

Notice of Annual General Meeting Edgeworth Bowling Club Co-Op Ltd Trading as Edgeworth Sport and Rec. 2019

Notice is hereby given that the 55th Annual General Meeting of the Edgeworth Bowling Club Co-Op Ltd will be held in the Club premises at Park Street, Edgeworth on Sunday, 23rd June 2019, at 9.30am.

Agenda

1. Confirmation of the minutes of the 54th Annual General Meeting and any Special Meetings held during the year.
2. To receive and adopt the Directors Report.
3. To receive and adopt the Financial Reports, consisting of the Auditor's Report, Balance Sheet, Income Statement and Statement of Cash Flows.
4. Director's expenses, as posted. #
5. Election of the following positions: -
 - Patrons
 - Assistant Games Secretary
 - Returning Officer and Assisting Returning Officer
 - NDBA Delegates and Proxy Delegates

NB.

Directors Expenses is as follows

President \$2000, Vice President \$500, Treasurer \$500, Assistant Secretary \$1500, Directors \$500 NDBA Delegate \$200

##Notice in writing of any Special Business must be given to the CEO not less than 14 days prior to the date of this meeting and be posted by them on the Club Notice Board.

On behalf of the Board of Directors of Edgeworth Bowling Club Co-Op Ltd.

Aaron Stothard

CEO

27th May 2019



2019- 2019 OFFICE BEARERS

PATRON

Darrell Freund

PRESIDENT

Mr G Keogh

VICE-PRESIDENT

Ray Smart

TREASURER

Mr. D. Hinds

ASSISTANT SECRETARY

Ms S Pritchard

DIRECTORS

Mr. S. Pepperall

Mr. C. Varley

Mr. A. Trivers

Mr. G Pearey

Mr T Karbownik

BOWLS MANAGERS

Mr. M. Kedwell, Mr. M. Harwood

CHIEF EXECUTIVE OFFICER

Mr A Stothard

Presidents Report

On behalf of the Board of Directors and myself I would like to put forward this annual Report.

We would like to offer our condolences to all the family and friends of members who have passed away and to all our members who have lost partners, relatives or loved ones throughout the year.

I would like to thank my Board of Directors for their dedication and work ethics that have contributed to the Clubs success in the past twelve months. As everyone was aware, the club was not in a favorable financial position at the beginning of this financial year but through a new direction and some hard decisions we have achieved some very promising outcomes which will be pointed out in the Club financial report.

This new approach has and will continue to give a solid foundation to the future of the Club with the long-term vision that will hopefully endure the pressures of the economic climate.

I would like to thank all the Club staff led by our new CEO Aaron Stothard for their ongoing commitment and look forward to working closely with them to keep the long-term vision on track.

To Mandy and Lisa for their commitment and time in keeping the office running smoothly and Lisa Ollerton for all the time she has devoted to make sure we stay on track with the Creditors etc.

To Jason for keeping our greens and surrounds up to a great standard with great reports from visiting Clubs well received.

Don Barrack is the new club cleaner and has shown how the work is supposed to be done, Thanks Don.

The Club has engaged new Management to run the Restaurant and this has shown to be very well accepted by members and the local community, with great revues being posted all of which will help to make the Club grow with special catering events planned. Thank you to Marie and her staff.

A special thanks to Mick Kedwell for introducing and coordinating special events including barefoot bowls, major tournaments and social events and BBQ's, with the club well represented this year in the Pennants with all accept one team being in the final play offs. Also, the District championships had some close encounters as well, all of which have put Edgeworth Sport and Rec Club well onto the map, with the assistance of Kevin Atkinson (Selector) and all the volunteers and Sponsors for your help in promoting these events.

And not forgetting Betty Anderson and the Lady Bowlers for all the hard work behind the scenes, a big thank you.

As stated above I am very proud of the commitment shown and look forward in cementing the long-term viability of the Club for years to come.

Thank you
Gary Keogh
(President)

Bowls Report

Club games- club games are going well. We are a bit behind due to weather cancellations and pennant games being played on Sundays but should be no probs being finished for presentation day on 8th December 2018.

Pennants- pennants is completed for 2019, with a very good year with 4 out of 6 teams making play-offs we never won a flag which I was quietly confident so again very good year with our boys doing the club proud.

We hosted 2 Grade here for 1½ days and all went great. Volunteers were exceptional again with the presentation, Macka, Jason, and Lady and Men bowlers running the BBQ all was fine. I received meat and bread for free so what ever was made on the days in canteen with some of our original hosting cost of \$1100 and with all those players and spectators drinking, I feel hosting pennant play offs is a very good idea.

Tournaments- Anzac day was full and we ran out of alcohol at outside bar and nearly inside as well with the band on, great day for the club.

We received \$500 of Ben from West Wallsend shop proprietors for sponsorship and after paying out prizemoney we ran day at a minus \$175 which is fine for having 86 bowlers here for the afternoon and into the night.

Next tournament on 8th June is full and with receiving \$3,000 from Andy Trivers for sponsorship all is good. Sponsorship so far-

- Ben Moulder- \$500
- Trivers Construction - \$3,000
- Aristocrat-\$1,000
- Lake Macquarie Crematorium-\$1,000
- Tooheys-\$6,000

With Tozer, \$1,500 and ross trucks-\$1,500 and a few more to go see sponsorship is good.

Membership fees- are all paid and done with only a few outstanding. Royal payment has been finalized and paid in full.

Raffles- on Fridays they are holding their own but will check with Aaron as we now have Barnsley Soccer and Glendale Gorillas may want to run a Friday/Saturday raffle . Friday and Saturday afternoon raffles are fine with smallish profit most times but are profits.

Jack attack jack attack has been run and won again and with all green fees going into prize money. It cost us nothing to run and with most teams having dinner and drinking all is good. Bakers delight provided bread for pennant playoffs as sponsor.

Galas- galas are good with Wednesday and Friday getting good numbers and creeping up all the time. Saturday gala starts again this week which is good for club.

In conclusion

Now pennants is finished we have tournaments upcoming, hosting bowls Australia BPL events. Saturday gala resumes again, pennant party events, king and queen of the green, there is a lot happening down the track. Whilst I have plenty of volunteers on these days all is good and looking forward in enjoying these events soon

Go the eagles
Mick Kedwell
Bowls co-ordinator.

CEO's Report

Good afternoon,

This year's financial report shows the clubs first profit in 6 years. As at the 31st March, 2019 our profit was \$139,738 (2018: \$166,794 Loss). This is an improvement on prior year of \$306,532.

Compared to March, 2018 the clubs debt has also been reduced from \$656,581 down to \$391,441 which is a reduction in debt of \$265,140. These numbers are due to an overall increase in trading across the club.

Bar revenue has increased by 10.63% on prior year.

Poker Machine revenue has also increased 23.62% on the prior year.

TAB and KENO commission has also increased by \$12,388 on the prior year.

On top of revenue increasing, we have also decreased our general expenditure on the previous year by \$52,641.

The club is becoming more popular for everyone in the area with us becoming one of the go to places for live entertainment. We have big acts and big crowds coming in to see them.

With the new auditorium out the back, just over a year old now, we are starting to see it fully utilised nearly every weekend as word has got around about the quality functions it can provide. We have also updated the club with a new sports lounge area which is a very popular area for members and guests.

Our poker machines are also being slowly upgraded and brought in line with the times.

We are getting the Edgeworth Sport and Rec name out into the community through sponsorship with new local sports teams that we have not sponsored before, advertising on the TV during big sports events, use of social media and our web page. Once again, our choice of live entertainment is helping make our mark on the whole of Newcastle and Lake Macquarie area.

Now I would like to thank the Board of Directors, staff, volunteers and members for continuing to work with me.

Board of Directors: I would like to thank my Board of Directors for their ability to work closely as a team and your continual commitment and effort does not go unnoticed and must be congratulated.

Accountant: Without our accountant Lisa Ollerton I have no doubt at all that the club would not be in the position it is in. My job would be so much harder if I didn't have her here and she is a huge asset to this club. So, Thank you

Staff: I would like to thank all the staff I have working for me. They are the face of the club, and as the club has progressed and got busier, they have adapted to it and always do an excellent job.

Mandy and Lisa: You do all your work behind the scenes so are not usually appreciated as much as you should be but this club runs because of the work you do in that back office so thank you.

