experience</b>
Denis J Scott	Chairman	Appointed 27 July 2008	Retired Director of Schools Previously Project Director
Nigel G Lamond	Vice Chairman	Appointed 19 May 2009	Small business owner for 11 years Farmer 23 years
Katherine M Gill	Treasurer	Appointed 29 July 1998	Retired School Teacher Director 15 years, Treasurer 14 years
Leslie B Grebert	Building Committee	Appointed 30 August 2011	Retired Business Owner and operator
Judith M Sayles	Director	Appointed 7 October 2010	Worked in Finance Sector Director 3 years
Irene M Cowley	Director	Appointed 29 July 2012	Retired - Postal Management
Michael J Langley	Director	Appointed 23 January 2013 Resigned 28 January 2014	Retired

**Meetings of Directors**

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

	<b>Directors' Meetings</b>	
	<b>Eligible to attend</b>	<b>Number attended</b>
Denis J Scott	14	12
Nigel G Lamond	14	14
Katherine M Gill	14	14
Leslie B Grebert	14	13
Judith M Sayles	14	7
Irene M Cowley	14	12
Michael J Langley	12	8

**SAWTELL BOWLING & RECREATION CLUB LIMITED**

**ABN 20 001 064 535**

**DIRECTORS REPORT  
FOR THE YEAR ENDED 30 APRIL 2014**

---

**Membership Details**

The Sawtell Bowling and Recreation Club Limited is a public company limited by guarantee and no shares or options are issued. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$2 each towards meeting any outstanding obligations of the company.

<b>Membership Class</b>	<b>Number of Members</b>	<b>Individual Members Contribution on winding up of Company</b>	<b>Total Members Contribution on winding up of Company</b>
Life / Honorary	15	\$ 2	\$ 30
Bowling	313	\$ 2	\$ 626
Social	1,833	\$ 2	\$ 3,666
Total	2,161	\$ 2	\$ 4,322

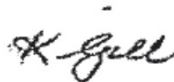
**Auditors' Independence Declaration**

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



Denis J Scott  
Chairman



Katherine M Gill  
Treasurer

Dated: 23 June 2014

**AUDITORS' INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATION ACT 2001  
TO THE DIRECTORS OF  
SAWTELL BOWLING & RECREATION CLUB LIMITED**

**ABN 20 001 064 535**

I declare that, to the best of my knowledge and belief, during the financial year to 30 April 2014 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 Horwath Central North*

**CROWE HORWATH CENTRAL NORTH**

*I. Brooks*

Ian Brooks  
Registered Company Auditor (ASIC RAN 411019)  
107 West High Street  
COFFS HARBOUR NSW 2450

Dated: 30 June 2014

**SAWTELL BOWLING & RECREATION CLUB LIMITED**

ABN 20 001 064 535

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 APRIL 2014**

	Note	2014 \$	2013 \$
Sales revenue	2	923,131	929,785
Cost of goods sold	3	<u>(391,278)</u>	<u>(395,670)</u>
Gross profit		<u>531,853</u>	<u>534,115</u>
Other revenue	2	948,859	999,524
Administration expenses	3	(98,570)	(83,156)
Depreciation expense	3	(151,446)	(169,838)
Employee benefits expense	3	(493,614)	(471,921)
Finance costs	3	(48,315)	(29,190)
Occupancy expenses	3	(207,069)	(214,826)
Other expenses		<u>(457,386)</u>	<u>(501,177)</u>
<b>Profit before income tax expense</b>		<b>24,312</b>	<b>63,531</b>
Income tax expense	1(a)	<u>-</u>	<u>-</u>
<b>Profit after income tax expense</b>		<u><b>24,312</b></u>	<u><b>63,531</b></u>
<b>Other comprehensive income for the year, net of tax</b>		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year</b>		<u><b>\$ 24,312</b></u>	<u><b>\$ 63,531</b></u>

The accompanying notes form part of these financial statements.



