

# Ettalong Memorial Bowling Club Limited

## ABN 85 001 030 780

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### Directors' Report

Your Directors present their report on the company for the financial year ended 30 June 2008.

#### Directors

The names and details of directors in office at the day of this report are:

Robert Henderson:	Chairman. Retired. Board Member 2000 – 2003. Elected 2004.
<i>Raymond Cocking:</i>	Senior Vice Chairman. Director, Retired. Elected on 18 May 2008
<i>Ian Chapman:</i>	Vice Chairman. Retired. Wages Clerk. Elected Director 1999. Elected Junior Vice President 2001. Member of Social Committee and CDSE Committee.
<i>Reginald Richardson:</i>	Treasurer. Retired. Life Member 2004. Chairman of Match Committee CCDBA Zone. Elected on 11 April 2008
<i>George Markham:</i>	Director. Retired Waterside Worker. Elected 1998. Elected Senior Vice President 2003. Member of Social and CDSE Committees.
<i>Graeme Beddy:</i>	Director. Head Clerk. Elected 2004. Member of Social, Disciplinary, Greens & Match Committees. Delegate of CCDBA 15.
<i>Sean Burke:</i>	Director. Retired. Elected on 11 April 2008
<i>Alfred Cooper:</i>	Director. Member of OH&S Committee. Elected on 18 May 2008
<i>Gary Thomson:</i>	Director. Self Employed in Locksmith & Security Hardware Industry. Member of OH&S and Building Committees. Elected on 18 May 2008

Directors have been in office since the start of the financial year unless otherwise stated.

The following Directors ceased to hold office during the year:

<i>Frank Powter:</i>	Senior Vice President, Director. Retired. Fitter and Turner. Chairman of Disciplinary Committee & Member of Social Committee. Elected 2004.
<i>John Hughes:</i>	Treasurer. Financial Planner. Elected 2004. Chairman of Finance and CDSE Committee.
<i>Bill Dougherty:</i>	Director. Retired. Elected 2004. Member of Greens, Match and Disciplinary Committees. Elected 2004.

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**Directors' Report**

*Charles Robert (Bob) Powell* Director. Retired. Elected 2006. Member of Greens, Match and Disciplinary Committees. Zone 15 Representative.

*Ian Murphy* Director. Manager. Elected 2006. Member of OH&S and Building Committees.

*Directors: Attendance at Meetings*

Name	Monthly Board Meetings Attended/Monthly Meeting Held	Special Meetings Attended/Special Meetings Held
Robert Henderson	7/13	3/10
Raymond Cocking	2/2	2/1
George Markham	13/13	10/10
Ian Chapman	11/13	9/10
John Hughes	11/13	9/10
Frank Powter	11/11	8/10
Graeme Beddy	10/13	7/10
William Dougherty	11/13	9/10
Robert Powell	6/6	4/4
Ian Murphy	10/13	8/10
Reg Richardson	3/3	2/3
Sean Burke	3/3	1/3
Gary Thomson	2/2	1/1
Alfred Cooper	1/2	1/1

**Principal Activities**

The company's principal activities in the course of the financial year were, that of a Licensed Bowling Club and to promote and conduct sporting activities for members and their guests.

No significant change in the nature of these activities occurred during the financial year.

**Operating Results**

The profit for the Company for the financial year before significant items and income tax was \$54,662 and after income tax was \$54,662.

**Dividends**

Under the company's Constitution no dividend can be paid.

**Review Of Operations**

During the financial year the company continued its activities. The results of those operations were similar to results for the previous year, subject to normal market fluctuations except for the significant impact of the non-smoking regulations.

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**Directors' Report**

**Bar Trading Statement**

Turnover from Bar Trading for the year totalled \$2,858,518 compared with turnover for the previous year of \$2,815,815 an increase of \$42,703 or 1.51%.

The Bar Trading Gross of \$1,471,230 (51.4% of sales) is an increase of \$43,639 (3.05%) on the previous year of \$1,427,591 (50.6% of Sales).

