

# **Warners Bay Bowling Club Co-Operative Limited**

**ABN: 39 189 285 833**

## **Financial Statements**

**For the Year Ended 30 June 2019**

# Warners Bay Bowling Club Co-Operative Limited

ABN: 39 189 285 833

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# Warners Bay Bowling Club Co-Operative Limited

ABN: 39 189 285 833

## Directors' Report 30 June 2019

The directors present their report on Warners Bay Bowling Club Co-Operative Limited for the financial year ended 30 June 2019.

### 1. General information

#### Information on directors

The names of each person who has been a director during the year and to the date of this report are:

Phillip Stone

Qualifications Retired

Col Douglas

Qualifications Retired

Keith Taylor

Qualifications Retired

Robert Cass

Qualifications Retired

Wilhelm Shaeffer

Qualifications Retired

John Cupples

Qualifications Retired

Stephen Mullins

Qualifications Retired

Paula Braidwood

Qualifications Retired

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

#### Principal activities

The principal activity of Warners Bay Bowling Club Co-Operative Limited during the financial year was operating a registered club, promoting the game of lawn bowls and providing amenities to members and their guests.

No significant changes in the nature of the Company's activity occurred during the financial year.

# Warners Bay Bowling Club Co-Operative Limited

ABN: 39 189 285 833

## Directors' Report 30 June 2019

### 1. General information

#### Short term objectives

The Company's short term objectives are to:

- Support a safe and friendly environment for staff and customers that encourages the principles of the Responsible Service of Alcohol and the Responsible Conduct of Gaming.
- Exceed members and guests needs and expectations on the provision of facilities, products and services.

#### Long term objectives

The Company's long term objectives are to:

- Provide the community a continual level of high quality services and facilities in a safe and friendly environment.
- Generate profits that will be reinvested into improved services and facilities for members and community support.

#### Strategy for achieving the objectives

To achieve these objectives, the Company has adopted the following strategies:

- The board of directors, management and staff together are committed to achieving the best practice principles which are measurable by the continual support of community partnerships whilst exceeding financial benchmarks.
- Meeting and surpassing our strategic goals is achieved through constant review and evaluation of business practices using the opinions of members and their guests, staff and professional alliances.

### 2. Other items

#### Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Company during the year.

#### Environmental matters

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

# Warners Bay Bowling Club Co-Operative Limited

ABN: 39 189 285 833

## Directors' Report

30 June 2019

### Meetings of directors

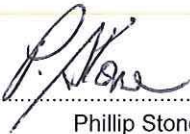
During the financial year, 12 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Phillip Stone	12	12
Col Douglas	12	11
Keith Taylor	12	12
Robert Cass	12	10
Wilhelm Shaeffer	12	10
John Cupples	12	11
Stephen Mullins	2	-
Paula Braidwood	10	10

### Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2019 has been received and can be found on page 4 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

Director:   
Phillip Stone

Director:   
Col Douglas

Dated this 29<sup>TH</sup> day of AUGUST 2019

**Warners Bay Bowling Club Co-Operative Limited**

ABN: 39 189 285 833

**Auditor's Independence Declaration under Section 307C of the  
Corporations Act 2001 to the Directors of Warners Bay Bowling Club  
Co-Operative Limited**

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

- (i) no contraventions of the 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.



Neil Watson  
Partner  
KLM Accountants

29 August 2019

Warners Bay, NSW

# Warners Bay Bowling Club Co-Operative Limited

ABN: 39 189 285 833

## Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2019

	Note	2019 \$	2018 \$
Revenue	4	1,481,818	1,582,672
Other		692,624	127,708
Raw materials and consumables used		(323,809)	(343,045)
Bar expenses		(230,601)	(226,805)
Poker Machine Expenses		(62,576)	(49,444)
Members Amenities Expenses		(300,931)	(316,343)
Bowling Expenses		(73,926)	(67,827)
Greens Expenses		(76,489)	(74,840)
Clubhouse Expenses		(343,681)	(374,318)
Administration Costs		(338,973)	(395,026)
<b>Profit before income tax</b>		<b>423,456</b>	<b>(137,268)</b>
Income tax expense		-	-
<b>Profit from continuing operations</b>		<b>423,456</b>	<b>(137,268)</b>
<b>Profit for the year</b>		<b>423,456</b>	<b>(137,268)</b>
<b>Other comprehensive income, net of income tax</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>423,456</b>	<b>(137,268)</b>

The accompanying notes form part of these financial statements.