Jason: thank you for your dedication to the greens and surrounds; Bowls is a major part of this club and it would not exist if it wasn't for you.

David: Thank you for everything you do for the club. Without you here first thing in the morning getting everything done, prepared and maintained, the club would not run as smooth as it does.

Edgeworth Women's Bowling Club: To Madame President, Betty Anderson, your executive and lady members I would like to thank you all for your assistance and support toward the club over the past year.

Bingo and Housie: I would like to thank Mandy, Michelle, and their many helpers who work tirelessly to promote and run the Bingo and Housie events each week.

Vale: My deepest sympathy goes out to all the members who have lost loved ones throughout the year. My condolences also go out to the family and friends of our life member Mr Brian Patrick who passed away last month.

In closing I would like to say that we are a community club. The continuous support of our members and our community is what helps us to provide a quality club and helps keep the doors open. With your support we can continue to grow as a community hub, and grow to a bigger and even better club that everyone can enjoy well into the future.

Thank you

Aaron Stothard

CEO

Edgeworth Bowling Club Co-op Limited
ABN 98 117 562 045

Annual Report
For The Financial Year Ended 31 March 2019

Club Property Declarations	8
Directors' Report.....	9
Statement of Comprehensive Income	16
Statement of Financial Position	17
Statement of Changes in Equity	18
Statement of Cash Flows	19
Notes to the Financial Statements	20
Directors' Declaration	39
Independent Audit Report to the Members.....	40
Compilation Report to Members	42
Additional Financial Information	43

Edgeworth Bowling Club Co-op Limited
ABN 98 117 562 045

Club Property Declarations

Pursuant to Section 41J(2) of the Registered Clubs Act the Directors declare that, for the financial year ended 31 March 2019, the classifications of the property held are as follows:

Property Address	Current Usage	Classification
Nil		

Notes to Members

1. Section 41J(2) of the Registered Clubs Act requires the annual report to specify the core property and non-core property of the Club as at the end of the financial year to which the report relates.
2. Core property is any real property owned or occupied by the Club that comprises:
 - (a) the defined premises of the Club; or
 - (b) any facility provided by the Club for use of its members and their guests; or
 - (c) any other property declared by a resolution passed by a majority of the members present at a general meeting of Ordinary members of the Club to be core property of the Club.
3. Non-core property is any other property other than that referred to above as core property and any property which is declared by the members at a general meeting of ordinary members of the Club not to be core property.
4. The significance of the distinction between core property and non-core property is that the Club cannot dispose of any core property unless:
 - (a) the property has been valued by a registered valuer within the meaning of the Valuers Act 2003; and
 - (b) the disposal has been approved at a general meeting of the ordinary members of the Club at which the majority of the votes cast support the approval; and
 - (c) any sale is by way of public auction or open tender conducted by an independent real estate agent or auctioneer.
5. These disposal provisions and what constitutes a disposal for the purposes of section 41J are to some extent modified by regulations made under the Registered Clubs Act and by Section 41J itself. For example, the requirements in paragraph 4 above do not apply to;
 - Core property that is being leased or licensed for a period not exceeding 10 years on terms that have been the subject of a valuation by a registered valuer;
 - Core property that is leased or licensed to a telecommunications provider for the purposes of a telecommunication tower.

Edgeworth Bowling Club Co-op Limited
ABN 98 117 562 045

Directors' Report

Due to a change in reporting requirements, the Directors Report is no longer required to be included in the financial statements. However for transparency purposes the Club has included a modified report.

Your Directors present their report on the Entity for the financial year ended 31 March 2019.

Names and Details of Directors

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

Director	Position	Appointment / Resignation
Gary Keogh	President	Elected June 2018
Ray Smart	Vice President	Elected June 2018
David Hinds	Treasurer	Elected June 2018, Director Since June 2014
Debbie Chapman	Assistant Secretary	August 2018 Director 2012 / Resigned July 2018
Simone Pritchard	Assistant Secretary	Appointed July 2018
Chris Varley	Director	Elected June 2011
Andy Trivers	Director	Elected June 2016
Steve Pepperall	Director	Elected January 2016
Graham Pearey	Director	Elected June 2018
Tony Karbownik	Director	Elected June 2018

The following directors did not stand for re-election in June 2018

John Cooper	President	June 2011 Director 2009
Darrell Freund	Vice President	Elected June 2013, Director since October 2012
Steve McDonald	Director	Elected June 2016
Peter Rowse	Director	Elected June 2014

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 the Entity during the financial year continued to be the operation of a licensed Bowling Club and Sports and Recreation Club.

There has been no significant change in the nature of this activity during the course of the year.

Edgeworth Bowling Club Co-op Limited

ABN 98 117 562 045

Directors' Report

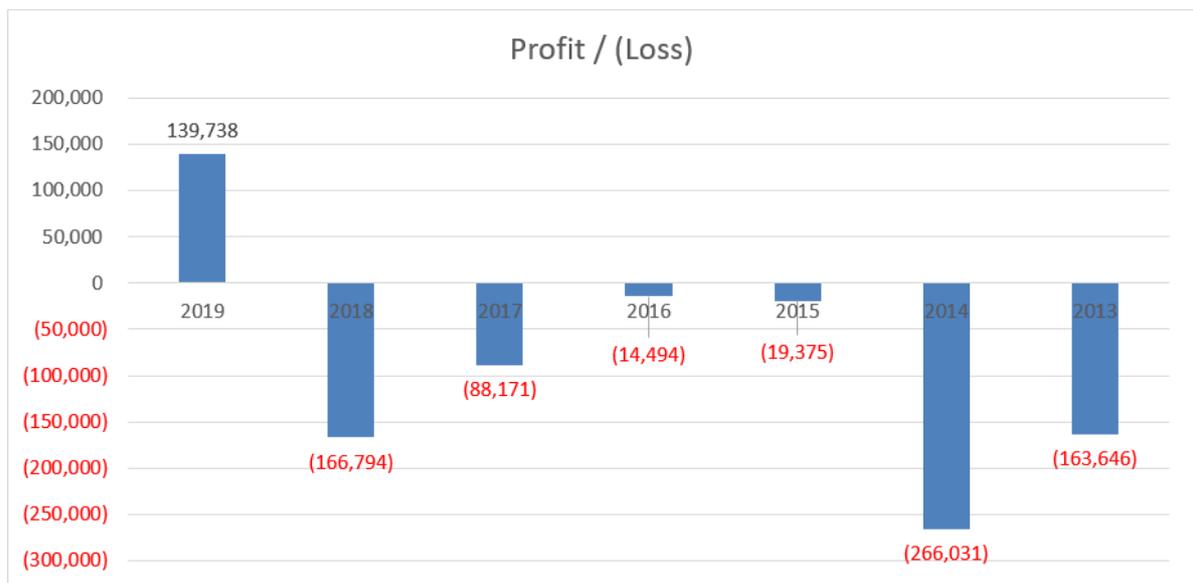
Operating Results

The net profit of the Entity for the financial year amounted to \$139,738 (2018: \$166,974 Loss). The Co-operative is exempt from income tax.

The Club's profit before depreciation and interest (EBITDA) amounted to \$402,079 (2018: \$118,130) for the year ended 31 March 2019.

