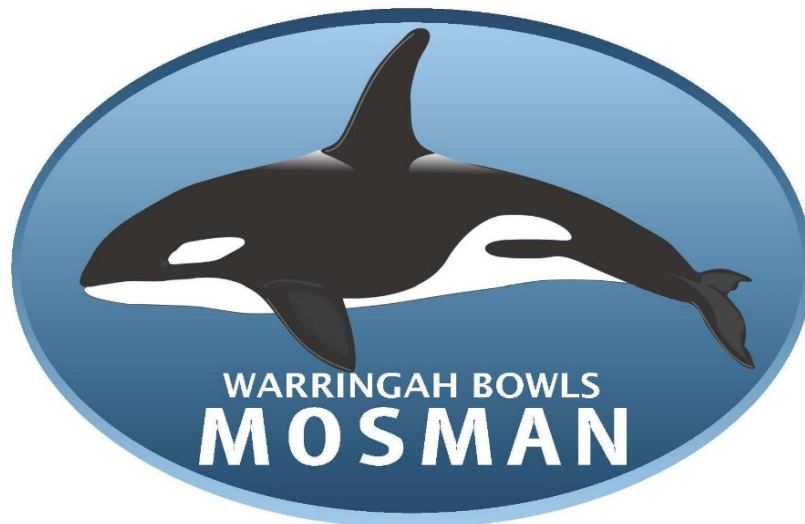


# **WARRINGAH BOWLING CLUB**



## **2016 ANNUAL REPORT**

**WARRINGAH BOWLING CLUB LIMITED**  
**A.B.N. 85 000 014 219**

## **WARRINGAH BOWLING CLUB LIMITED**

(A company Limited by Guarantee)

ABN 85 000 014 219

# **NOTICE OF OF 114<sup>TH</sup> ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY given that the one hundred and fourteenth Annual General Meeting of the Warringah Bowling Club Ltd will be held in the clubhouse, 74-82 Bradleys Head Rd, Mosman at 10:00am on Sunday 13<sup>th</sup> November 2016**

### **BUSINESS:**

1. Attendance – Establishment of a Quorum of 20 full members.
2. Apologies
3. To confirm the minutes of the previous Annual General Meeting held on Sunday 18<sup>th</sup> October 2015
4. Business arising from the minutes.
5. To receive and consider the Balance Sheet, Profit & Loss Account and the reports of the Chairman & Treasurer.  
Copies of the 2016 Annual Report will be on the club website or available by request to the Secretary Manager on or after the 21<sup>st</sup> October 2016
6. To receive and consider the following motion proposed by the Board and received by the Secretary on 29<sup>th</sup> September 2016:

**Background and purpose:** As of 1<sup>st</sup> January 2017, the Registered Clubs Act restricts the size of all club Boards to a maximum of nine (9) directors. As a small club the Board believes the members will be better served by a smaller Board of seven (7) directors. The Board believes the inconsistent treatment and rights of directors, by having two (2) classes of directors, being Full Bowling and Social, is inconsistent with the Club's constitution. The Board therefore proposes to eliminate the requirement to appoint up to two (2) Social Directors. This will in no way restrict any Social Member, having served the required qualification period for election to the Board, from upgrading to full membership status and being eligible for nomination to the Board at that time. As such the Board asks the members to vote on the following resolution:

**That the Members present consider, and if they see fit, pass a resolution by means of a special majority of 75% of members to amend the Constitution and Articles of Association by:**

**Remove Section 21 (a) iii which reads:**

21 (a) Only the following members shall be entitled to vote at any General Meetings of the Club:

iii. Social Members but only in relation to the business of electing a Social Member as a Social Director of the Club

**Replace Section 28 which reads:**

## **WARRINGAH BOWLING CLUB LIMITED**

(A company Limited by Guarantee)

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28. *The Board shall consist of nine (9) Directors two of whom shall be Social Members and which shall comprise a Chairperson and eight (8) other Directors. The current presidents of the Men's and Women's clubs shall be ex officio directors.*

**With:**

28. *The Board shall consist of seven (7) Directors which shall comprise a Chairman and six (6) other Directors. The current presidents of the Men's and Women's clubs shall be ex officio directors.*

**Remove Section 30 (b) which reads:**

30 (b) Social Members shall be entitled to be nominated, elected or appointed to fill two (2) positions on the Board provided that they have been a financial member of the club for three (3) consecutive years at the time of such nomination.

**Remove Section 32 (a) which reads:**

32(a) *Nominations for election of a Social Member as a Director shall be made in writing and signed by two (2) Bowling Members and or Life Members and or Social Members and by the nominee who shall signify his or her consent to the nomination and who shall certify that he or she is not a key official or former key official, as those expressions are defined in the Registered Clubs Act or, if applicable, that he or she is a key official or former key official as so defined who has been granted exemption under the Registered Clubs Act to be nominated and elected as a Director of the Club.*

7. To deal with any other business of which due notice has been given. All business and notices of motion to be dealt with at the Annual General Meeting shall be in writing and must be received by the Secretary Manager no later than 28 Days prior to the date of the Annual General Meeting.
8. To declare the results of the election of the Chairman and up to eight other directors for the ensuing year and, if necessary, to elect further directors.

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**Please note: The Warringah Men's Bowling Club AGM will follow immediately from the Warringah Bowling Club Ltd**

By Order of the Board

Alex Sangkuhl

Secretary Manager

Dated at Mosman this 29<sup>th</sup> day of September 2016

## Chairman's Report 2016

Dear Members,

I am proud to present you with the Club's 114<sup>th</sup> Annual Report. In a climate where many clubs continue to close their doors, it is a testament to our Club's governance and management that we continue to grow and remain profitable. Having said that, it has become clear to me that the traditional bowling club business model is no longer financially viable. The club resides in a building which was designed for Men's & Women's bowls in the 1960's, the clubhouse is not suited to the functions now required of it. To this end, management has been researching and evaluating options for the future of your club over the year. I am very excited about what the future holds for this great Club, and I anticipate your new Board will be able to present options for the future soon after the AGM.