**SAWTELL BOWLING & RECREATION CLUB LIMITED**

ABN 20 001 064 535

**STATEMENT OF FINANCIAL POSITION  
AS AT 30 APRIL 2014**

	Note	2014 \$	2013 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	87,867	42,485
Trade and other receivables	5	11,205	14,320
Inventories	6	50,312	45,030
Financial assets	7	160	160
Other current assets	8	11,298	20,395
<b>TOTAL CURRENT ASSETS</b>		<b>160,842</b>	<b>122,390</b>
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	9	3,341,753	2,315,427
Intangible assets	10	397,308	397,308
<b>TOTAL NON CURRENT ASSETS</b>		<b>3,739,061</b>	<b>2,712,735</b>
<b>TOTAL ASSETS</b>		<b>3,899,903</b>	<b>2,835,125</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	149,977	130,175
Borrowings	12	166,469	144,120
Provisions	13	117,479	124,819
Other liabilities	14	35,290	34,349
<b>TOTAL CURRENT LIABILITIES</b>		<b>469,215</b>	<b>433,463</b>
<b>NON CURRENT LIABILITIES</b>			
Borrowings	12	1,197,791	185,698
Provisions	13	-	7,379
<b>TOTAL NON CURRENT LIABILITIES</b>		<b>1,197,791</b>	<b>193,077</b>
<b>TOTAL LIABILITIES</b>		<b>1,667,006</b>	<b>626,540</b>
<b>NET ASSETS</b>		<b>\$ 2,232,897</b>	<b>\$ 2,208,585</b>
<b>EQUITY</b>			
Retained earnings		2,232,897	2,208,585
<b>TOTAL EQUITY</b>		<b>\$ 2,232,897</b>	<b>\$ 2,208,585</b>

The accompanying notes form part of these financial statements.

SAWTELL BOWLING & RECREATION CLUB LIMITED

ABN 20 001 064 535

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 APRIL 2014

---

	Retained Earnings	Total
	\$	\$
<b>Balance at 1 May 2012</b>	2,145,054	2,145,054
Profit after income tax expense	63,531	63,531
Total other comprehensive income for the year	-	-
<b>Balance at 30 April 2013</b>	<u>\$ 2,208,585</u>	<u>\$ 2,208,585</u>
Profit after income tax expense	24,312	24,312
Total other comprehensive income for the year	-	-
<b>Balance at 30 April 2014</b>	<u>\$ 2,232,897</u>	<u>\$ 2,232,897</u>

**SAWTELL BOWLING & RECREATION CLUB LIMITED**

ABN 20 001 064 535

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 APRIL 2014**

	Note	2014 \$	2013 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit from ordinary activities after income tax expense		24,312	63,531
Adjustments for:			
Non cash flows in profit from ordinary activities:			
Depreciation and amortisation		151,446	169,838
(Profit)/Loss on sale of fixed assets		(438)	(13,454)
Changes in Assets and Liabilities:			
(Increase)/decrease in trade and other receivables		3,115	(4,536)
(Increase)/decrease in inventories		(5,282)	(1,593)
(Increase)/decrease in accrued income		-	1,705
(Increase)/decrease in prepaid expenses		9,097	(10,383)
Increase/(decrease) in creditors and accruals		19,802	22,134
Increase/(decrease) in provisions		(14,719)	20,793
Increase/(decrease) in other liabilities		941	(2,157)
Income tax paid	1(a)	-	-
Net cash provided by operating activities		<u>188,274</u>	<u>245,878</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant and equipment		600	17,000
Purchase of property, plant and equipment		<u>(1,177,934)</u>	<u>(207,293)</u>
Net cash used in investing activities		<u>(1,177,334)</u>	<u>(190,293)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Net repayment of borrowings		<u>1,034,442</u>	<u>(123,172)</u>
Net cash used in financing activities		<u>1,034,442</u>	<u>(123,172)</u>
Net increase (decrease) in cash held		45,382	(67,587)
Cash at the beginning of the financial year		<u>42,485</u>	<u>110,072</u>
Cash at the end of the financial year	4 (a)	<u>\$ 87,867</u>	<u>\$ 42,485</u>

**SAWTELL BOWLING & RECREATION CLUB LIMITED**

**ABN 20 001 064 535**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2014**

---

**Note 1: Statement of Significant Accounting Policies**

**Basis of Preparation**

The financial statements cover Sawtell Bowling and Recreation Club Limited as an individual entity. Sawtell Bowling and Recreation Club Limited 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 ('AAASB') 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 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.

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 areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 1 (o).

The financial statements were authorised for issue by the directors on 23 June 2014.

**Accounting Policies**

**(a) Income Tax**

The directors consider that the company is exempt from income tax in accordance with Section 50-45 of the Income Tax Assessment Act 1997.