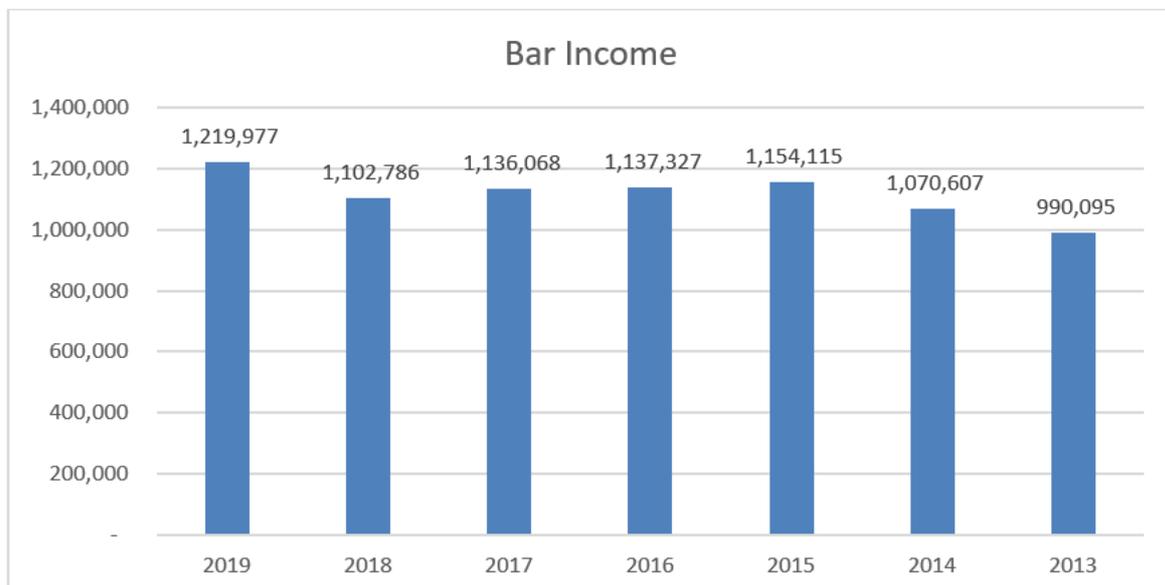
Review of Operations

The net profit for the Club for the year ended 31 March 2019 amounted to \$139,738. This is a significant increase on prior year of \$306,712. This is a result of a significant increase in revenue and the ensuring expenditure for the financial year was within the stated budget.



Review of Income

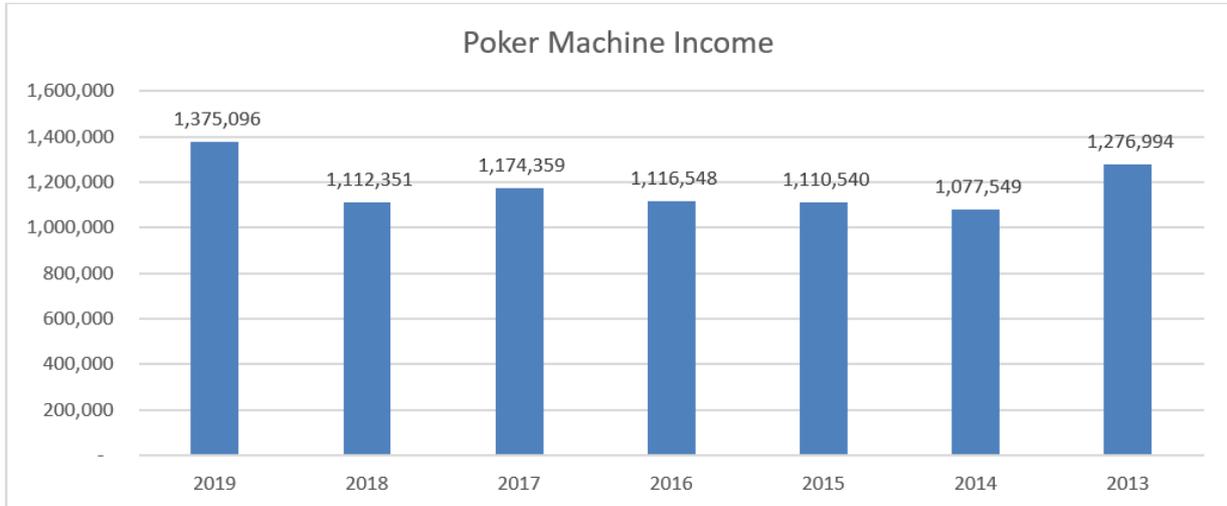
Year to Date Bar Revenue has increased by \$117,191 compared to 2018. This is an increase of (10.63%)



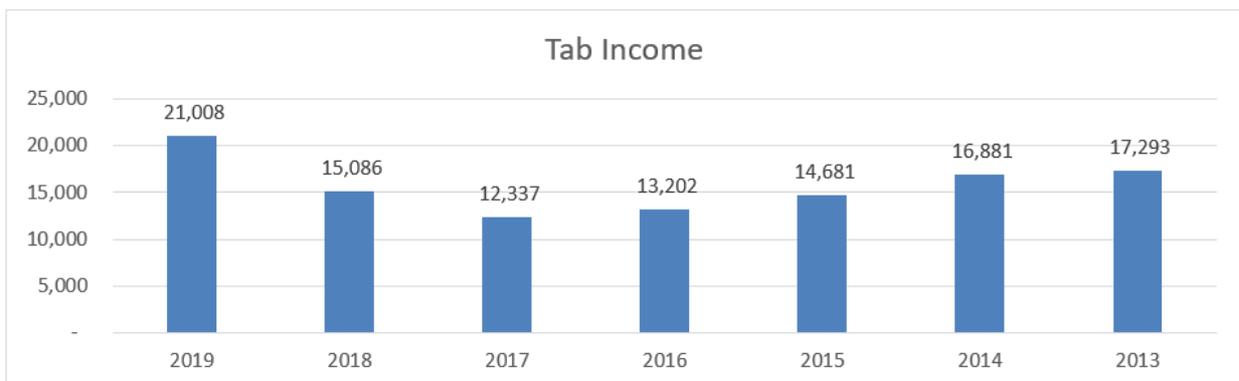
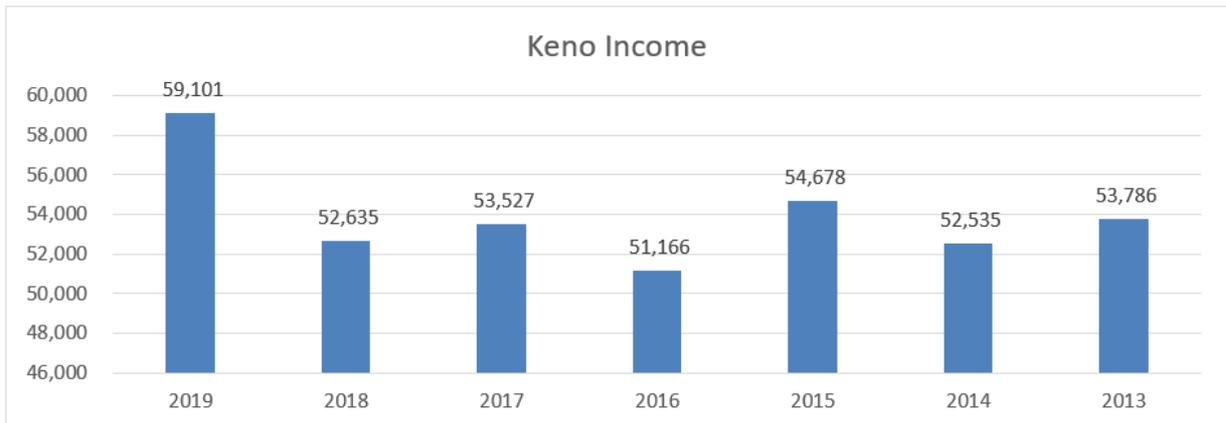
Edgeworth Bowling Club Co-op Limited
ABN 98 117 562 045

Directors' Report

Overall poker machine revenue has increased by \$262,745 (23.62%).



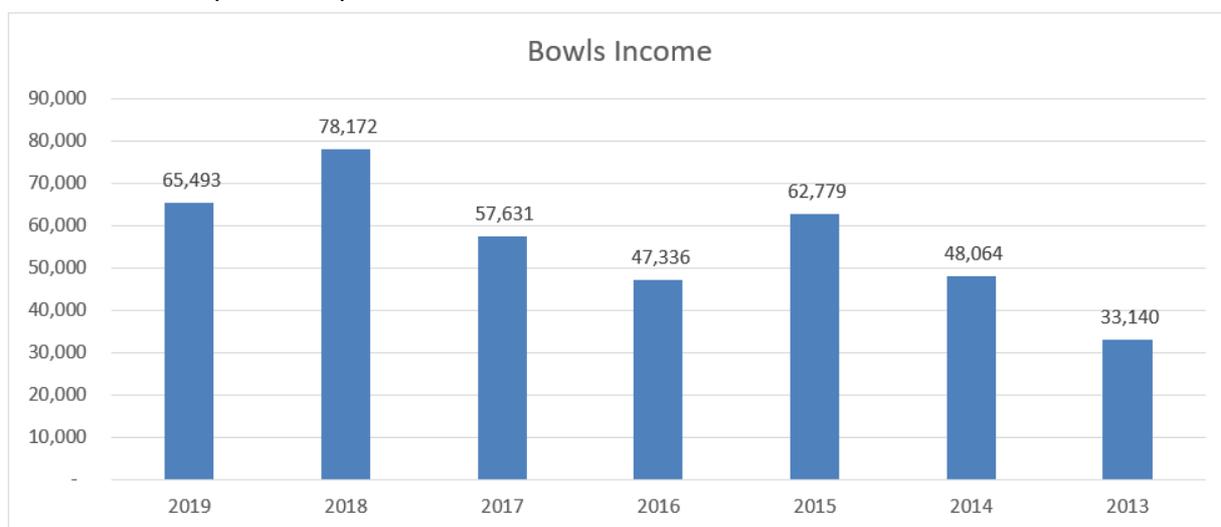
Overall Keno Commission has increased by \$6,466 (12.28%). Year to date Tab Commission has increased by \$5,922 (39.25%).