Ann Dooley OAM

## Men's President's Report

Dear Members,

It's been a successful year on the green for the men. We won our section, went to sectional play offs and only missed out on the State Championships by a shot. I'd like to thank Rusty and the bowls committee of Chippy & Joe for organising activities this year. Also thanks to Alex for organising them! Our biggest problem is that most of our active bowlers are still in the workforce, making it hard to get everyone available to play at the same time. Not the worst problem to have. Having received my 5<sup>th</sup> Child earlier this year, I haven't been able to put in the time I would have liked to fulfil my role, and as such will not be standing for President again. I hope you don't miss seeing my scooter in the Men's Presidents spot as much as I will.

Arron Cutugno

## Women's President's Report

Dear Members

A very successful season for our small group of ladies this year, winning the district Pennant and travelling to Bomaderry for the state play-offs. A big thank you to the pennant players for their time and support. The number of new ladies being coached by Judy and myself is very encouraging, I believe our relaxed introduction to the game is bearing fruit and will provide us with several new bowlers for next season. I am personally excited for the future of the club and believe that a competitive boutique style bowling group will emerge as a result. I look forward to serving again as President for the coming year.

Jan Mountain

## Treasurers Report

The Board has been unable to find a Treasurer since the resignation of Brian Holmes. As a result of this, being the Company Secretary, I have had to take on this role. Hopefully a new Treasurer will put their hand up at this AGM. Our main financial focus this year was on stability whilst creating a new strategic business plan for the future. We completed our original 3 year plan in 2015 and came to the view that the traditional bowling club model was no longer financially viable. Having established that a new business model was required, management presented a vision for the future to the Board in February. I am currently in the process of undertaking a feasibility study into this proposal and will present the results to the new Board. The future looks bright. The second area of focus has been on governance. I am confident that unlike many other clubs our size, our business operates to the highest standards and principles. What has become apparent is that our constitution is no longer relevant to our business model, and as such will need to be completely re-written and adopted by the members during the term of the next Board.

Alex Sangkuhl B.Comm (Accg) Macq., ASA

## Diggers Section Finale

There was no Anzac day held at our club this year. The Diggers section at Warringah Bowling Club has now ceased to function. All money that was held in an account at the Commonwealth bank has now been expended and the account is now closed. The money that remained in the account was used to completely re-furbish the 15m steel flagpole that was erected sometime after World War 2 by the Diggers section. There are two significant memorials at the club provided by the Diggers Section. These are registered with the State Library register of memorials in NSW and may be viewed online. The flagpole is one and the other is the memorial sandstone pillars and gateway entrance off Bradleys Head Rd.

David Greenberg

President

## Foundation Report

Dear Members

A big thank you to the members who continue to donate to the Foundation via the Australian Sports Foundation. Our current project is entitled "Bowls Heritage Project". To date members have donated \$3630 to the project. Please remember, donations made via the foundation are tax deductible. The current funds will shortly be spent on replacing the ageing honour boards in the main bar with more modern perspex boards. The aim of future fundraising is to refurbish the current barefoot bowls storeroom and create a history of the club. I anticipate establishing an ASF roll of honour.

Alex Sangkuhl

# WARRINGAH BOWLING CLUB LIMITED

A.B.N. 85 000 014 219

## DIRECTORS' REPORT

Your Directors are pleased to submit for approval the financial report of the Club for the year ended 30 June 2016.

1 The names of the directors in office at any time during or since the end of the year are:

J. Broughton  
M. Crosbie  
A. Cutugno  
J. Dansie  
A. Dooley OAM  
R. Edwards  
B. Holmes  
G. Johnson  
J. LeGras  
J. Mountain  
P. Read

2 The principal activity of the Company during the financial year was the promotion and conduct of the game of Lawn Bowls.

### 3 Short Term and Long-term Objectives

The Club aims to provide an exceptional experience for members and guests in a welcoming and progressive environment. To achieve this objective the Board seeks to consolidate the Club's financial position by planning for current revenues to fund current operational needs and to contribute to future capital expenditure requirements for enhancement of our bowling and clubhouse facilities.

### 4 Strategies

The Board has endorsed and regularly reviews its Strategic Business Plan for the achievement of short and long term objectives including:

- 4.1 Promoting participation in the game of lawn bowls through promotions, members events and creating an active social calendar to attract new members
- 4.2 Establishing a profitable catering & bistro operation
- 4.3 Establishing a reliable revenue stream from gaming activities
- 4.4 Creating a modern, comfortable & well serviced bar & lounge facility
- 4.5 Streamlined administration and effective communication with members.
- 4.6 Building the club's profile in the local area through events in conjunction with organisations local community

### 5 Key Performance Measures

The Board has established planning and budget protocols consistent with maintaining control over the club's operations and financial performance.

Significant business initiatives and expenditure are approved by the Board, or appropriate delegate.

All unplanned business outcomes, performance variances, and adverse circumstances (including weather events) are reviewed by management and the Board with a view to managing responses to protect and optimize the performance of the club.

Annual audited financial reports for the following year are reported to members at the AGM. Additional business and operational related reports are provided to members on a periodic basis during the year.