# Warners Bay Bowling Club Co-Operative Limited

ABN: 39 189 285 833

## Statement of Financial Position As At 30 June 2019

	Note	2019 \$	2018 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	6	308,343	66,041
Trade and other receivables	7	13,561	13,698
Inventories	8	17,893	18,866
Assets Held for Sale	9	-	121,506
Other assets	10	52,952	48,308
<b>TOTAL CURRENT ASSETS</b>		<b>392,749</b>	268,419
NON-CURRENT ASSETS			
Property, plant and equipment	11	1,225,350	1,307,111
Intangible assets	12	93,468	93,468
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1,318,818</b>	1,400,579
<b>TOTAL ASSETS</b>		<b>1,711,567</b>	1,668,998
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	13	175,635	150,808
Borrowings	14	324,169	575,148
Provisions	16	9,627	16,105
Other liabilities	15	19,001	113,417
<b>TOTAL CURRENT LIABILITIES</b>		<b>528,432</b>	855,478
NON-CURRENT LIABILITIES			
Borrowings	14	52,144	104,437
Provisions	16	10,851	12,399
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>62,995</b>	116,836
<b>TOTAL LIABILITIES</b>		<b>591,427</b>	972,314
<b>NET ASSETS</b>		<b>1,120,140</b>	696,684
<b>EQUITY</b>			
Reserves		1,948	1,948
Retained earnings		1,118,192	694,736
<b>TOTAL EQUITY</b>		<b>1,120,140</b>	696,684

The accompanying notes form part of these financial statements.



# Warners Bay Bowling Club Co-Operative Limited

ABN: 39 189 285 833

## Statement of Changes in Equity For the Year Ended 30 June 2019

### 2019

#### Balance at 1 July 2018

Profit attributable to members of the parent entity

#### Transactions with owners in their capacity as owners

#### Balance at 30 June 2019

Note	Retained Earnings	General Reserve	Total
	\$	\$	\$
	694,700	1,984	696,684
	423,456	-	423,456
	<u>1,118,156</u>	<u>1,984</u>	<u>1,120,140</u>

### 2018

#### Balance at 1 July 2017

Profit/ (Loss) attributable to members of the parent entity

#### Transactions with owners in their capacity as owners

#### Balance at 30 June 2018

Note	Retained Earnings	General Reserve	Total
	\$	\$	\$
	831,968	1,984	833,952
	(137,268)	-	(137,268)
	<u>694,700</u>	<u>1,984</u>	<u>696,684</u>

The accompanying notes form part of these financial statements.

# Warners Bay Bowling Club Co-Operative Limited

ABN: 39 189 285 833

## Statement of Cash Flows For the Year Ended 30 June 2019

	Note	2019 \$	2018 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from customers		1,654,300	1,744,825
Payments to suppliers and employees		(1,748,993)	(1,723,731)
Interest received		3,642	70
Finance costs		(9,503)	(36,239)
Net cash provided by/(used in) operating activities		(100,554)	(15,075)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Proceeds from sale of plant and equipment		-	20,000
Proceeds from sale of land		746,467	82,000
Purchase of property, plant and equipment		(108,931)	(321,490)
Net cash provided by/(used in) investing activities		637,536	(219,490)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Proceeds from borrowings		47,179	193,947
Repayment of borrowings		(350,450)	(95,097)
Net cash provided by/(used in) financing activities		(303,271)	98,850
Net increase/(decrease) in cash and cash equivalents held		233,711	(135,715)
Cash and cash equivalents at beginning of year		(5,188)	130,527
Cash and cash equivalents at end of financial year	6	228,523	(5,188)

The accompanying notes form part of these financial statements.

# Warners Bay Bowling Club Co-Operative Limited

ABN: 39 189 285 833

## Notes to the Financial Statements For the Year Ended 30 June 2019

### 1 Basis of Preparation

The financial report covers Warners Bay Bowling Club Co-Operative Limited as an individual entity. Warners Bay Bowling Club Co-Operative Limited is a not for profit entity, incorporated and domiciled in Australia.