**Gaming Trading Statement**

Net Clearances from Poker Machines for the year totalled \$3,440,146 a decrease of \$261,743 (7.07%) on the previous year. Direct Expenses for the 2008 year totalled \$1,701,183, which compares with 2007 year of \$1,703,225 a decrease of \$2,042 (0.11%)

**Bowls Operating Statement**

Income from bowls operations increased by \$5,456 (9.35%) to \$63,769 from \$58,313 in 2007. Expenses totalled \$236,540 (\$273,239 in 2007) a decrease of \$36,699 (13.43%). The net loss from bowls operations was \$172,771 for the year compared to \$214,926 in 2007, a decrease of \$42,155 (19.6%).

**Significant Changes In State Of Affairs**

No significant changes in the company's state of affairs, not otherwise dealt with occurred during the year, other than that referred to in the accounts or notes thereto.

**After Balance Date Events**

No matters or circumstances not otherwise dealt with in this report or the accounts, have arisen since the end of the financial year which significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

**Future Developments**

The entity expects to maintain the present status and level of operations and hence there are no likely developments in the entity's operations other than the impact of the no-smoking regulations

**Environmental Issues**

The company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a State or Territory.

**No Smoking**

The company has considered and planned for the impact of the Non-Smoking Regulations implemented in July 2007. The Company has incurred significant costs in relation to the regulations.

**Ettalong Memorial Bowling Club Ltd**  
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**Directors' Report**

**Directors' Benefits**

No director has received or become entitled to receive a benefit other than a benefit included in an aggregate amount of remuneration received or due and receivable by the directors shown in Note 15 because of a contract that the director, or a firm of which the director is a member or an entity in which the director has a substantial financial interest other than the benefits as disclosed in Note 15 in the notes to and forming part of the accounts.

This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable and shown in the accounts, or the fixed salary of a full-time employee of the company or related body corporate.

**Indemnifying Officers or Auditor**

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

The company has paid premiums to insure its present and former 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 company, other than conduct involving a wilful breach of duty in relation to the company.

No indemnities have been given or insurance premiums paid, during or since the financial year, for the auditor of the company.

**Proceedings on Behalf of Company**

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

The entity was not a party to any such proceedings during the year.

**Auditors Independence Declaration**

The lead auditor's independence declaration for the year ended 30 June 2008 has been received and can be found on page 8 of the Directors Report.

**Directors' Report**

**Membership**

As at 30 June 2008 there were 3,836 members of the Company.

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

On behalf of the Directors

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R Henderson  
Director/(Chairman)

Dated at Ettalong on 28 August 2008

**Ettalong Memorial Bowling Club Ltd  
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**Auditors Independence Declaration  
under Section 307C of the Corporations Act 2001  
to the Directors of Ettalong Memorial Bowling Club Limited**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2008 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.

**BRACEY & ASSOCIATES  
(Central Coast)**

D C Bracey

1/255 The Entrance Road  
ERINA NSW 2250

28 August 2008

**Ettalong Memorial Bowling Club Ltd**  
**ABN 85 001 030 780**

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***DISCUSSIONS AND ANALYSIS OF THE FINANCIAL STATEMENTS***

**INFORMATION ON ETTALONG MEMORIAL BOWLING CLUB LIMITED  
CONCISE FINANCIAL REPORT**

The concise financial report is an extract of the full 2008 financial report for the year ended 30 June 2008.

The financial statements and disclosures in the concise financial report have been derived from the 2008 Financial Report of Ettalong Memorial Bowling Club Limited. A copy of the full financial report and auditors report will be sent to any member, free of charge, upon request in writing.

The discussions and analysis is provided to assist members in understanding the concise financial report. The discussions and analysis is based on the Ettalong Memorial Bowling Club Limited financial statements and the information contained in the full 2008 Financial Report of Ettalong Memorial Bowling Club Limited.

**INCOME STATEMENT**

The Club achieved a gross revenue of \$6,931,814 which was a decrease of \$146,616 or 2.07% over the previous year.

As a result the Club had an operating profit after allowing for income tax of \$54,662.

**BALANCE SHEET**

Total assets decreased to \$7,778,904. The net decrease was mainly due to the purchase of property, plant and equipment amounting to \$1,013,366 and depreciation of \$642,395 and Cash and Cash Equivalent decreasing by \$413,426.