**WARRINGAH BOWLING CLUB LIMITED****A.B.N. 85 000 014 219****DIRECTORS' REPORT**6. Additional information regarding Directors

<b>CURRENT DIRECTORS</b>	<b>EXPERIENCE &amp; QUALIFICATIONS</b>	<b>POSITION</b>	<b>BOARD MEETINGS A/B</b>
Ann Dooley OAM	3 Years on the Board 2 Years as Women's Past President	Chairman (appointed 18/10/16)	10/11
Janine Mountain	1 Year on the Board Retired IT Manager	Women's President (resigned 12/8/15, re-appointed 18/10/15)	7/9
Arron Cutugno	1 Year on the Board Train Driver	Men's President (appointed 18/10/16)	3/8
Michael Crosbie	2 Years on the Board Retired Newspaper General Manager	Social Director	10/11
John Dansie	3 Years on the Board 2 Year Men's Past President Greens & Grounds Committee Foundation Committee Treasurer - Diggers Section Retired Surveyor	Director	8/11
Graham Johnson	1 Year on the Board Sales Executive	Director (appointed 18/10/16)	8/8
Judy LeGras	1 Year on the Board Travel Agent	Director (appointed 18/10/16)	6/8

A - Number of meetings attended

B - Number of meetings eligible to attend

**WARRINGAH BOWLING CLUB LIMITED**  
**A.B.N. 85 000 014 219**

**DIRECTORS' REPORT**

6. Additional information regarding Directors

<b>Retired Directors</b>	<b>EXPERIENCE &amp; QUALIFICATIONS</b>	<b>POSITION</b>	<b>BOARD MEETINGS A/B</b>
Peter Read	4 Years on the Board Marketing Committee House Committee Retired Company Director	Chairman (resigned 28/7/15)	1/1
Jim Broughton	4 Years on the Board 3 Years as Chairman Finance Committee Greens & Grounds Committee Diggers Section Foundation Committee Retired Electrical Engineer RAF	Acting Chairman (retired 18/10/15)	3/3
Brian Holmes	3 Years on the Board Finance Committee Retired Chartered Accountant	Treasurer (resigned 23/8/15)	1/1
Roy Edwards	2 Years on the Board Company Director	Social Director (resigned 18/1/16)	4/6

A - Number of meetings attended

B - Number of meetings eligible to attend

7 The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the entity. At 30 June 2016, the total amount that members of the company are liable to contribute if the company is wound up is \$7,890 (2015: \$4,970).

Auditor's Independence Declaration

8 The lead auditor's independence declaration for the year ended 30 June 2016 has been received and can be found on page 5 of the financial report.

Signed on behalf of the Directors in accordance with a resolution of the Board.

\_\_\_\_\_  
**Ann Dooley OAM**  
**Director**

\_\_\_\_\_  
**Graham Johnson**  
**Director**

Signed at Mosman, dated this 21st day of October 2016.



**WARRINGAH BOWLING CLUB LIMITED**  
**A.B.N. 85 000 014 219**

**AUDITOR'S INDEPENDENCE DECLARATION**  
***UNDER SECTION 307C OF THE CORPORATIONS ACT 2001***  
**TO THE DIRECTORS OF WARRINGAH BOWLING CLUB LIMITED**

I declare that, to the best of my knowledge and belief during the year ended 30 June 2016 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.

Name of Firm:       **ROBERTS NISSEN**

Name of Partner:   **P M MELDRUM**

Date:                 21st October 2016

Address:             Suite 2, Level 3, 121 Walker St, North Sydney

**WARRINGAH BOWLING CLUB LIMITED**  
**A.B.N. 85 000 014 219**

**Statement of Profit or Loss for the Year Ended 30 June 2016**

	Note	2016 \$	2015 \$
<b>Revenue</b>			
Sales Revenue	2	490,308	447,602
Cost of Sales	3	<u>(228,467)</u>	<u>(241,558)</u>
<b>Gross Profit</b>		261,841	206,044
Other Income	2	427,864	408,479
<b>Expenses</b>			
Administration Expenses	3	(68,438)	(57,534)
Employee benefits Expenses	3	(345,860)	(331,410)
Depreciation & Amortisation	4	(64,601)	(51,341)
Bowls Related Expenses	3	(89,677)	(95,392)
Repairs & Maintenance	3	(18,677)	(16,482)
Operational Expenses	3	(81,272)	(80,544)
Interest Expense	3	(14,995)	(12,907)
Other Expenses	3	<u>(1,404)</u>	<u>(1,053)</u>
Current Year Surplus/(Deficit) from Ordinary Activities		4,781	(32,140)
Impairment of Assets	9	<u>-</u>	<u>-</u>
Current Year Surplus/(Deficit) before Income Tax		<u>4,781</u>	<u>(32,140)</u>
Income Tax expense		-	-
Net Current Year Profit attributable to members of the entity		<u><u>4,781</u></u>	<u><u>(32,140)</u></u>

The accompanying notes form part of these financial statements.

**WARRINGAH BOWLING CLUB LIMITED**  
**A.B.N. 85 000 014 219**

**Statement of Comprehensive Income for the Year Ended 30 June 2016**

	Note	2016 \$	2015 \$
Net Current Year Surplus (Deficit)		4,781	(32,140)
Net gain on revaluation of non-current assets		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive Income for the year, attributable to members of the Club		<u>4,781</u>	<u>(32,140)</u>

The accompanying notes form part of these financial statements.