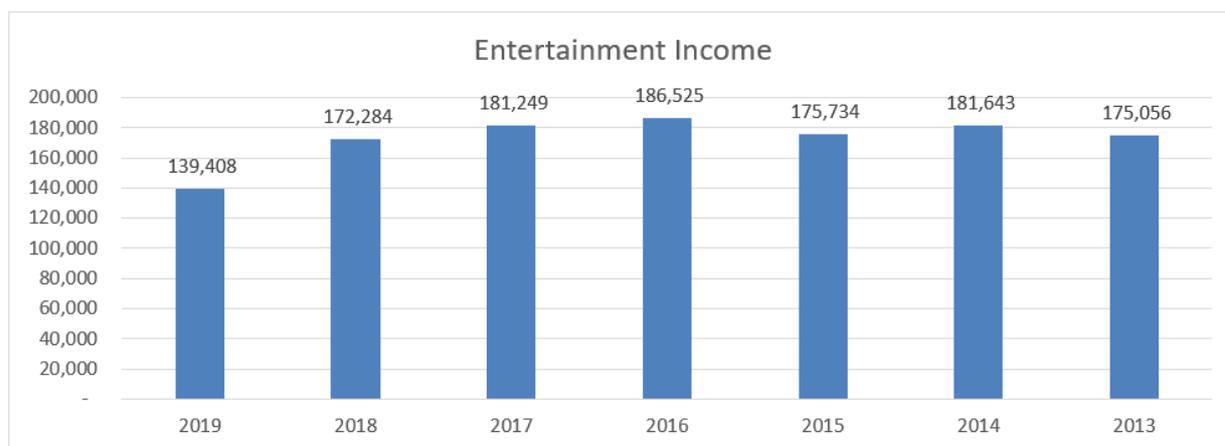
Edgeworth Bowling Club Co-op Limited
ABN 98 117 562 045

Directors' Report

Overall Bowls revenue has decreased by \$12,679 (19.35%). This decrease is directly related to the decrease in sponsorship received.



Overall entertainment revenue has decreased by \$32,876 (19.08%). This decrease is a result of a downturn in raffle revenue and the reduction in the number of bingos held per week in comparison to the previous financial year.



Review of Expenditure

Summary of movement in major expenditure items is as follows:

- Decrease in Depreciation Expenses \$16,464 (6.61%).
- Decrease in Finance Costs \$6,299 (17.45%). As at balance date the Club has two hire purchase (finance) agreements in place.
- Decrease in TAB & Keno expenses \$2,545 (21.34%).
- Increase in overall bowls expenditure \$1,521 (1.96%).
- Decrease in Advertising, Promotions and Entertainment \$66,152 (14.64%).
- Decrease in Employee expenses \$96,194 (56.74%).

Edgeworth Bowling Club Co-op Limited

ABN 98 117 562 045

Directors' Report

- Increase in Poker Machine Duty Tax \$79,877 (125%). This is consistent with the significant increase in poker machine revenue for the financial year.
- Decrease in Cleaning costs \$15,463 (20.63%).
- Decrease in Consultants fees \$7,465 (100%).
- Decrease in Legal fees \$2,659 (57.78%).
- Increase in Power and Gas expenditure \$7,310 (8.18%).
- General Insurance costs have increased by \$5,154 (14.94%).
- Increase in Repairs and Maintenance \$7,165 (15.72%).

Net Cash Position

The net cash position of the Club has increased by \$51,794 as at Balance Date (Cash balances 2019: \$92,150, 2018: \$40,356).

Capital Expenditure

During the year the Club spent \$22,719 towards upgrading the Clubs security cameras, stage area etc.

Debt Reduction

Compared to March 2019 the Clubs long term debt has been reduced from \$656,581 to \$391,441 (\$265,140)

- Trade Creditors and other payables reduced by \$176,001
- Borrowings reduced by \$89,139

As at balance date all Trade Creditors are being paid within payment terms and the ATO liability is being paid as and when it falls due.

Going Forward

2020 will see the Club focus on maintaining the increase in revenue over past financial year whilst reducing and controlling costs to the Club. A new budget is in the process of being drafted and once again will be monitored on a monthly basis.

We thank all members for their support during 2019 and hope you continue to support in 2020.

Directors' Report

Co-operative Secretary

The following person held the position of Entity secretary during the financial year:

Ms Jodie Odd was appointed to the position of Secretary Manager/Chief Executive Office in July 2012. Ms Odd resigned in July 2018.

Mr Aaron Stothard was appointed the position of Secretary Manager/Chief Executive Office in November 2018.

Indemnifying Officers

The Entity has paid premiums to insure each of the directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the Entity, other than conduct involving a wilful breach of duty in relation to the Entity. The premium paid is included in the total Club Protection premium and cannot be separately accounted for.

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an auditor of the entity.

Proceedings on Behalf of Co-operative

No person has applied for leave of Court to bring any other proceedings on behalf of the Entity or intervene in any proceedings to which the Entity is a party for the purpose of taking responsibility on behalf of the Entity for all or any part of those proceedings.

Auditor's Independence Declaration

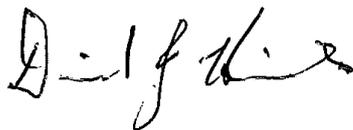
The auditor's independence declaration for the year ended 31 March 2019 has been received and can be found on page 8 of the director's report.

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

Director:



Director:



Dated:

4.6.19



**Auditors Independence Declaration
under Section 307C of the Corporations Act 2001
to the Directors of Edgeworth Bowling Club Co-op Limited**

I declare that, to the best of my knowledge and belief, during the year ended 31 March 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.

EVOLUTION AUDIT PTY LTD

Unit 1, B2, 335 Hillsborough Road
WARNERS BAY NSW 2282

A handwritten signature in black ink, appearing to read 'C Bartlett', is positioned above the printed name of the director.

Director – Craig Bartlett

Date: 03/06/2019

Edgeworth Bowling Club Co-op Limited
ABN 98 117 562 045

Statement of Comprehensive Income
For The Year Ended 31 March 2019

	NOTE	2019 \$	2018 \$
Revenues from continuing operations	2	3,015,091	2,638,666
Other income	3	17,180	52,077
Bar Trading Expenses		(548,840)	(480,617)
Changes in inventories		(3,440)	(2,250)
Poker Machine Trading		(265,682)	(169,488)
Employee benefits expense		(820,861)	(859,175)
Depreciation and amortisation expense	4	(232,548)	(249,012)
Finance costs – net	4	(29,793)	(36,092)
Keno and TAB expenses		(9,383)	(11,928)
Bowls expenses		(79,010)	(77,489)
Advertising, promotions and entertainment		(385,657)	(451,809)
Occupancy costs		(300,899)	(303,486)
Other expenses from ordinary activities		(216,420)	(216,371)
		_____	_____
Profit/(Loss) from ordinary activities before Income tax expense		139,738	(166,974)
Income tax expense relating to ordinary activities		-	-
		_____	_____
Profit/(Loss) from ordinary activities after Income tax expense		139,738	(166,974)
Other Comprehensive Income		-	-
		_____	_____
Profit/(Loss) attributable to members of Edgeworth Bowling Club Co-op Ltd		139,738	(166,974)
		=====	=====

The accompanying notes form part of these financial statements.