**(b) Inventories**

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.

**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 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 straight-line basis over their useful lives to the company 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.

**SAWTELL BOWLING & RECREATION CLUB LIMITED**

**ABN 20 001 064 535**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2014**

---

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

Class of Fixed Asset	Depreciation Rate
Land and Buildings	2.5-10%
Indoor Plant & Equipment	10-25%
Outdoor Plant & Equipment	10-20%
Poker Machines	25-33%

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 the date that the company 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 comprehensive income immediately.

**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;
- plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method;
- less any reduction for impairment.

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 costs and other premiums or discounts) 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 comprehensive income.

**(i) Financial assets at fair value through profit and loss.**

Financial assets are classified as 'fair value through profit and loss' when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in the profit or loss.

**SAWTELL BOWLING & RECREATION CLUB LIMITED**

**ABN 20 001 064 535**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2014**

---

**(ii) 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.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period, which will be classified as non-current assets.

**(iii) 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 company's intention to hold these investment to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period, which will be classified as current assets.

If during the period the company sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire category of held-to-maturity investments would be tainted and would be reclassified as available-for-sale.

**(iv) Available-for-sale financial assets**

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Available-for-sale financial assets are included in non-current assets except for those which are expected to be disposed with 12 months after the end of the reporting period, which will be classified as current assets.

**(v) Financial liabilities**

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

**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 comprehensive income.

**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 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 comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the company 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.

**SAWTELL BOWLING & RECREATION CLUB LIMITED**

**ABN 20 001 064 535**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2014**

---

**(f) Intangibles**

**Poker Machine Entitlements**

The poker machine entitlements shown in the accounts represent licences purchased by the club. The company holds other poker machine entitlements that have a market value. If the company were to be wound up or the number of entitlements were in excess of requirements then the poker machine entitlements would be able to be sold at the prevailing market price. Poker machine entitlements are intangible assets classified with an indefinite life. The intangible asset is subject to annual impairment testing to the higher of fair value less related costs to sell and value in use.

**(g) Employee Benefits**

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements.

**(h) 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.

**(i) 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.

**(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) 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 company during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

**(l) 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.

**SAWTELL BOWLING & RECREATION CLUB LIMITED**

**ABN 20 001 064 535**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2014**

---

**(m) 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 Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

**(n) Comparative Figures**

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

**(o) Critical accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The company assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Employee benefits provision

As discussed in note 1 (g), the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

**Note 2: New, revised or amending Accounting Standards and Interpretations adopted**

The company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Any significant impact on the accounting policies of the company from the adoption of these Accounting Standards and Interpretations are disclosed below. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

The following Accounting Standards and Interpretations are most relevant to the company:

AASB 1053 Application of Tiers of Australian Accounting Standards

The company has applied AASB 1053 from 1 May 2013. This standard establishes a differential financial reporting framework consisting of two Tiers of reporting requirements for preparing general purpose financial statements, being Tier 1 Australian Accounting Standards and Tier 2 Australian Accounting Standards - Reduced Disclosure Requirements. The company being classed as Tier 2 continues to apply the full recognition and measurements requirements of Australian Accounting Standards with substantially reduced disclosure in accordance with AASB 2010-2 and later amending Standards, as relevant.

AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements



**SAWTELL BOWLING & RECREATION CLUB LIMITED**

**ABN 20 001 064 535**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2014**

---

The company has applied AASB 2010-2 from 1 May 2013. These amendments make numerous modifications to a range of Australian Accounting Standards and Interpretations, to introduce reduced disclosure requirements to the pronouncements for application by certain types of entities in preparing general purpose financial statements. The adoption of these amendments has significantly reduced the company's disclosure requirements.

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

The company has applied AASB 13 and its consequential amendments from 1 May 2013. The standard provides a single robust measurement framework, with clear measurement objectives, for measuring fair value using the 'exit price' and provides guidance on measuring fair value when a market becomes less active. The 'highest and best use' approach is used to measure non-financial assets whereas liabilities are based on transfer value. The standard requires increased disclosures where fair value is used.

AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle

The company has applied AASB 2012-5 from 1 May 2013. The amendments affect five Australian Accounting Standards as follows: Confirmation that repeat application of AASB 1 'First-time Adoption of Australian Accounting Standards' is permitted; Clarification of borrowing cost exemption in AASB 1; Clarification of the comparative information requirements when an entity provides an optional third column or is required to present a third statement of financial position in accordance with AASB 101 'Presentation of Financial Statements'; Clarification that servicing of equipment is covered by AASB 116 'Property, Plant and Equipment', if such equipment is used for more than one period; clarification that the tax effect of distributions to holders of equity instruments and equity transaction costs in AASB 132 'Financial Instruments: Presentation' should be accounted for in accordance with AASB 112 'Income Taxes'; and clarification of the financial reporting requirements in AASB 134 'Interim Financial Reporting' and the disclosure requirements of segment assets and liabilities.

**SAWTELL BOWLING & RECREATION CLUB LIMITED**

ABN 20 001 064 535

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2014**

	Note	2014 \$	2013 \$
<b>Note 2: Revenue</b>			
Operating activities:			
Bar trading		923,131	929,785
Membership subscriptions		28,933	29,469
Poker machines trading		613,943	660,695
Sundry income		<u>305,057</u>	<u>295,820</u>
Total revenue from operating activities		<u>1,871,064</u>	<u>1,915,769</u>
Non-operating activities:			
Interest received from other persons		488	86
Profit/(loss) on sale of fixed assets		<u>438</u>	<u>13,454</u>
Total revenue from non-operating activities		<u>926</u>	<u>13,540</u>
Total revenue		<u>\$ 1,871,990</u>	<u>\$ 1,929,309</u>
<b>Note 3: Profit Before Income Tax Expense</b>			
(a) Significant expenses			
Cost of sales		391,278	395,670
Administration expenses		98,570	83,156
Depreciation expense		151,446	169,838
Employee Benefits Expense		493,614	471,921
Finance costs		48,315	29,190
Greenkeeping expenses		102,412	159,810
Occupancy expenses		207,069	214,826
Returns to members		273,674	264,107
(b) Remuneration of auditor			
- current year		11,040	10,900
- other non audit services		<u>150</u>	<u>360</u>
		<u>\$ 11,190</u>	<u>\$ 11,260</u>
<b>Note 4: Cash and Cash Equivalents</b>			
Cash on hand		32,076	32,820
Cash at bank		<u>55,791</u>	<u>9,665</u>
		<u>\$ 87,867</u>	<u>\$ 42,485</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>87,867</u>	<u>42,485</u>
		<u>\$ 87,867</u>	<u>\$ 42,485</u>
<b>Note 5: Trade and Other Receivables</b>			
CURRENT			
Trade receivables		6,205	9,320
Deposits		<u>5,000</u>	<u>5,000</u>
		<u>\$ 11,205</u>	<u>\$ 14,320</u>

**SAWTELL BOWLING & RECREATION CLUB LIMITED**

ABN 20 001 064 535

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2014**

	Note	2014 \$	2013 \$
<b>Note 6: Inventories</b>			
CURRENT			
Stock on Hand, at cost		<u>\$ 50,312</u>	<u>\$ 45,030</u>
<b>Note 7: Financial assets</b>			
<b>Available-for-sale financial assets comprise:</b>			
- shares in unlisted corporations, at cost		<u>\$ 160</u>	<u>\$ 160</u>
<b>Note 8: Other Assets</b>			
CURRENT			
Prepayments		<u>11,298</u>	<u>20,395</u>
		<u>\$ 11,298</u>	<u>\$ 20,395</u>
<b>Note 9: Property, Plant &amp; Equipment</b>			
Land and Buildings (at cost)			
Freehold land		<u>231,000</u>	<u>231,000</u>
Buildings		<u>3,221,320</u>	<u>2,066,391</u>
Less: Accumulated depreciation		<u>(343,514)</u>	<u>(304,333)</u>
		<u>2,877,806</u>	<u>1,762,058</u>
Total Land and Buildings		<u>3,108,806</u>	<u>1,993,058</u>
Plant and Equipment (at cost)			
Indoor plant and equipment		<u>856,172</u>	<u>846,368</u>
Less: Accumulated depreciation		<u>(741,984)</u>	<u>(707,613)</u>
		<u>114,188</u>	<u>138,755</u>
Outdoor plant and equipment		<u>117,689</u>	<u>111,294</u>
Less: Accumulated depreciation		<u>(84,409)</u>	<u>(79,265)</u>
		<u>33,280</u>	<u>32,029</u>
Poker machines		<u>631,644</u>	<u>627,644</u>
Less: Accumulated depreciation		<u>(546,165)</u>	<u>(476,059)</u>
		<u>85,479</u>	<u>151,585</u>
Total Plant and Equipment		<u>232,947</u>	<u>322,369</u>
Total Property, Plant and Equipment		<u>\$ 3,341,753</u>	<u>\$ 2,315,427</u>
(a) Movements in carrying amounts			
	Land and Buildings	Plant and Equipment	Total
Balance at the beginning of the year	1,993,058	322,369	2,315,427
Additions	1,154,929	23,005	1,177,934
Disposals	-	(162)	(162)
Depreciation expense	<u>(39,181)</u>	<u>(112,265)</u>	<u>(151,446)</u>
Carrying amount at the end of the year	<u>\$ 3,108,806</u>	<u>\$ 232,947</u>	<u>\$ 3,341,753</u>