**WARRINGAH BOWLING CLUB LIMITED**  
**A.B.N. 85 000 014 219**

**Statement of Financial Position as at 30 June 2016**

	Note	2016 \$	2015 \$
<b><u>ASSETS</u></b>			
<b>Current Assets</b>			
Cash	6	69,541	85,561
Receivables	7	19,412	3,449
Inventories	8	23,316	24,525
Prepayments	7a	5,009	5,042
<b>Total current Assets</b>		117,278	118,577
<b>Non Current Assets</b>			
Property, Plant & Equipment	9	4,117,938	4,145,491
<b>Total Non Current Assets</b>		4,117,938	4,145,491
<b>Total Assets</b>		4,235,216	4,264,068
<b><u>LIABILITIES</u></b>			
<b>Current Liabilities</b>			
Trade & Other Payables	10	44,609	40,299
Tax Liabilities	12	22,267	28,488
Short Term Provisions	13	1,039	3,194
Other	14	6,409	35,979
<b>Total Current Liabilities</b>		74,324	107,960
<b>Non Current Liabilities</b>	11	260,000	260,000
<b>Total Liabilities</b>		334,324	367,960
<b>Net Assets</b>		3,900,892	3,896,108
<b>ACCUMULATED FUNDS AND RESERVES</b>			
Retained Profits		420,962	416,181
Reserves		3,479,927	3,479,927
<b>Total Equity</b>		3,900,889	3,896,108

The accompanying notes form part of these financial statements.

**WARRINGAH BOWLING CLUB LIMITED**  
**A.B.N. 85 000 014 219**

**Statement of Changes in Equity as at 30 June, 2016**

	<b>Accumulated Funds</b>	<b>Asset Revaluation Reserve</b>
	<b>\$</b>	<b>\$</b>
<b>Balance at July 1, 2014</b>	448,321	3,479,927
Transfer from Asset Revaluation Reserve to Accumulated Funds		-
Surplus / (Deficit) attributable to members	(32,140)	-
<b>Balance as at June 30, 2015</b>	<u>416,181</u>	<u>3,479,927</u>
Transfer from Asset Revaluation Reserve to Accumulated Funds		-
Surplus attributable to members	4,781	-
<b>Balance as at June 30, 2016</b>	<u>420,962</u>	<u>3,479,927</u>

**Asset Revaluation Reserve**

The Asset Revaluation Reserve records revaluations of non-current assets.

The accompanying notes form part of these financial statements.

**WARRINGAH BOWLING CLUB LIMITED**  
**A.B.N. 85 000 014 219**

**Cash Flow Statement for the Year Ended 30 June, 2016**

	Note	2016 \$	2015 \$
<b>Cash Flow from Operating Activities</b>			
Receipts from Customers		902,933	849,136
Payments to Suppliers		(867,396)	(835,489)
Interest Received		485	2,152
Interest Paid		(14,995)	(12,907)
		<hr/>	<hr/>
<b>Net Cash Provided by / (used in) Operating Activities</b>	6	21,027	2,892
<b>Cash Flows from Investing Activities</b>			
Proceeds from Sale of Property, Plant & Equipment		-	-
Payment for Property, Plant & Equipment		(37,047)	(314,837)
		<hr/>	<hr/>
<b>Net Cash Provided by / (used in) Investing Activities</b>		(37,047)	(314,837)
<b>Cash Flows from Financing Activities</b>			
Proceeds from Loans		-	260,000
Repayment of Loans		-	-
		<hr/>	<hr/>
<b>Net Cash Provided by / (used in) Financing Activities</b>		-	260,000
Net Increase / (Decrease) in Cash Held		(16,020)	(51,945)
Cash at Beginning of Year	6	85,561	137,506
		<hr/>	<hr/>
<b>Cash at End of Year</b>	6	<u>69,541</u>	<u>85,561</u>

The accompanying notes form part of these financial statements.

**WARRINGAH BOWLING CLUB LIMITED**  
**A.B.N. 85 000 014 219**

**NOTES TO AND FORMING PART OF THE 2016 FINANCIAL STATEMENTS**

The financial statements are for Warringah Bowling Club Limited as an individual not for profit entity, incorporated and domiciled in Australia. Warringah Bowling Club Limited is a company limited by guarantee.

The financial statements were authorised for issue on September, 2016 by the directors of the club.

**NOTE 1: STATEMENT OF ACCOUNTING POLICIES**

**Basis of Preparation**

These general purpose financial statements have been prepared in accordance with the Corporations Act 2001 and the Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Material accounting policies adopted in the preparation of the financial statements are presented below. They have been consistently applied unless otherwise stated.

The financial statements, except for the cash flow information, have been prepared on an accrual 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.

a) Income Tax

No provision for income tax is required as the Club is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997, due to its promotions of bowls.

b) Inventories on Hand

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

Inventories acquired at no cost or for nominal consideration are measured at the current replacement cost as at the date of acquisition.

c) Impairment of Assets

At the end of each reporting period, the Club reviews the carrying values of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Statement of Comprehensive Income.

When the future economic benefits of the asset are not primarily dependent upon the assets ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is assessed as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an assets class, the entity estimates the recoverable amount of the cash generating unit to which the class of assets belong.

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

**WARRINGAH BOWLING CLUB LIMITED**  
**A.B.N. 85 000 014 219**

**NOTES TO AND FORMING PART OF THE 2016 FINANCIAL STATEMENTS**

d) Property, Plant and Equipment

- (i) Each class of Property, Plant and Equipment is carried at cost of fair value, less where applicable, any accumulated depreciation and impairment losses.

Freehold Property

Freehold land and buildings are shown at their fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

In periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct directors' valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets are recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in profit or loss.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount the carrying amount is written down to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present.

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 recognised as expenses in profit or loss in the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, are depreciated over their useful lives to the economic entity commencing from the time the asset is held ready for use.

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

<u>Classes of Fixed Asset</u>	<u>Depreciation Rate</u>
Buildings	0.0 - 2.5%
Furniture & Fittings	10.0 - 33.0%
Plant & equipment	5.0 – 50.0%
Greens & Surrounds	10.0 – 20.0%



**WARRINGAH BOWLING CLUB LIMITED**  
**A.B.N. 85 000 014 219**

**NOTES TO AND FORMING PART OF THE 2016 FINANCIAL STATEMENTS**

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise.

e) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the Club are classified as finance leases. Finance leases are capitalised, recognising an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are depreciated on straight line basis over their estimated useful lives where it is likely that the economic entity will obtain ownership of the asset or over the term of the lease. Lease payments are allocated between the reduction of the lease liability & the lease interest expense for the period.

f) Employee Provisions

(i) Short-term employee provisions

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

(ii) Other long-term employee provisions

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees rendered the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary level, duration of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as part of employee benefits expense.