Total liabilities have decreased by \$108,637 with Borrowings increasing by \$50,388 including the Bank Loan increasing by \$851 and Hire Purchase Liabilities decreasing by \$2,168.

**STATEMENT OF CASH FLOWS**

The Statement of Cash Flows shows that the Club generated \$543,553 from its operating activities, paid \$1,013,366 in Property Plant and Equipment received \$6,000 from the proceeds from the sale of property, plant and equipment, received \$191,237 in borrowings and repaid an amount of \$192,554 in borrowings, which resulted in a net decrease in cash held at the end of the financial year of \$465,130.

**Ettalong Memorial Bowling Club Ltd**  
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***Income Statement***  
***For The Year Ended 30 June 2008***

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
Revenues from Ordinary activities	6,931,814	7,078,430
Cost of goods sold	(1,387,288)	(1,388,224)
Employee benefits expense	(1,980,444)	(2,072,116)
Depreciation and amortisation	(642,395)	(541,112)
Finance costs	(77,004)	(56,267)
Other expenses from ordinary activities	(2,790,021)	(2,604,319)
	<hr/>	<hr/>
Profit/(loss) before income tax	54,662	416,392
Income tax expense	Nil	Nil
	<hr/>	<hr/>
Profit/(loss) from after income tax	54,662	416,392
	<hr/> <hr/>	<hr/> <hr/>

The accompanying notes form part of these financial statements.

**Ettalong Memorial Bowling Club Ltd**  
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**Balance Sheet**  
**As At 30 June 2008**

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents	873,077	1,286,503
Trade and Other Receivables	43,150	22,733
Inventories	75,818	90,680
Other current assets	10,790	23,547
<b>Total Current Assets</b>	1,002,835	1,423,463
<b>Non-Current Assets</b>		
Property, Plant & Equipment	6,544,565	6,409,416
Intangible Assets	231,504	-
<b>Total Non-Current Assets</b>	6,776,069	6,409,416
<b>Total Assets</b>	7,778,904	7,832,879
<b>Current Liabilities</b>		
Trade and Other Payables	566,518	775,886
Financial Liabilities	365,033	310,507
Short term Provisions	325,877	273,523
Other	19,433	19,807
<b>Total Current Liabilities</b>	1,276,861	1,379,723
<b>Non-Current Liabilities</b>		
Financial Liabilities	549,636	553,775
Long Term Provisions	14,417	16,053
	564,053	569,828
<b>Total Liabilities</b>	1,840,914	1,949,551
<b>Net Assets</b>	5,937,990	5,883,328
<b>Members Funds</b>		
Retained earnings	5,901,990	5,847,328
Asset Revaluation Reserve	36,000	36,000
<b>Total Members Funds</b>	5,937,990	5,883,328

The accompanying notes form part of these financial statements.

**Ettalong Memorial Bowling Club Ltd**  
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**Statement of Recognised  
Income and Expenditure  
For the Year Ended 30 June 2008**

	<b>Retained Earnings</b>	<b>Asset Revaluation Reserve</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance at 1 July 2006	5,430,936	36,000	5,466,936
Profit attributable to the company	416,392	-	416,392
Balance at 30 June 2007	<u>5,847,328</u>	<u>36,000</u>	<u>5,883,328</u>
Profit / (loss) attributable to the company	54,662	-	54,662
Balance at 30 June 2008	<u><u>5,901,990</u></u>	<u><u>36,000</u></u>	<u><u>5,937,990</u></u>

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**Cash Flow Statement**  
**For The Financial Year Ended 30 June 2008**

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows from Operating Activities</b>		
Receipts from members, guests & visitors	6,890,231	7,015,497
Payments to suppliers and employees	(6,309,575)	(5,678,223)
Interest received	39,901	45,987
Finance costs - Interest Paid	(77,004)	(56,267)
	<hr/>	<hr/>
Net cash generated by operating activities	543,553	1,326,994
	<hr/>	<hr/>
<b>Cash Flow from Investing Activities</b>		
Proceeds from sale of property, plant & equipment	6,000	21,232
Payments for property, plant & equipment	(781,862)	(1,497,182)
Payments for Intangible Assets	(231,504)	-
	<hr/>	<hr/>
Net cash used in investing activities	(1,007,366)	(1,475,950)
	<hr/>	<hr/>
<b>Cash Flows from Financing Activities</b>		
Repayments of borrowings	(192,554)	(148,905)
Increase in borrowings	191,237	410,459
	<hr/>	<hr/>
Net cash generated from (used in) financing activities	(1,317)	261,554
	<hr/>	<hr/>
<b>Net increase/(decrease) in cash held</b>	<b>(465,130)</b>	<b>112,598</b>
Cash at the beginning of the financial year	1,152,365	1,039,767
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<b>Cash at the end of the financial year</b>	<b>687,235</b>	<b>1,152,365</b>
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The accompanying notes form part of these financial statements.