Edgeworth Bowling Club Co-op Limited
ABN 98 117 562 045

Statement of Financial Position
As At 31 March 2019

	NOTE	2019 \$	2018 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5	92,150	51,395
Receivables	6	53,202	65,791
Inventories	7	25,816	23,661
<i>Total Current Assets</i>		171,168	140,847
Non-Current Assets			
Property, Plant & Equipment	8	1,781,733	1,992,326
Intangibles	9	-	171
<i>Total Non-Current Assets</i>		1,781,733	1,992,497
Total Assets		1,952,901	2,133,344
LIABILITIES			
Current Liabilities			
Payables	10	183,969	359,970
Short-term borrowings	11	184,398	235,825
Provisions	12	121,258	179,041
Subscriptions in advance	13	20,198	19,373
Share Capital	14	3,083	3,530
<i>Total Current Liabilities</i>		512,906	797,739
Non-Current Liabilities			
Provisions	12	8,090	5,726
Long-term borrowings	15	23,074	60,786
<i>Total Non-Current Liabilities</i>		31,164	66,512
Total Liabilities		544,070	864,251
Net Assets		1,408,831	1,269,093
EQUITY			
Retained Profits		1,408,831	1,269,093
Total Equity		1,408,831	1,269,093

The accompanying notes form part of these financial statements.

Edgeworth Bowling Club Co-op Limited
ABN 98 117 562 045

Statement of Changes in Equity
As At 31 March 2019

	2019 \$	2018 \$
<i>Total equity at the beginning of the Financial year</i>	1,269,093	1,436,067
	<hr/>	<hr/>
Profit/(Loss) for the year	139,738	(166,974)
Comprehensive Income for the year	-	-
	<hr/>	<hr/>
Total recognised income and expense for the year	1,408,831	1,269,093
	<hr/>	<hr/>
<i>Total equity at the end of the Financial year</i>	1,408,831	1,269,093
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The accompanying notes form part of these financial statements

Edgeworth Bowling Club Co-op Limited
ABN 98 117 562 045

Statement of Cash Flows
For The Financial Year Ended 31 March 2019

	2019	2018
	\$	\$
<i>Cash flows from Operating Activities</i>		
Receipts from customers	3,333,771	2,938,608
Payments to suppliers and employees	(3,150,917)	(2,771,547)
Interest received	9	2
Finance costs	(29,793)	(36,092)
	<hr/>	<hr/>
Net cash inflow (outflow) from operating activities	153,069	130,971
	<hr/>	<hr/>
<i>Cash Flows from Investing Activities</i>		
Payment for property, plant & equipment	(22,729)	(29,316)
Payments for intangibles	-	-
Proceeds from sale of property, plant & equipment	-	16,000
	<hr/>	<hr/>
Net cash inflow (outflow) from investing activities	(22,729)	(13,316)
	<hr/>	<hr/>
<i>Cash Flows from Financing Activities</i>		
Increase/(Decrease) in share capital	(447)	(85)
Proceeds from borrowings	45,369	39,996
Repayments of borrowings	(123,468)	(165,169)
	<hr/>	<hr/>
Net cash inflow (outflow) from financing activities	(78,546)	(125,258)
	<hr/>	<hr/>
<i>Net increase/(decrease) in cash and cash equivalents</i>	51,794	(7,603)
Cash & cash equivalents at the beginning of the financial year	40,356	47,959
	<hr/>	<hr/>
<i>Cash and cash equivalents at end of year</i>	92,150	40,356
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The accompanying notes form part of these financial statements.

Edgeworth Bowling Club Co-op Limited
ABN 98 117 562 045

Notes to the Financial Statements
For The Financial Year Ended 31 March 2019

1. Statement of Significant Accounting Policies

The financial report is for Edgeworth Bowling Club Co-op Ltd as an individual Entity. Edgeworth Bowling Club Co-op Ltd is a non trading (not for profit) Co-operative with share capital domiciled in Australia.

(a) Basis of Preparation

Edgeworth Bowling Club Co-op Limited has elected to early adopt pronouncements AASB 10 Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements to the annual reporting period beginning 1 January 2018.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board and the *Co-operatives (Adoption of National Law) Act 2012*. The entity is a not for profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless otherwise stated.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

(b) Going Concern Basis of Accounting

The financial report has been prepared on the going concern basis. At balance date current assets amounted to \$171,168 and total current liabilities were \$512,906. This represents a shortfall of \$341,738 (2018:\$ 656,892) in the Club's current ratio. The current cash balance of the club as per the cash flow statement is \$92,150 (2018: 40,356). This is short of the trade and other payables balance of \$183,969 due and payable and short term borrowings of \$184,398 by \$276,217.

The Club made a profit of \$139,738 in 2019 (2018: Loss \$166,974). For the year ended 31 March 2019 the Club has reduced its long-term debt by \$89,139 and trade and other payables liabilities by \$176,001.

Despite the successful increase in profit and reduction in debt there still remains the existence of a material uncertainty which casts doubt about the entities ability to continue as a going concern should trading conditions decline. The Club needs to maintain its profitability and debt reduction over the next three years.

Edgeworth Bowling Club Co-op Limited
ABN 98 117 562 045

Notes to the Financial Statements
For The Financial Year Ended 31 March 2019

1. Summary of Significant Accounting Policies (cont'd)

(c) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, duties and taxes paid. Revenue is recognised for the major business activities as follows:

Sale of Goods

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Grant revenue is recognised in the income statement 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 balance sheet as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

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

(d) Income Tax

No provision for income tax has been raised as the entity is exempt for income tax under Division 50 of the Income Tax Assessment Act 1997.

(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 entity are classified as finance leases.

Edgeworth Bowling Club Co-op Limited
ABN 98 117 562 045

Notes to the Financial Statements
For The Financial Year Ended 31 March 2019

1. Summary of Significant Accounting Policies (cont'd)

Finance leases are capitalised, recording 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 a straight line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

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

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

(f) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying values of its tangible and intangible 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.

Where the future economic benefits of the asset are not primarily dependent upon on 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 determined 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 debited against the revaluation reserve in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation reserve for that same class of asset.

(g) Cash and Cash Equivalents

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

Edgeworth Bowling Club Co-op Limited
ABN 98 117 562 045

Notes to the Financial Statements
For The Financial Year Ended 31 March 2019

1. Summary of Significant Accounting Policies (cont'd)

(h) Inventories

Inventories are stated at the lower of costs and net realisable value.

(i) Financial Instruments

Initial Recognition and Measurement

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

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

Classification and Subsequent Measurement

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

Amortised cost is calculated as:

- i. the amount at which the financial asset or financial liability is measured at initial recognition;
- ii. less principal repayments;
- iii. plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method;
- iv. less any reduction for impairment.

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

Edgeworth Bowling Club Co-op Limited
ABN 98 117 562 045

Notes to the Financial Statements
For The Financial Year Ended 31 March 2019

1. Summary of Significant Accounting Policies (cont'd)

(i) Financial Instruments (cont.)

(i) Financial assets at fair value through the income statement

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

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised.

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

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Group's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

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

(v) Financial liabilities

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

Edgeworth Bowling Club Co-op Limited
ABN 98 117 562 045

Notes to the Financial Statements
For The Financial Year Ended 31 March 2019

1. Summary of Significant Accounting Policies (cont'd)

(i) Financial Instruments (cont.)

Fair Value

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

Impairment

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

Derecognition

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

(j) Property, Plant and Equipment

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

Property

Buildings are measured on the cost basis less depreciation for buildings and impairment losses.

The carrying amount of buildings is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal.

Edgeworth Bowling Club Co-op Limited
ABN 98 117 562 045

Notes to the Financial Statements
For The Financial Year Ended 31 March 2019

1. Summary of Significant Accounting Policies (cont'd)

(j) Property, Plant and Equipment

Plant and Equipment

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

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

Plant and equipment that have been contributed at no cost or for nominal cost are valued at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis 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:

<i>Class of Fixed Asset</i>	<i>Depreciation Rate</i>
Leasehold Buildings	2.5%
Plant and Equipment	4% – 50%
Poker Machines	20%-30%
Motor Vehicles	8.33%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Asset classes carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

Notes to the Financial Statements
For The Financial Year Ended 31 March 2019

1. Summary of Significant Accounting Policies (cont'd)

(k) Intangible Assets

Poker Machine Licences

Poker machine licences have an indefinite life. Therefore the licences are carried at cost without amortisation, but are tested annually for impairment in accordance with note 1(f).