The Club's obligation for long-term employee benefits are presented as non-current employee provisions in its statement of financial position, except where the Club does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

g) Cash on Hand

Cash on hand includes 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.

**WARRINGAH BOWLING CLUB LIMITED**  
**A.B.N. 85 000 014 219**

**NOTES TO AND FORMING PART OF THE 2016 FINANCIAL STATEMENTS**

h) Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(c) for further discussion on the determination of impairment losses.

i) Revenue

Non-reciprocal grant revenue is recognised in profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied. When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

The Club receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

Donations and bequests are recognised as revenue when received. Dividends revenue is recognised when the right to receive a dividend has been established. Revenue from the sale of goods and delivery of services is recognised upon the delivery of goods to customers. 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 goods and services tax.

Revenue from the rendering of a service is recognised upon the deliver of the service to the customer. All revenue is stated net of the amount of goods and services tax.

e) Goods & 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). 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 net 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

f) Provisions

Provisions are recognised when the entity 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 recognised represent the best estimate of the amounts required to settle the obligations at the end of the reporting period.

**WARRINGAH BOWLING CLUB LIMITED**  
**A.B.N. 85 000 014 219**

**NOTES TO AND FORMING PART OF THE 2016 FINANCIAL STATEMENTS**

k) Comparative Figures

When required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year. When an entity applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period must be disclosed.

l) New Accounting Standards for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the company. The company has decided not to early adopt any of the new and amended pronouncements. The company's assessment of the new and amended pronouncements that are relevant to the company but applicable in future reporting periods is set out below:

AASB 9: Financial Instruments and associated Amending Standards (applicable to annual reporting periods beginning on or after 1 January 2018).

The Standard will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments, and simplified requirements for hedge accounting.

The key changes that may affect the company on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income.

Although the directors anticipate that the adoption of AASB 9 may have an impact on the company's financial instruments, it is impracticable at this stage to provide a reasonable estimate of such impact.

**WARRINGAH BOWLING CLUB LIMITED**  
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**NOTES TO AND FORMING PART OF THE 2016 FINANCIAL STATEMENTS**

m) Accounts Payable and Other Payables

Accounts payable 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. 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.

n) Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Club.

	NOTE	2016 \$	2015 \$
<b>NOTE 2: REVENUE &amp; OTHER INCOME</b>			
<b>Sales Revenue</b>			
Bar Sales		272,818	270,161
Functions & Catering Income		217,490	177,441
		490,308	447,602
<b>Other Income</b>			
Poker Machine Revenue		46,382	33,371
Bowling Green Income		53,725	50,884
Subscriptions		20,641	21,581
Rents Received		284,019	279,064
Raffle Income		(93)	3,623
Interest Received		485	2,152
Other Income		22,705	17,804
		427,864	408,479
<b>Total Income</b>		<b>918,172</b>	<b>856,081</b>

**WARRINGAH BOWLING CLUB LIMITED**  
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**NOTES TO AND FORMING PART OF THE 2016 FINANCIAL STATEMENTS**

	NOTE	2016	2015
		\$	\$
<b>NOTE 3: EXPENSES</b>			
<b>Cost of Sales</b>			
Cost of Sales – Bar		118,658	124,717
Cost of Sales – Function & Catering		109,809	116,841
		228,467	241,558
<b>Other Expenses</b>			
Bowls Related		89,677	95,392
Employee Benefits		345,860	331,410
Administration		68,438	57,534
Repairs & Maintenance		18,677	16,482
Other Expenses		1,404	1,053
Depreciation Expense		64,601	51,341
Interest Expense		14,995	12,907
Operational Expenses		81,272	80,544
		684,924	646,663
 Total Expenses		 913,391	 888,221
 <b>NOTE 4: DEPRECIATION</b>			
Clubhouse		6,028	4,588
Furniture & Fittings		27,433	21,392
Plant & Equipment		24,944	20,810
Greens & Grounds		3,121	2,756
Poker Machines		3,075	1,795
		64,601	51,341
 <b>NOTE 5: RESERVES</b>			
Asset Revaluation Reserve		3,479,927	3,479,927
 <b>NOTE 6: CASH ON HAND</b>			
a) Bank Accounts			
Trading Account		9,230	31,486
Interest Bearing Account		34,813	34,367
Trophies Account		1,513	1,496
Women's Accounts		8,812	9,121
Digger's Section		-	-
Foundation Account		2,366	12
Term Deposit		-	-
Construction Account		199	198
 Cash on Hand		 12,608	 8,881
		69,541	85,561

The effective interest rate on short-term bank deposits was 2.35%

**WARRINGAH BOWLING CLUB LIMITED**  
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**NOTES TO AND FORMING PART OF THE 2016 FINANCIAL STATEMENTS**

**NOTE 6: CASH (Cont'd)**

	NOTE	2016	2015
b) Reconciliation of cash flow from operating activities with			
Current Year Surplus		\$	\$
Operating Profit/(Loss) after Income Tax		4,781	(32,140)
Non-cash flows in operating profit			
Depreciation		64,601	51,341
Changes to Provision		(2,155)	(498)
Changes in assets & liabilities			
Decrease (Increase) in trade Debtors		(15,963)	(3,449)
Decrease (Increase) in inventories		1,209	(7,834)
Decrease (Increase) in prepayments		33	(5,042)
(Decrease) Increase in trade creditors & Accruals		(1,909)	7,770
(Decrease) Increase in Income in Advance		(29,570)	(7,256)
Net Cash provided by Operating Activities		21,027	2,892

**NOTE 7: RECEIVABLES**

Trade Debtors	19,412	3,449
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**i. Provision for Doubtful Debts**

Current trade receivables are generally on 30-day terms. These receivables are assessed for recoverability and a provision for impairment is recognised when there is objective evidence that an individual trade receivable is impaired. These amounts have been included in other expense items.