(b) There is a registered mortgage over all properties owned by the company.

(c) No impairment has been recognised in respect of plant and equipment.

**SAWTELL BOWLING & RECREATION CLUB LIMITED**

ABN 20 001 064 535

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2014**

	Note	2014 \$	2013 \$
<b>Note 10: Intangible Assets</b>			
Poker machine entitlements (at cost)		<u>397,308</u>	<u>397,308</u>
		<u>\$ 397,308</u>	<u>\$ 397,308</u>
<b>Poker Machine Entitlements</b>			
Poker machine entitlements are assessed as having an indefinite useful life. The measurement and recognition criteria is outlined in note 1 to the financial statements			
Poker machine entitlements have been impairment tested using calculations of the higher of fair value, less costs to realise, and value in use. The directors believe that the carrying amount of poker machine entitlements are not impaired and annual impairment testing will be conducted at 30 April 2015.			
<b>Note 11: Trade and Other Payables</b>			
CURRENT			
Trade payables		56,615	61,341
Capital works payables		26,199	14,355
Sundry payables and accrued expenses		<u>67,163</u>	<u>54,479</u>
		<u>\$ 149,977</u>	<u>\$ 130,175</u>
<b>Note 12: Borrowings</b>			
CURRENT			
Secured liabilities:			
Bank loan		<u>166,469</u>	<u>139,560</u>
		<u>166,469</u>	<u>144,120</u>
NON-CURRENT			
Secured liabilities:			
Bank loan		1,197,791	185,698
Lease liability		-	-
		<u>1,197,791</u>	<u>185,698</u>
Total Borrowings		<u>\$ 1,364,260</u>	<u>\$ 329,818</u>
(a) Total current and non-current secured liabilities:			
Bank loan		1,364,260	325,258
Lease liability		-	4,560
		<u>\$ 1,364,260</u>	<u>\$ 329,818</u>
(b) The carrying amounts of non-current assets pledged as security are:			
First mortgage over freehold land and buildings		<u>\$ 3,108,806</u>	<u>\$ 1,993,058</u>
(c) The unused finance facilities are:			
Bank overdraft		30,000	30,000
Bank loan		-	300,000
		<u>\$ 30,000</u>	<u>\$ 330,000</u>

**SAWTELL BOWLING & RECREATION CLUB LIMITED**

ABN 20 001 064 535

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2014**

	Note	2014 \$	2013 \$
<b>Note 13: Provisions</b>			
Opening balance at 1 May		132,198	111,405
Additional provisions raised during the year		10,717	41,249
Amounts used		<u>(25,436)</u>	<u>(20,456)</u>
Balance at 30 April		<u>\$ 117,479</u>	<u>\$ 132,198</u>
Analysis of provisions:			
Current		117,479	124,819
Non-current		<u>-</u>	<u>7,379</u>
		<u>\$ 117,479</u>	<u>\$ 132,198</u>

**Provision for long-term employee benefits**

A provision has been recognised for employee entitlements relating to annual and long service 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.

**Note 14: Other Liabilities**

CURRENT

Income received in advance		<u>35,290</u>	<u>34,349</u>
		<u>\$ 35,290</u>	<u>\$ 34,349</u>

**Note 15: Capital and Leasing Commitments**

(a) Finance Lease Commitments

Payable - minimum lease payments:

- not later than 12 months		-	4,560
- between 12 months and five years		-	-

Minimum lease payments	12 (a)	<u>\$ -</u>	<u>\$ 4,560</u>
------------------------	--------	-------------	-----------------

The company has entered into a licence agreement with Aristocrat to purchase 2 Electronic Gaming Machines.