The functional and presentation currency of Warners Bay Bowling Club Co-Operative Limited is Australian dollars.

The financial statements are general purpose financial statements that have been prepared in accordance with the Cooperatives National Law (NSW) 2014 and Australian Accounting Standards - Reduced Disclosure Requirements .

### 2 Summary of Significant Accounting Policies

#### (a) Income Tax

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

#### (b) 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 for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straightline basis over the life of the lease term.

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

#### (c) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue from the sale of goods is recognised at the point of sale.

Gaming machine revenue is recognised at the point of sale and represents the difference between the amounts earned through gaming wagers less the payouts from those wagers. Liabilities are recognised for anticipated payouts for progressive jackpots.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

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

#### Donations

Donations and bequests are recognised as revenue when received.

# Warners Bay Bowling Club Co-Operative Limited

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## Notes to the Financial Statements

For the Year Ended 30 June 2019

### 2 Summary of Significant Accounting Policies

#### (c) Revenue and other income

##### Subscriptions

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year.

#### (d) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

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

#### (e) Inventories

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

#### (f) 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.

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

##### Land and buildings

Land and buildings are measured using the cost model.

##### Plant and equipment

Plant and equipment are measured using the cost model.

##### Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Company, commencing when the asset is ready for use.

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

Fixed asset class	Depreciation rate
Buildings	4.7 %
Plant and Equipment	7-40%
Poker machines	16.6%

# Warners Bay Bowling Club Co-Operative Limited

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## Notes to the Financial Statements

For the Year Ended 30 June 2019

### 2 Summary of Significant Accounting Policies

#### (f) Property, plant and equipment

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

#### (g) Intangibles

##### Poker machine entitlements

Poker machine entitlements are recognised at cost of acquisition. Directors have assessed that poker machine entitlements have an indefinite useful life. These assets are tested annually for impairment and carried at cost less accumulated depreciation.

#### (h) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the statement of financial position.

#### (i) 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 wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period 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 satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

#### (j) Going concern

##### (i) Deficiency in working capital

As at 30 June 2019 current assets of the Club were \$392,749 compared to current liabilities of \$528,432 representing a deficiency in working capital of \$135,683.

Notwithstanding the Company's deficiency in net assets, the financial report has been prepared on the going concern basis, with consideration to the following factors:

The Club has access to an overdraft lending facility of \$100,000 of which \$13,282 is unused at year-end.

The Directors are in the process of developing strategies to build the Club in order to improve its results.

The Club expects to continue to receive support from its financiers and suppliers.

# Warners Bay Bowling Club Co-Operative Limited

ABN: 39 189 285 833

## Notes to the Financial Statements

For the Year Ended 30 June 2019

### 3 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

#### Key estimates - impairment of property, plant and equipment

The Company assesses impairment at the end of each reporting period by evaluating conditions specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

#### Key estimates - fair value of financial instruments

The Company has certain financial assets and liabilities which are measured at fair value. Where fair value has not able to be determined based on quoted price, a valuation model has been used. The inputs to these models are observable, where possible, however these techniques involve significant estimates and therefore fair value of the instruments could be affected by changes in these assumptions and inputs.

#### Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

### 4 Revenue and Other Income

#### Revenue from continuing operations

	2019	2018
	\$	\$
Sales revenue		
- Bar sales	783,178	828,059
- Poker machine revenue	394,772	446,185
- Raffle income	120,816	124,231
- Interest received	3,642	70
- Other trading revenue	179,410	184,127
	<u>1,481,818</u>	<u>1,582,672</u>
Other revenue		
- Contribution of assets	-	107,708
- Net gain on sale of land	668,504	-
- Gain on disposal of assets	24,120	20,000
	<u>692,624</u>	<u>127,708</u>
<b>Total Revenue</b>	<u><u>2,174,442</u></u>	<u><u>1,710,380</u></u>

# Warners Bay Bowling Club Co-Operative Limited

ABN: 39 189 285 833

## Notes to the Financial Statements For the Year Ended 30 June 2019

### 5 Result for the Year

The result for the year includes the following specific expenses:

	2019	2018
	\$	\$
Cost of sales	323,809	343,045
Other expenses:		
Amortisation	107,193	112,003
Depreciation expenses	92,715	119,388
- Bad debts	-	21,229

### 6 Cash and Cash Equivalents

Cash at bank and in hand	107,110	66,041
Short-term deposits	201,233	-
Total Cash and cash equivalents	308,343	66,041
Less: bank overdrafts	(79,820)	(71,229)
Cash and cash equivalents per Cashflow Statement	228,523	(5,188)

### 7 Trade and Other Receivables

CURRENT		
Trade receivables	1,106	-
Deposits refundable	1,144	645
Other receivables	11,311	13,053
<b>Total current trade and other receivables</b>	<b>13,561</b>	<b>13,698</b>

### 8 Inventories

CURRENT		
At cost:		
Stock on hand - liquor	12,864	13,274
Stock on hand - bowls	5,029	5,592
	17,893	18,866

### 9 Other Financial Assets

#### (a) Available-for-sale financial assets

All availablefor-sale financial assets are measured at fair value, with subsequent changes in value recognised in other comprehensive income.

Gain and losses arising from financial instruments classified as availablefor-sale are only recognised in profit or loss when they are sold or when the investment is impaired.

The Club entered a sale agreement on 9 April 2018 to sell the carpark at 2 John Street. The sale is expected to be settled within the next 12 months and thus the original cost of the land (\$121,506) was allocated to Assets Held for Sale. This was recognised in the profit and loss on 11 March 2019 upon settlement of the land.

# Warners Bay Bowling Club Co-Operative Limited

ABN: 39 189 285 833

## Notes to the Financial Statements

For the Year Ended 30 June 2019

### 10 Other Assets

	2019	2018
	\$	\$
CURRENT		
Prepayments	<u>52,952</u>	<u>48,308</u>

### 11 Property, plant and equipment

Capital works in progress		
At cost	5,450	54,534
Buildings, carparks & greens		
At cost	2,146,214	2,097,820
Accumulated depreciation	(1,403,823)	(1,315,187)
Total buildings, carparks and greens	<u>742,391</u>	<u>782,633</u>
Total land and buildings	<u>747,841</u>	<u>837,167</u>
PLANT AND EQUIPMENT		
Poker machines		
At cost	619,605	542,892
Accumulated depreciation	(377,135)	(344,175)
Total poker machines	<u>242,470</u>	<u>198,717</u>
Other plant & equipment		
At cost	1,157,350	1,173,639
Accumulated depreciation	(922,311)	(902,412)
Total other plant & equipment	<u>235,039</u>	<u>271,227</u>
Total plant and equipment	<u>477,509</u>	<u>469,944</u>
<b>Total property, plant and equipment</b>	<u><b>1,225,350</b></u>	<u><b>1,307,111</b></u>

#### (a) Movements in Carrying Amounts

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

	Capital Works in Progress	Buildings, carparks & greens	Poker machines	Other plant & equipment	Total
	\$	\$	\$	\$	\$
<b>Year ended 30 June 2019</b>					
Balance at the beginning of year	54,534	782,633	198,717	271,227	1,307,111
Additions	5,450	3,201	93,360	6,920	108,931
Depreciation expense	-	(107,193)	(49,607)	(43,108)	(199,908)
Other changes, movements	(54,534)	63,750	-	-	9,216
<b>Balance at the end of the year</b>	<u>5,450</u>	<u>742,391</u>	<u>242,470</u>	<u>235,039</u>	<u>1,225,350</u>



# Warners Bay Bowling Club Co-Operative Limited

ABN: 39 189 285 833

## Notes to the Financial Statements

For the Year Ended 30 June 2019

### 12 Intangible Assets

	2019	2018
	\$	\$
Poker machine entitlements at cost	<u>93,468</u>	<u>93,468</u>

### 13 Trade and Other Payables

Current		
Trade payables and accruals	148,106	121,852
GST payable	11,701	11,302
Other payables	15,828	17,654
	<u>175,635</u>	<u>150,808</u>