Movement in the provision for impairment of receivables is as follows:

Provision for impairment as at 30 June 2014	NIL	
- Charge for year	-	
- Written off	-	
Provision for impairment as at 30 June 2015	NIL	
- Charge for year	-	
- Written off	-	
Provision for impairment as at 30 June 2016	NIL	

**ii. Credit Risk – Accounts Receivable and Other Debtors**

The Club does not have any material credit risk exposure to any single receivable or group of receivables.

The following table details the company's trade and other receivables exposed to credit risk with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the Club and the customer. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the company.

**WARRINGAH BOWLING CLUB LIMITED**  
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**NOTES TO AND FORMING PART OF THE 2016 FINANCIAL STATEMENTS**

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

	Gross Amount	Past due & impaired	Past due but not impaired (days overdue)			Within initial trade terms
			< 30	31-60	61-90	
<b>2015</b>	\$	\$	\$	\$	\$	\$
Trade receivables	3,449	-	3,449	-	-	-
Other receivables	-	-	-	-	-	-
<b>Total</b>	<b>3,449</b>	<b>-</b>	<b>3,449</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2016</b>						
Trade receivables	19,412	-	-	-	-	19,412
Other receivables	-	-	-	-	-	-
<b>Total</b>	<b>19,412</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,412</b>

	NOTE	2016 \$	2015 \$
<b>NOTE 7a: PREPAYMENTS</b>			
Prepayments		5,009	5,042
<b>NOTE 8: INVENTORIES</b>			
Stock on Hand		23,316	24,525
<b>NOTE 9: PROPERTY, PLANT &amp; EQUIPMENT</b>			
<b>Freehold Land</b>			
At valuation		3,600,000	3,600,000
<b>Clubhouse</b>			
Clubhouse at Cost		238,239	234,759
Less: Accumulated Depreciation		(10,616)	(4,588)
		<u>227,623</u>	<u>230,171</u>
<b>Plant &amp; Equipment</b>			
Equipment at Cost		252,343	250,223
Less: Accumulated Depreciation		(108,367)	(83,423)
		<u>143,976</u>	<u>166,800</u>
<b>Furniture &amp; Fittings</b>			
Furniture at Cost		210,895	197,787
Less: Accumulated Depreciation		(97,990)	(70,557)
		<u>112,905</u>	<u>127,230</u>
<b>Greens &amp; Surrounds</b>			
Greens at Cost		29,507	28,317
Less: Accumulated Depreciation		(14,653)	(11,532)
		<u>14,854</u>	<u>16,785</u>
<b>Poker Machines</b>			
Poker Machines at Cost		23,450	6,300
Less: Accumulated Depreciation		(4,870)	(1,795)
		<u>18,580</u>	<u>4,505</u>
<b>Total</b>		<u><u>4,117,938</u></u>	<u><u>4,145,491</u></u>

**WARRINGAH BOWLING CLUB LIMITED**  
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**NOTES TO AND FORMING PART OF THE 2016 FINANCIAL STATEMENTS**

**NOTE 9: PROPERTY, PLANT & EQUIPMENT (Cont'd)**

**Movement in Carrying Amounts**

	<b>2015</b>	<b>Furniture &amp; Fittings</b>	<b>Clubhouse</b>	<b>Plant &amp; Equipment</b>	<b>Greens &amp; Surrounds</b>	<b>Poker Machines</b>	<b>Total</b>
Net Book Value Brought Forward		58,282	121,826	80,408	15,179	6,300	281,995
Additions ( Disposals)		90,340	112,934	107,202	4,361	-	314,837
Depreciation Expense		(21,392)	(4,588)	(20,810)	(2,755)	(1,795)	(51,340)
Impairment Adjustments		-	-	-	-	-	-
<b>Carrying amount at end of year</b>		<b>127,230</b>	<b>230,172</b>	<b>166,800</b>	<b>16,785</b>	<b>4,505</b>	<b>545,492</b>

	<b>2016</b>	<b>Furniture &amp; Fittings</b>	<b>Clubhouse</b>	<b>Plant &amp; Equipment</b>	<b>Greens &amp; Surrounds</b>	<b>Poker Machines</b>	<b>Total</b>
Net Book Value Brought Forward		127,230	230,172	166,800	16,785	4,505	545,492
Additions ( Disposals)		13,108	3,479	2,120	1,190	17,150	37,047
Depreciation Expense		(27,433)	(6,028)	(24,944)	(3,121)	(3,075)	(64,601)
Impairment Adjustments		-	-	-	-	-	-
<b>Carrying amount at end of year</b>		<b>112,905</b>	<b>227,623</b>	<b>143,976</b>	<b>14,854</b>	<b>18,580</b>	<b>517,938</b>

**NOTE 10: PAYABLES - CURRENT**

	<b>NOTE</b>	<b>2016</b>	<b>2015</b>
		<b>\$</b>	<b>\$</b>
Trade Creditors		19,016	15,387
Other Creditors		12,302	12,908
Audit Fees		5,000	5,000
Other Payroll Liabilities		8,291	7,004
		<b>44,609</b>	<b>40,299</b>

**NOTE 11: BORROWINGS**

Current	-	-
Non-current	260,000	260,000

**NOTE 12: TAXES**

GST Liability	10,950	11,563
PAYG Withholding tax due	11,317	16,925
	<b>22,267</b>	<b>28,488</b>

**NOTE 13: PROVISIONS - CURRENT**

Provision for Annual Leave	1,039	3,194
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The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service.