(b) Capital Expenditure Commitments

Capital expenditure commitments contracted for:

Paynter Dixon		-	23,200
Spanline		<u>39,727</u>	<u>-</u>
		<u>\$ 39,727</u>	<u>\$ 23,200</u>

As at 30 April 2014, the company had not engaged in any other capital commitments.

**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.

**SAWTELL BOWLING & RECREATION CLUB LIMITED**

ABN 20 001 064 535

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2014**

	<b>Note</b>	<b>2014</b>	<b>2013</b>
		\$	\$
<b>Note 17: Financial Risk Management</b>			
The company's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable and leases.			
The totals for each category of financial instruments measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:			
<b>Financial assets</b>			
Cash and cash equivalents	4	<b>87,867</b>	42,485
Loans and receivables	5	<b>11,205</b>	14,320
Available-for-sale financial assets, at fair value	7	<b>160</b>	160
<b>Total Financial assets</b>		<b>\$ 99,232</b>	\$ 56,965
<b>Financial liabilities</b>			
Financial liabilities at amortised cost:			
Trade and other payables	11	<b>149,977</b>	130,175
Borrowings	12	<b>1,364,260</b>	329,818
<b>Total Financial liabilities</b>		<b>\$ 1,514,237</b>	\$ 459,993

**Note 18: Related Party Transactions**

Key Management Personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including any director (whether executive or otherwise) of the company is considered key management personnel.

The totals of remuneration paid to key management personnel (KMP) during the year are as follows:

Key management personnel compensation	<b>\$ 197,757</b>	\$ 215,433
---------------------------------------	-------------------	------------

Directors

Director, L Grebert and CEO, D Grebert are related parties.

Other Related Party Transactions

Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel individually or collectively with their close family members.

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

**Note 19: Going Concern**

The financial statements have been prepared on a going concern basis, which assumes that the company will be able to continue their trading activities. As at 30 April 2014, current liabilities exceed current assets by \$308,373. The Company's ability to continue as a going concern is dependent on a number of factors including the ability of the company to perform in line with budgets and cash flow projections. The Company is currently reviewing their operations to determine any possible cost efficiencies and alternate trading operations. The Directors have determined that the going concern assumption is appropriate for the preparation of the financial statements.

**Note 20: Company Details**

The club is incorporated and domiciled in Australia as a company limited by guarantee.

The registered office and principal place of business is:

Sawtell Bowling & Recreation Club Limited  
Lot 1 Lyons Road  
PO Box 45  
SAWTELL NSW 2452

**SAWTELL BOWLING & RECREATION CLUB LIMITED**

**ABN 20 001 064 535**

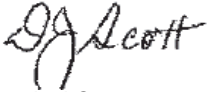
**DIRECTORS' DECLARATION  
FOR THE YEAR ENDED 30 APRIL 2014**

---

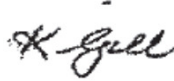
The directors of the company declare that:

1. the financial statements and notes, as set out in pages 6 to 20, are in accordance with the Corporations Act 2001, and:
  - (a) comply with Australian Accounting Standards - Reduced Disclosure Requirement; and
  - (b) give a true and fair view of the financial position as at 30 April 2014 and of the performance for the year ended on that date of the company;
2. in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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



Denis J Scott  
Chairman



Katherine M Gill  
Treasurer

Dated: 23 June 2014

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF  
SAWTELL BOWLING & RECREATION CLUB LIMITED**

**ABN 20 001 064 535**

**Report on the financial report**

We have audited the accompanying financial report of Sawtell Bowling and Recreation Club Limited, which comprises the statement of financial position as at 30 April 2014, 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.

*Directors' responsibility 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 and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

*Auditor's responsibility*

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

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

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



**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF  
SAWTELL BOWLING & RECREATION CLUB LIMITED**

**ABN 20 001 064 535**

*Independence*

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

*Auditor's Opinion*

In our opinion the financial report of Sawtell Bowling and Recreation Club Limited is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the company's financial position as at 30 April 2014 and of their performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Regulations 2001.