Computer Software

Computer software has a finite useful life and is carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight line method to allocate the cost of the software over its estimated useful life of 2.5 years.

(l) Trade and other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the entity 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.

(m) Borrowings

Borrowings are initially recognised at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Entity has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

(n) Employee Benefits

Provision is made for the entity's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year together with benefits arising from wages, salaries and annual leave which may be settled after one year, have been measured at the amounts expected to be paid when the liability is settled. Other employee benefits payable later than one year have been measured at the net present value.

Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

Edgeworth Bowling Club Co-op Limited
ABN 98 117 562 045

Notes to the Financial Statements
For The Financial Year Ended 31 March 2019

1. Summary of Significant Accounting Policies (cont'd)

(o) 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 obligation at reporting date.

(p) Goods and Services Tax (GST)

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

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(q) Comparatives

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

(r) Critical accounting estimates and judgments

The directors evaluate estimates and judgments incorporated into the financial report 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 entity.

Edgeworth Bowling Club Co-op Limited
ABN 98 117 562 045

Notes to the Financial Statements
For The Financial Year Ended 31 March 2019

	2019	2018
	\$	\$
2. Revenue		
<i>Operating activities</i>		
Sales of goods	1,219,977	1,102,786
Services	1,795,114	1,535,880
	<hr/>	<hr/>
Total Revenue	3,015,091	2,638,666
	<hr/> <hr/>	<hr/> <hr/>
3. Other Income		
Government Grants	17,180	17,180
Net gain on disposal of property, plant and equipment	-	16,000
Workers compensation insurance recovery	-	18,897
	<hr/>	<hr/>
	17,180	52,077
	<hr/> <hr/>	<hr/> <hr/>

GST grants from NSW State Government received during the year of \$ 17,180 (2018: \$17,180) were recognised as other income by the entity during the year. There are no unfulfilled conditions or other contingencies attaching to these grants. The entity did not benefit directly from any other form of government assistance.

Edgeworth Bowling Club Co-op Limited
ABN 98 117 562 045

Notes to the Financial Statements
For The Financial Year Ended 31 March 2019

	2019	2018
	\$	\$
4. Expenses		
Profit includes the following specific expenses:		
<i>Depreciation</i>		
Leasehold buildings	82,842	83,530
Plant & Equipment	38,832	48,699
Poker Machines	81,279	81,607
Motor Vehicles	-	5,436
Synthetic Bowling Green	29,424	29,424
Total Depreciation	<u>232,377</u>	<u>248,696</u>
<i>Amortisation</i>		
Computer Software	171	316
Poker Machines	-	-
Total Amortisation	<u>171</u>	<u>316</u>
Total Depreciation and Amortisation	<u>232,548</u>	<u>249,012</u>
<i>Finance costs – net</i>		
Interest and finance charges paid/payable	<u>29,793</u>	<u>36,092</u>
Finance costs expenses	<u>29,793</u>	<u>36,092</u>
Cost of Goods Sold	<u>532,567</u>	<u>462,351</u>

Edgeworth Bowling Club Co-op Limited
ABN 98 117 562 045

Notes to the Financial Statements
For The Financial Year Ended 31 March 2019

	2019	2018
	\$	\$
5. Current Assets – Cash and Cash Equivalents		
Cash at bank	48,250	7,295
Cash on hand	43,900	44,100
	92,150	51,395
	92,150	51,395
6. Current Assets - Receivables		
Other receivables	8,311	20,759
Prepayments	44,891	45,032
	53,202	65,791
	53,202	65,791
7. Current Assets - Inventories		
Bar stock on hand	20,170	16,730
Promotions stock	5,120	4,915
Uniform stock	526	2,016
	25,816	23,661
	25,816	23,661

- (a) Inventories recognised as expenses during the year ending 31 March 2019 amounted to \$529,128 (2018: \$460,102). The expense has been included in “bar trading expenses” in the income statement.

Edgeworth Bowling Club Co-op Limited
ABN 98 117 562 045

Notes to the Financial Statements
For The Financial Year Ended 31 March 2019

	2019	2018
	\$	\$
8. Non-Current Assets - Property, Plant and Equipment		
Leasehold Buildings at Cost	3,083,845	3,083,845
Less Accumulated Depreciation	1,800,448	1,717,606
	1,283,397	1,366,239
Plant and Equipment at Cost	1,290,579	1,285,077
Less Accumulated Depreciation	1,032,131	1,008,968
	258,448	276,109
Poker Machines at Cost	981,215	1,045,706
Less Accumulated Depreciation	845,914	832,525
	135,301	213,181
Poker Machines Under Lease	-	52,508
Less Accumulated Amortisation	-	52,508
	-	-
Motor Vehicles at Cost	29,091	29,091
Less Accumulated Depreciation	29,091	29,091
	-	-
Bowling Greens Plant and Equipment at Cost	34,584	34,584
Less Accumulated Depreciation	25,125	22,339
	9,459	12,245
Bowling Greens at Valuation	212,420	212,420
Less Accumulated Depreciation	117,292	87,868
	95,128	124,552
Total Property Plant and Equipment	1,781,733	1,992,326

Edgeworth Bowling Club Co-op Limited
ABN 98 117 562 045

Notes to the Financial Statements
For The Financial Year Ended 31 March 2019

8. Non-Current Assets - Property, Plant and Equipment (Cont'd)

(a) Movement in Carrying Values

	Leasehold Buildings \$	Plant and Equipment \$	Poker Machines at Cost \$	Poker Machines Under Lease \$	Motor Vehicles at Cost \$	Bowling Greens Plant & Equipment \$	Bowling Greens at Valuation \$	Total \$
Balance at the beginning of year	1,366,239	276,109	213,181	-	-	12,245	124,552	1,992,326
Additions	-	19,329	3,400	-	-	-	-	22,729
Depreciation and amortisation	82,814	36,044	81,279	-	-	2,788	29,424	232,377
Transfer	-	-	31,067	(31,067)	-	-	-	-
Transfer Depreciation	-	-	(31,067)	31,067	-	-	-	-
Disposals	-	(13,827)	(98,958)	(21,440)	-	-	-	(134,225)
Write Back Depreciation	-	12,882	98,958	21,440	-	-	-	133,280
Balance at the end of year	1,283,397	258,449	135,304	-	-	9,457	95,128	1,781,733

9. Non-Current Assets – Intangibles

	2019 \$	2018 \$
Poker Machine Licences	3,960	3,960
Less Accumulated Amortisation	3,960	3,960
	-	-
Computer Software	7,643	7,643
Less Accumulated Depreciation	7,643	7,472
	-	171
Total Intangible Assets	-	171

Edgeworth Bowling Club Co-op Limited
ABN 98 117 562 045

Notes to the Financial Statements
For The Financial Year Ended 31 March 2019

	2019	2018
	\$	\$
10. Current Liabilities – Payables		
Trade payables	79,118	232,713
Other payables	104,851	127,257
	183,969	359,970
	183,969	359,970
11. Current Liabilities – Borrowings		
Secured		
Bank Overdraft	-	11,039
NAB Market Facility	137,063	165,013
Hire purchase liabilities	47,335	59,773
	184,398	235,825
	184,398	235,825
(a) Security		
Details of the security relating to each of the secured liabilities are set out in Note 15.		
(b) NAB Market Facility		
The Club's NAB Market Facility is stated as a current liability as per the requirements of the Australian Accounting Standards as the Club does not have an unconditional right to repay the loan over the term of the loan. Under the NAB loan agreement the bank can require full payment of the loan at any time. The current repayment for the next 12 months amounts to \$28,487.		
12. Provisions		
Current Employee benefits	121,258	179,041
Non Current Employee benefits	8,090	5,726
	129,348	184,767
	129,348	184,767

Edgeworth Bowling Club Co-op Limited
ABN 98 117 562 045

Notes to the Financial Statements
For The Financial Year Ended 31 March 2019

	2019	2018
(a) Movement in Carrying Values	Employee Entitlements	
	\$	\$
Opening Balance at 1 April 2018	184,766	159,123
Additional Provisions	41,422	69,303
Amounts Used	96,840	43,660
Balance at 31 March 2019	129,348	184,766