**WARRINGAH BOWLING CLUB LIMITED**  
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**NOTES TO AND FORMING PART OF THE 2016 FINANCIAL STATEMENTS**

Based on past experience, the company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

<b>NOTE 14: OTHER LIABILITIES (CURRENT)</b>	<b>NOTE</b>	<b>2016</b>	<b>2015</b>
		<b>\$</b>	<b>\$</b>
Subscriptions in Advance		3,732	8,240
Diggers Account			-
Rent in Advance – Childcare centre			22,614
NRL Tipping Competition			-
Theatre Parties			-
Function Deposits		2,677	5,125
Government Grants			-
Insurance Claim Received			-
		<u>6,409</u>	<u>35,979</u>

**NOTE 15: RELATED PARTY TRANSACTIONS**

- a) Key Management Personnel. During the reporting period the club did not employ anybody who was a close relative of a Director or Top Executive
- b) Other Related Parties – Payments to entities related to Directors and Top Executives. During the reporting period the club did not make any payments to entities that were related to Directors or Top Executives.

**NOTE 16: MEMBERS' GUARANTEE**

The Club is limited by guarantee. If the company is wound up, the Articles of Association state that each member is required to contribute a maximum of \$10 each toward meeting any outstanding obligation of the Club. At June 30 2016, the number of members was 789 (2015 - 497).

<b>NOTE 17: CAPITAL AND LEASING COMMITMENTS</b>	<b>NOTE</b>	<b>2016</b>	<b>2015</b>
(a) Finance lease Commitments		NIL	NIL
(b) Hire Purchase Commitments		NIL	NIL
(c) Capital expenditure commitments payable not later than one year			
- Plant and equipment purchases		NIL	NIL
- Capital expenditure projects		NIL	NIL

**NOTE 18: CONTINGENT LIABILITY**

At the 30<sup>th</sup> June, 2016 the Club had no Contingent liabilities. NIL                  NIL

**WARRINGAH BOWLING CLUB LIMITED**  
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**NOTES TO AND FORMING PART OF THE 2016 FINANCIAL STATEMENTS**

**NOTE 19: SUBSEQUENT EVENTS** NIL NIL

	<b>NOTE</b>	<b>2016</b>	<b>2015</b>
<b>NOTE 20: SEGMENT REPORTING</b>		NIL	NIL

The Club operates predominantly in one industry. The principal activities of the Club are those of a Bowling Club. The Club operates in one geographical area being Mosman, NSW Australia.

**NOTE 21: FINANCIAL RISK MANAGEMENT**

The Club's financial instruments consist mainly of deposits with banks, accounts receivable and 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>NOTE</b>	<b>2016</b>	<b>2015</b>
		<b>\$</b>	<b>\$</b>
<b>Financial Assets</b>			
Cash on Hand	6	69,541	85,560
Accounts receivables and other debtors	7	19,412	3,449
		88,953	89,009
<b>Financial Liabilities</b>			
Financial liabilities at amortised cost			
- Accounts Payable and other payables	10	44,609	40,299
- Taxes Payable	12	22,267	28,488
- Borrowings	11	260,000	260,000
		326,876	328,787

**Financial Risk Management Policies**

The committee's overall risk management strategy seeks to assist the Club in meeting its financial targets, whilst minimizing potential adverse effects on financial performance. Risk management policies are approved and reviewed by the committee on a regular basis. These include credit risk policies and future cash flow requirements

**Specific Financial Risk Exposures and Management**

The main risk the Club is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

**a. Interest rate risk**

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at reporting date whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial rate instruments.

**WARRINGAH BOWLING CLUB LIMITED**  
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**NOTES TO AND FORMING PART OF THE 2016 FINANCIAL STATEMENTS**

**b. Liquidity risk**

Liquidity risk arises from the possibility that the Club might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Club manages this risk through the following mechanisms:

- Preparing forward looking cash flow analysis in relation to its operational, investing and financing activities;
- Maintaining a reputable credit profile;
- Managing credit risk related to financial assets;
- Investing only in surplus cash with major financial institutions; and
- Comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

**Financial liability and financial asset maturity analysis**

	Within 1 Year		1 - 5 Years		Over 5 Years		Total Contractual Cash Flow	
	2016	2015	2016	2015	2016	2015	2016	2015
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Financial Liabilities Due for Payment</b>								
Unsecured Notes	0	0	260,000	260,000	0	0	260,000	260,000
Lease Liabilities	0	0	0	0	0	0	0	0
Trade and Other Payables (excluding estimated Annual Leave and Deferred Income)	66,876	68,787	0	0	0	0	66,876	68,787
<b>Total Expected Outflows</b>	<b>66,876</b>	<b>68,787</b>	<b>260,000</b>	<b>260,000</b>	<b>0</b>	<b>0</b>	<b>326,876</b>	<b>328,787</b>

**Financial liability and financial asset maturity analysis**

	Within 1 Year		1 - 5 Years		Over 5 Years		Total Contractual	
	2016	2015	2016	2015	2016	2015	2016	2015
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Financial Assets - Cash Flows Realisable</b>								
Cash on Hand	69,541	85,561	0	0	0	0	69,541	85,561
Trade Term and Loans Receivables	19,412	3,449	0	0	0	0	19,412	3,449
<b>Total Anticipated Inflows</b>	<b>88,953</b>	<b>89,010</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>88,953</b>	<b>89,010</b>
<b>Net (Outflow) Inflow on Financial Instruments</b>	<b>22,077</b>	<b>20,223</b>	<b>-260,000</b>	<b>-260,000</b>	<b>0</b>	<b>0</b>	<b>-237,923</b>	<b>-239,777</b>

**WARRINGAH BOWLING CLUB LIMITED**  
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**NOTES TO AND FORMING PART OF THE 2016 FINANCIAL STATEMENTS**

**Credit Risk**

Exposure to credit risk relating to financial assets arises from the potential non-performance by counter parties of contract obligations that could lead to a financial loss to the Club.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating.