### 14 Borrowings

CURRENT		
Insurance funding	41,492	38,842
Bank overdraft	79,820	71,303
Bank loan NAB	100,001	427,505
Finance leases	102,856	37,498
	<u>282,677</u>	<u>536,306</u>
<b>Total current borrowings</b>	<u>324,169</u>	<u>575,148</u>
NON-CURRENT		
Finance leases	52,144	104,437
	<u>52,144</u>	<u>104,437</u>
<b>Total non-current borrowings</b>	<u>52,144</u>	<u>104,437</u>
<b>Total borrowings</b>	<u>376,313</u>	<u>679,585</u>

### 15 Other Financial Liabilities

CURRENT		
Deferred income	16,437	108,199
Other financial liabilities	2,564	5,218
	<u>19,001</u>	<u>113,417</u>
<b>Total</b>	<u>19,001</u>	<u>113,417</u>

# Warners Bay Bowling Club Co-Operative Limited

ABN: 39 189 285 833

## Notes to the Financial Statements

For the Year Ended 30 June 2019

### 16 Employee Benefits

	2019	2018
	\$	\$
Current liabilities		
Provision for annual leave	9,627	16,105
Non-current liabilities		
Provision for long service leave	10,851	12,399

### 17 Reserves

#### (a) General reserve

The general reserve records funds set aside for future expansion of Warners Bay Bowling Club Co-Operative Limited.

### 18 Key Management Personnel Remuneration

The totals of remuneration paid to the key management personnel of Warners Bay Bowling Club Co-Operative Limited during the year are as follows:

The total remuneration paid to key management personnel of the Company is \$46,103 (2018: \$42,319).

### 19 Contingencies

The Club has a bank guarantee for \$5,000 in connection with its TAB facilities installed in favour of TABCORP LTD. This guarantee is secured by a fixed and floating charge over the whole of the assets of the Club including goodwill and uncalled capital and called but unpaid capital together with relative insurance policy assigned to the NAB, registered mortgage over the property situated at 2 John Street, Warners Bay and mortgage over lease of premises situated at 7 Charles Street, Warners Bay.

### 20 Related Parties

#### (a) The Company's main related parties are as follows:

Key management personnel - refer to Note 18.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

#### (b) Transactions with 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.

# Warners Bay Bowling Club Co-Operative Limited

ABN: 39 189 285 833

## Notes to the Financial Statements For the Year Ended 30 June 2019

### 21 Events after the end of the Reporting Period

The financial report was authorised for issue on 30 August 2019 by the Board of Directors.

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.

### 22 Statutory Information

The registered office and principal place of business of the company is: 7 Charles Street, Warners Bay

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

Core Property - Property located at 7 Charles Street, Warners Bay (leased from Lake Macquarie City Council)  
Non Core Property - Nil

# Warners Bay Bowling Club Co-Operative Limited


ABN: 39 189 285 833

## Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 5 to 17, are in accordance with the *Co-Operatives National Law (NSW) 2014* and:
  - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
  - b. give a true and fair view of the financial position as at 30 June 2019 and of the performance for the year ended on that date of the 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.

Director .....  
  
Phillip Stone

Director .....  
  
Col Douglas

Dated 29 August 2019

## Warners Bay Bowling Club Co-Operative Limited

# Independent Audit Report to the members of Warners Bay Bowling Club Co-Operative Limited

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Warners Bay Bowling Club Co-Operative Limited (the Co-Operative), which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Co-Operative is in accordance with the *Co-operatives National Law (NSW) 2014*, including:

- (i) giving a true and fair view of the Co-Operative's financial position as at 30 June 2019 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Co-operatives Regulations (NSW)*.

#### Basis for Opinion

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 Co-Operative 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 Co-Operative, 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.

**Warners Bay Bowling Club Co-Operative Limited**

**Independent Audit Report to the members of Warners Bay Bowling Club  
Co-Operative Limited**

**Responsibilities of Directors for the Financial Report**

The directors of the Co-Operative 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 *Co-operative National Law 2014* 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 Co-Operative's ability 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 Co-Operative 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 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 the financial report.



Neil Watson  
Partner  
KLM Accountants

Charlestown, NSW  
Dated 29 August 2019