Provision for Long-term Employee Benefits

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

13. Current Liabilities – Subscriptions in Advance

Subscriptions received in advance	20,198	19,373

14. Share Capital

Fully paid ordinary shares	3,083	3,530
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(a) Ordinary Shares

At the beginning of the reporting period	3,530	3,615
Shares issued/(forfeited) during the year	(447)	(85)
At reporting date	3,083	3,530

The entity is incorporated under the Co-operatives Act 1992 and is a non-trading (not for profit) Co-operative with share capital. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$1.00 each towards meeting any outstanding obligations of the entity. As at 31 March the number of members was 3,083. (2018: 3,530)

Edgeworth Bowling Club Co-op Limited
ABN 98 117 562 045

Notes to the Financial Statements
For The Financial Year Ended 31 March 2019

	2019	2018
	\$	\$
15. Non-Current Liabilities – Borrowings		
Secured		
Hire Purchase liabilities	23,074	60,786
Total secured non-current borrowings	23,074	60,786
(a) Total secured liabilities		
Bank overdraft	-	11,039
NAB Market Facility	137,063	165,013
Hire Purchase liabilities	70,409	120,559
Total secured liabilities	207,472	296,611

(b) Assets pledged as security

Hire purchase liabilities are secured over the equipment being financed, being poker machines, computer equipment, air conditioner, construction of the synthetic greens and the courtesy bus. The average interest rate on the hire purchase liability is 7.83% (2018: 7.09%). The NAB Market Facility interest rate 8.495%.

(c) Financing arrangements

Unrestricted access was available at balance date to the following lines of credit :

Credit standby arrangements

Total facilities		
- Bank overdrafts	50,000	50,000
Used at balance date	-	(11,039)
Unused at balance date	50,000	38,961

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice.

Edgeworth Bowling Club Co-op Limited
ABN 98 117 562 045

Notes to the Financial Statements
For The Financial Year Ended 31 March 2019

	2019	2018
	\$	\$
16. Commitments		
(a) Commitments in relation to hire purchase Agreements are as follows :		
Payable		
Not later than 1 year	50,225	65,249
Later than 1 year but not later than 5 years	23,555	63,934
Minimum hire purchase payments	<u>73,780</u>	<u>129,183</u>
Less : future finance charges	3,371	(8,624)
Total hire purchase liability	<u><u>70,409</u></u>	<u><u>120,559</u></u>

17. Related Party Transactions

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

18. Key Management Personnel Compensation

Key Management Personnel Compensation	154,747	87,526
Total Compensation	<u><u>154,747</u></u>	<u><u>87,526</u></u>

Edgeworth Bowling Club Co-op Limited
ABN 98 117 562 045

Notes to the Financial Statements
For The Financial Year Ended 31 March 2019

	2019	2018
	\$	\$
19. Financial Risk Management		
<p>The entity's financial instruments consist mainly of deposits with banks, loans with banks, finance leases, and accounts receivable and payable.</p> <p>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:</p>		
Financial Assets		
Cash and cash equivalents	92,150	51,395
Loans and receivables	<u>53,202</u>	<u>65,791</u>
	<u>145,352</u>	<u>117,186</u>
Financial Liabilities		
Trade and Other Payables	183,969	359,970
Borrowings	<u>207,472</u>	<u>296,611</u>
	<u>391,441</u>	<u>656,581</u>

Directors' Declaration

The directors of the Entity declare that:

1. The financial statements and notes, as set out on pages 16 to 38 are in accordance with the *Co-operatives (Adoption of National Law) Act 2012*:
 - (a) comply with Australian Accounting standards - Reduced Disclosure Requirements; and
 - (b) give a true and fair view of the financial position as at 31 March 2019, and of the performance for the year ended on that date of the Entity;
2. in the director's opinion there are reasonable grounds to believe that the Entity 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:



Director:



Dated:

4. 6. 19

Independent Audit Report to the Members

Report on the Financial Report

We have audited the financial report of Edgeworth Bowling Club Co-Operative Limited, which comprises the statement of financial position as at 31 March 2019 and the comprehensive income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration.

In our opinion, the accompanying financial report of Edgeworth Bowling Club Co-Operative Limited, is in accordance with the *Co-operatives (Adoption of National Law) Act 2012*, including:

- a. giving a true and fair view of the entity's financial position as at 30 June 2018 and of its financial performance for the year then ended; and
- b. complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Co-operatives (New South Wales) Regulations 2014*.

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 entity 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 entity, 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.

Information Other than the Financial Report and the Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the entity's annual report for the year ended 31 March 2019, but does not include the financial report and our auditor's report thereon.

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

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

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



Responsibilities of the Directors

The directors of the entity 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-operatives (Adoption of National Law) Act 2012* 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 entity'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 entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>.

This description forms part of our auditor's report.

Inherent Uncertainty Regarding Continuation as a Going Concern

Without qualification to the opinion expressed above, attention is drawn to the following matter. As a result of the matters described in Note 1, there is significant uncertainty whether Edgeworth Bowling Club Co-op Ltd will be able to continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that might be necessary should the club not continue as a going concern.

EVOLUTION AUDIT PTY LTD

Director – Craig Bartlett

Unit 1, B2, 335 Hillsborough Road
WARNERS BAY NSW 2282

Date: 03/06/2019

Edgeworth Bowling Club Co-op Limited
ABN 98 117 562 045

Compilation Report to Members
Of Edgeworth Bowling Club Co-Op Ltd

On the basis of the information provided by the directors of Edgeworth Bowling Club Co-op Limited we have compiled, in accordance with APES 315: Compilation of Financial Information the special purpose financial report consisting of the detailed profit and loss statement for the year ended 31 March 2019.

The specific purpose for which the special purpose financial report has been prepared is to provide private information to the directors. The extent to which Accounting Standards and other mandatory professional reporting requirements have not been adopted in the preparation of the special purpose financial report is set out in Note 1.

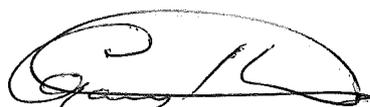
The Entity's directors are solely responsible for the information contained in the special purpose financial report and have determined that the accounting policies used are consistent and are appropriate to meet the needs of the directors.

Our procedures use internal accounting expertise to collect, classify and summarise the financial information provided into a financial report. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

To the extent permitted by law, we do not accept liability for any loss or damage which any person other than the entity may suffer arising from any negligence on our part. No person should rely on the special purpose financial report without having an audit or review conducted.

The special purpose financial report was prepared exclusively for the benefit of the Entity. No person should rely on the special purpose financial report without having an audit or review conducted.

President:



CEO:



Accountant:



Date: 04/06/2019

Edgeworth Bowling Club Co-op Limited
ABN 98 117 562 045

Additional Financial Information
For The Financial Year Ended 31 March 2019

Bar Trading Statement

	2019 \$	2018 \$
Income		
Bar sales – Cash	1,074,472	967,167
Bar sales – Vouchers	145,505	135,619
	_____	_____
Total Sales	1,219,977	1,102,786
Cost of Sales		
	532,567	462,351
Gross Profit/(Loss)		
	687,410	640,435
	_____	_____
Gross Profit Percentage to Sales	56.35%	58.07%
 Expenses		
Bar Consumables & Requisites	6,656	6,121
Cleaning & laundry	1,533	1,027
Employ Costs Bar – Wages	297,900	292,974
Bar Wages Percentage to Sales	25.09%	23.64%
Power & Gas	2,627	2,386
Repairs & Maintenance	4,334	3,469
Promotions Bar	-	3,900
Replacement Glasses etc	2,789	2,351
Shortages / Surplus	1,774	1,261
	317,613	313,489
	_____	_____
Bar Trading Profit	369,797	326,946
	_____	_____

Edgeworth Bowling Club Co-op Limited
ABN 98 117 562 045

Additional Financial Information
For The Financial Year Ended 31 March 2019

Poker Machine Trading Statement

	2019	2018
	\$	\$
Income		
Nett Clearances	1,375,096	1,112,351
Total Nett Takings	1,375,096	1,112,351
Expenses		
Central Monitoring System	22,893	26,863
CDSE	19,459	10,644
Depreciation	81,279	81,607
Fees & Licences	19,101	19,482
Duty on Nett Takings	143,842	63,954
Poker Machine Duty – GST Subsidy account	(17,180)	(17,180)
Employ costs – Wages	65,599	63,511
Gaming wages %age to nett takings	4.77%	5.71%
Leasing Charges	13,534	1,368
Printing & Stationery	-	-
Promotions	27,739	23,997
Repairs & Maintenance	18,080	22,105
Shortage-Surplus	1,034	1,074
Total Direct Expenses	395,380	297,425
Poker Machine Trading Profit/(Loss)	979,716	814,926