*Credit Risk Exposures*

The maximum exposure to credit risk by class of recognised financial assets at balance date is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

Accounts Receivable and other receivables that are neither past due nor impaired are considered to be of quality. Aggregates of such amounts are as detailed in Note 7.

The Club does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the company. The trade receivables balance at 30 June 2016 and 30 June 2015 do not include any counter parties with external credit ratings.

Customers are assessed for credit criteria worthiness based on enquiry of the customer and management due diligence enquiries.

Credit risk related to balances with banks and other financial institutions is managed by the committee in accordance with approved Board policy. The following table provides information regarding credit risk relating to cash and cash equivalents.

	<b>Note</b>	<b>2016</b>	<b>2015</b>
Cash and Cash Equivalents	6	69,541	85,561

**Net Fair Values**

*Fair value estimation*

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the balance sheet. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Fair values derived may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgment and the assumptions have been detailed below.

	Footnote	2016		2015	
		Carrying	Value	Carrying	Value
<b>Financial assets</b>					
Cash on Hand	(i)	69,541	69,541	85,561	85,561
Accounts receivables & other Debtors	(i)	19,412	19,412	3,449	3,449
Total financial assets		88,953	88,953	89,010	89,010
<b>Financial liabilities</b>					
Accounts Payables and other payables	(i)	66,876	66,876	68,787	68,787
Total financial liabilities		66,876	66,876	68,787	68,787

The fair values disclosed in the above table have been determined based on the following methodologies:

**WARRINGAH BOWLING CLUB LIMITED**  
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**NOTES TO AND FORMING PART OF THE 2016 FINANCIAL STATEMENTS**

(i) Cash and cash equivalents, trade and other receivables and trade and other payables are short-term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables exclude amounts provided for, relating to annual leave and deferred income which is not considered a financial instrument.

(ii) In the year ended 30 June 2015, twenty six \$10,000 promissory notes were offered to members with terms of principal repayable at maturity in 5 years and fixed interest of 6% payable annually in arrears. The net value represents the principal and the net fair value being the undiscounted remaining principal & interest due over the term of the note.

*Sensitivity Analysis*

The following table illustrates sensitivities to the company's exposures to changes in interest rates.

The table indicates the impact on how profit reported at balance date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

<b>Year Ended 30 June 2015</b>	<b>Profit</b>	<b>Equity</b>
	<b>\$</b>	<b>\$</b>
± 2% in interest rates	± \$1,528	± \$1,528
<b>Year Ended 30 June 2016</b>	<b>Profit</b>	<b>Equity</b>
	<b>\$</b>	<b>\$</b>
± 2% in interest rates	± \$1,215	± \$1,215

The above interest rate sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

No sensitivity analysis has been performed on foreign exchange risk, as the Club is not exposed to foreign currency fluctuations.

**NOTE 22: CLUB DETAILS**

The registered office and principal place of business for the club is  
Warringah Bowling Club Ltd  
74 – 82 Bradleys Head Rd  
MOSMAN NSW 2088

**NOTE 23: CAPITAL MANAGEMENT**

The Board controls the capital of the entity to ensure that adequate cash flows are generated to fund its operations.

Risk management policies are approved and reviewed by the board on a regular basis. These include credit risk policies and future cash flow requirements.

**NOTE 24: Core vs Non-Core Property**

The Club's core property comprises the defined trading premises situated at 74-82 Bradleys Head Road Mosman and the leased childcare centre at 72 Bradleys Head Road Mosman.

The Club has no non-core property

**WARRINGAH BOWLING CLUB LIMITED**  
**A.B.N. 85 000 014 219**

**DIRECTORS' DECLARATION**

The Directors of the Club declare that:

- 1 The financial statements and notes, as set out on pages 6 to 25 are in accordance with the Corporations Act 2001:
  - (a) Comply with Australian Accounting Standards; and
  - (b) Give a true and fair view of the financial position of the Club as at 30 June, 2016 and of the performance of the year ended on that date of the Club.
- 2 In the opinion of the Directors these are reasonable grounds to believe that the Company will be able to pay its debts and when they become due and payable.

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

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Ann Dooley OAM  
**Chairman**

---

G. Johnson  
**Director**

Dated 21st October 2016

**WARRINGAH BOWLING CLUB LIMITED**

**A.B.N. 85 000 014 219**

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF  
WARRINGAH BOWLING CLUB LIMITED**

**Report on the Financial Report**

We have audited the accompanying financial report of Warringah Bowling Club Limited, which comprises the statement of financial position as at 30 June 2016, the statement of profit or loss and other 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.

**Directors' Responsibility for the Financial Statements**

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 the financial report that gives a true and fair view and 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 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 judgment, including the assessment of the 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 report 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

**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 given to the directors of Warringah Bowling Club Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

**WARRINGAH BOWLING CLUB LIMITED**

**A.B.N. 85 000 014 219**

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF  
WARRINGAH BOWLING CLUB LIMITED**

**Auditor's Opinion**

In our opinion, the financial report of Warringah Bowling 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 June 2016 and of its performance for the year ended on that date; and
- ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

**NAME OF FIRM**                      ROBERTS NISSEN

**NAME OF PARTNER**              P M MELDRUM

**DATE:**                                21st October 2016

**ADDRESS:**                         Suite 2, Level 3, 121 Walker Street, North Sydney