**Emphasis of Matter: Inherent Uncertainty regarding Going Concern**

Without qualifying our audit opinion, we draw attention to Note 19 in the financial report, which discloses that as at 30 April 2014 the current liabilities exceeded the current assets by \$308,373. These conditions, along with other matters set out in Note 19, indicate the existence of inherent uncertainty that may cast significant doubt about the company's ability to continue as a going concern and therefore the company may be unable to realise its assets and discharge its liabilities in the normal course of business or for the balances disclosed in the financial report.

*Crowe Horwath Central North*

**CROWE HORWATH CENTRAL NORTH**



Ian Brooks  
Registered Company Auditor (ASIC RAN 411019)  
107 West High Street  
COFFS HARBOUR NSW 2450

Dated: 30 June 2014

**DISCLAIMER  
TO THE MEMBERS OF  
SAWTELL BOWLING & RECREATION CLUB LIMITED**

**ABN 20 001 064 535**

The additional financial data presented on pages 25 - 26 is in accordance with the books and records of the company which have been subjected to the auditing procedures applied in our statutory audit of the company for the financial year ended 30 April 2014. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Sawtell Bowling and Recreation Club Limited) in respect of such data, including any errors or omissions therein however caused.

*Crowe Horwath Central North*

**CROWE HORWATH CENTRAL NORTH**

*I. Brooks*

Ian Brooks  
Registered Company Auditor (ASIC RAN 411019)  
107 West High Street  
COFFS HARBOUR NSW 2450

Dated: 30 June 2014

**SAWTELL BOWLING & RECREATION CLUB LIMITED**

ABN 20 001 064 535

**DETAILED TRADING STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2014**

	2014	2013
	\$	\$
<b>Bar</b>		
Sales	923,131	929,785
Opening stock	44,556	42,703
Purchases	<u>396,822</u>	<u>397,523</u>
	441,378	440,226
Less: Closing stock	<u>(50,100)</u>	<u>(44,556)</u>
Cost of goods sold	<u>391,278</u>	<u>395,670</u>
Gross Profit	<u>531,853</u>	<u>534,115</u>
Less: Direct expenses		
Cash discrepancies	-	(176)
Freight and cartage	9,281	9,456
Members discounts	85,260	81,245
Salaries and wages	<u>228,041</u>	<u>224,996</u>
Total direct expenses	<u>322,582</u>	<u>315,521</u>
Net profit from bar trading	<u>\$ 209,271</u>	<u>\$ 218,594</u>
<b>Poker Machines</b>		
Net poker machine receipts	<u>613,943</u>	<u>660,695</u>
Less: Direct expenses		
Data monitoring fees	14,182	13,789
Depreciation	70,106	84,523
Other direct expenses	<u>15,705</u>	<u>18,804</u>
Total direct expenses	<u>99,993</u>	<u>117,116</u>
Net profit from poker machines	<u>\$ 513,950</u>	<u>\$ 543,579</u>

**SAWTELL BOWLING & RECREATION CLUB LIMITED**

ABN 20 001 064 535

**DETAILED INCOME AND EXPENDITURE STATEMENT  
FOR THE YEAR ENDED 30 APRIL 2014**

	<b>2014</b>	<b>2013</b>
	\$	\$
<b>Income</b>		
Net profit from trading:		
Bar	209,271	218,594
Poker Machines	513,950	543,579
Commissions	65,609	54,900
Green fees	74,562	68,496
Interest received	488	86
Kitchen income	9,589	5,409
Members amenities and entertainment	137,355	143,821
Membership subscriptions	28,933	29,469
Profit/(loss) on sale of fixed asset	438	13,454
Recoveries	1,593	1,685
Rental income	12,015	10,920
Sundry income	2,934	4,066
Training rebate	1,400	6,523
<b>Total Income</b>	<b>1,058,137</b>	<b>1,101,002</b>
<b>Expenditure</b>		
Administration expenses	98,570	83,156
Depreciation	81,340	85,315
Directors expense	7,111	9,159
Donations	4,232	7,570
Employee benefits expenditure	265,573	246,925
Finance costs	48,315	29,190
Greenkeeping costs	102,412	159,810
Members amenities and entertainment	188,414	182,862
Occupancy expenditure	207,069	214,826
Subsidiary clubs expenses	30,789	18,658
<b>Total Expenditure</b>	<b>1,033,825</b>	<b>1,037,471</b>
<b>Profit before Income Tax Expense</b>	<b>\$ 24,312</b>	<b>\$ 63,531</b>