Edgeworth Bowling Club Co-op Limited
ABN 98 117 562 045

Additional Financial Information
For The Financial Year Ended 31 March 2019

Keno Trading Account

	2019	2018
	\$	\$
Income		
Keno Commission	59,101	52,635
	<hr/>	<hr/>
Expenses		
Bank Charges	140	234
Employ costs – wages	13,682	18,946
Repairs & Maintenance	3,745	3,478
Shortage/Surplus	116	1,067
	<hr/>	<hr/>
Total Expenses	17,683	23,725
	<hr/>	<hr/>
Keno Operating Profit/(Loss)	41,418	28,910
	<hr/> <hr/>	<hr/> <hr/>

Edgeworth Bowling Club Co-op Limited
ABN 98 117 562 045

Additional Financial Information
For The Financial Year Ended 31 March 2019

TAB Trading Statement

	2019	2018
	\$	\$
Income		
TAB Commission	21,007	15,086
	<hr/>	<hr/>
Expenses		
Bank charges	177	240
Employ Costs – Wages	11,577	17,863
Promotions	1,768	3,248
Repairs & Maintenance	2,952	2,972
Shortage/Surplus	485	689
Workers Compensation	-	(18,897)
	<hr/>	<hr/>
Total Expenses	16,959	6,115
	<hr/>	<hr/>
Total TAB Operating Profit/(Loss)	4,048	8,971
	<hr/> <hr/>	<hr/> <hr/>

Edgeworth Bowling Club Co-op Limited
ABN 98 117 562 045

Additional Financial Information
For The Financial Year Ended 31 March 2019

Bowls Operations Account

	2019	2018
	\$	\$
Income		
Green Fees – Men	17,037	20,718
Bowls Affiliation Fees	6,990	8,013
Raffles & Other Income etc	35,676	24,462
Bowls Doubles	3,612	5,247
Bowls Jackpot	63	80
Bowls Tournament and Pennants Income	450	1,072
Sponsorship	1,650	18,682
Bowls Gear, Polisher etc	15	-
Total Bowls Income	65,493	78,274
Expenses – Bowls		
Advertising	2,181	1,750
Affiliation Fees	5,856	8,936
Consumables & General Expenses	4,963	2,345
Championship & Pennant Expenses	6,593	6,559
Equipment Purchases	2,162	1,418
NDBA	3,239	4,646
Bowls Tournament and Raffle Prizes	30,232	24,847
Bowls Jackpot Prize	7,545	6,076
Promotions	-	-
Presentation Expenses	3,034	2,925
Employ Costs – Wages Coach	30,651	26,128
Bowls Uniform Expense	2,261	4,042
Total Bowls Expenses	98,717	89,672
Expenses – Greens		
Depreciation – Greens Equipment	2,786	2,881
Depreciation – Synthetic Green	29,424	29,424
Employ Costs – Wages	60,186	60,272
Repairs & Maintenance	10,944	13,946
Total Greens Expenses	103,340	106,523
Total Bowls Operating Profit/(Loss)	(136,564)	(117,923)

Edgeworth Bowling Club Co-op Limited
ABN 98 117 562 045

Additional Financial Information
For The Financial Year Ended 31 March 2019

Entertainment Trading Account

	2019	2018
	\$	\$
Income		
Bingo Takings (Monday)	15,539	17,053
Bingo Takings (Wednesday)	-	13,917
Bingo Hunter Life Takings	20,625	29,378
Hunter Life Donation	7,053	11,172
Hire of Function Room	10,013	6,246
Ticket Sales – Concerts etc	2,383	1,295
Bingo Raffle – Thursdays	4,023	-
Beer Raffle – Takings	22,043	25,519
Xmas Raffle – Takings	9,582	9,285
Sunday Raffle – Takings	48,147	58,418
	<hr/>	<hr/>
Total Entertainment Income	139,408	172,283
	<hr/>	<hr/>
Expenses – Entertainment		
Advertising	5,225	31,212
Artists & Bands	124,774	87,943
Entertainment General	19,701	17,925
Members Amenities & Promotions	76,751	92,835
Purchases - Bingo	27,766	45,648
Donations Hunter Life	18,739	27,246
Vouchers Hunter Life	23,400	40,950
Purchases – Raffles	53,742	60,980
Purchases – Xmas Toy Raffle	12,307	18,213
Employ Costs – Bingo Wages	16,360	25,568
Poker Expenses	15,991	22,840
	<hr/>	<hr/>
Total Entertainment Expenses	394,756	471,360)
	<hr/>	<hr/>
Total Entertainment Profit/(Loss)	(255,348)	(299,077)
	<hr/> <hr/>	<hr/> <hr/>

Edgeworth Bowling Club Co-op Limited
ABN 98 117 562 045

Additional Financial Information
For The Financial Year Ended 31 March 2019

Profit & Loss Account

	2019	2018
	\$	\$
Income		
Bar Operating Profit/(Loss)	369,797	326,946
Poker Machine Operations Profit/(Loss)	979,716	814,926
Keno Operating Profit/(Loss)	41,418	28,910
TAB Operating Profit/(Loss)	4,048	8,971
Bowls Operating Profit/(Loss)	(136,564)	(117,923)
Entertainment Profit/(Loss)	(255,348)	(299,077)
Commission Received	45,758	31,261
General Income	5,130	1,842
Interest Received	9	2
Member Subscriptions	17,396	14,782
Rent Received – Bistro	22,721	27,289
Courtesy Bus	4,583	2,877
Profit/(Loss) on Sale of Equipment	-	16,000
Rebates Received	39,412	27,378
Total Income	<u>1,138,076</u>	<u>884,184</u>
Expenses		
Advertising	3,261	6,016
Amortisation	171	316
Accountancy Fees	16,500	14,400
Audit Fees	14,215	14,265
Bank Charges	2,841	2,579
Bistro Expenses	954	-
Cleaning & Laundry	59,364	74,791
Computer Software – Support & Maintenance	8,081	9,032
Consultant Fees	-	7,465
Courtesy Bus Expenses	12,692	13,410
Depreciation – P & E General	34,608	44,379
Depreciation – Freehold Land	82,842	83,530
Depreciation – Kitchen Equipment	1,438	1,439
Depreciation – Motor Vehicle	-	5,436
Director Expenses	10	55
Directors Honorariums	1,200	-
Donations	50	386
Employ Costs – Annual Leave	15,885	13,814
Employ Costs – LSL	1,648	15,560
Employ Costs – Payroll Tax	2,556	3,697
Employ Costs – Superannuation	68,978	67,639
Employ Costs – Admin	100,178	112,580
Employ Costs – Maintenance	56,740	55,008
Employ Costs – Front end administration	57,638	63,919

Edgeworth Bowling Club Co-op Limited
ABN 98 117 562 045

Additional Financial Information
For The Financial Year Ended 31 March 2019

Profit & Loss Account

	2019	2018
	\$	\$
Equipment rental (photocopier etc)	22,619	23,614
Fees & Licences	8,142	6,450
Insurances	39,647	34,493
General Expenses	637	1,671
Fox Sports / Sky / TVN	56,208	55,673
Interest Paid	26,952	33,513
Legal Expenses	1,936	4,594
Loss on Sale of Fixed Assets – Bowling Green	944	-
Members Expenses	1,370	2,414
Members Jackpot	4,000	-
Plant Hire	1,939	1,982
Power & Gas	96,703	89,394
Printing – Postage – Stationery	21,289	19,318
Rates	22,865	21,646
Rental & Associated Costs	23,342	22,424
Repairs & Maintenance	52,748	45,583
Security Service	40,161	41,812
Shortage/Surplus	(181)	2
Staff & Management Expenses	1,726	1,599
Staff Training	2,767	3,951
Staff Uniforms	1,042	207
Subscriptions	6,445	5,548
Telephone Expenses	5,715	8,017
Workers Compensation	17,472	17,537
Total Expenditure	998,338	1,050,978
Nett Operating Profit/(Loss)	139,738	(166,974)