**Ettalong Memorial Bowling Club Ltd**  
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**NOTES TO AND FORMING PART OF THE CONCISE FINANCIAL STATEMENTS**

**1. Basis Of Preparation Of The Concise Financial Report**

The concise financial report has been prepared in accordance with Accounting Standard AASB1039: Concise Financial Reports and the Corporations Act.

The financial statements, specific disclosures and other information included in the concise financial report is derived from and is consistent with the full financial report of Ettalong Memorial Bowling Club Limited. The concise financial report cannot be expected to provide as detailed an understanding of the financial performance, financial position and financing and investing activities of Ettalong Memorial Bowling Club Limited as the full financial report. The accounting policies have been consistently applied by the company and are consistent with these of the previous financial year.

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
<b>2. Revenue</b>		
Revenue		
Operating activities		
Poker Machine Takings – net clearances	3,440,146	3,701,889
Commissions Received – TAB	45,070	46,007
Commissions Received – Keno	107,347	112,307
Sales of goods – Bar Sales	2,858,518	2,815,815
Greens Fees and Other Income	63,769	58,313
Sales of goods – Catering Sales	-	-
Entertainment – Income	228,224	176,440
Interest - Received	39,901	45,987
Rent Received	31,624	17,677
Commissions Received – Other	44,029	42,213
Sundry Income	3,332	1,206
Members Subscriptions	45,337	43,630
Insurance Recoveries	22,835	-
	6,930,132	7,061,484
Other Revenue:		
- gain on disposal of non-current assets	1,682	16,946
<b>Total Revenue</b>	<b>6,931,814</b>	<b>7,078,430</b>

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

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
<b>3. Profit</b>		
<b>(a) Expenses</b>		
Depreciation:		
- buildings and plant & equipment	317,526	314,266
- poker machines & other gaming equipment	324,869	226,846
Total Depreciation	642,395	541,112
Net loss on disposal of non-current assets:		
- property, plant and equipment	-	-
<b>(b) Revenue and Net Gains</b>		
Net profit on disposal of non-current assets:		
- property, plant and equipment	1,682	16,946
<b>Total Employee Benefits Expense</b>	1,980,444	2,072,116
 <b>4. Retained Profits</b>		
Retained Profits at the beginning of the financial year	5,847,328	5,430,936
Net profit/(loss) of the company for the year	54,662	416,392
Retained Profits at the end of the financial year	5,901,990	5,847,328

**Ettalong Memorial Bowling Club Ltd**  
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	2008 \$	2007 \$
<b>5. Remuneration of Directors &amp; Executive Officers</b>		
<b>(a) Directors Remuneration</b>		
The names of the directors who held office during the financial year are:		
R Henderson, R Cocking, I Chapman, G W Markham, F Powter, J Hughes, G Beddy, W Dougherty, S Burke, C Powell, I Murphy, A Cooper, G Thomson, R Richardson.		
I Chapman did not receive an honorarium during the year.		
Honorariums	29,500	18,000
	<u>29,500</u>	<u>18,000</u>
<b>(b) Executive Officers Remuneration</b>		
Remuneration received or due and receivable by Executive Officers of the Company for management of the affairs of the Company, whose remuneration is \$100,000 or more.		
The number of top executives whose income was within the following bands:		
\$100,000 - \$109,999	-	-
\$130,000 - \$139,999	-	1
\$160,000 - \$169,999	1	-
	<u>1</u>	<u>-</u>
<b>6. Contingent Liability</b>		
Bank Guarantee		
The Company has obtained a Bank Guarantee in relation to the following:		
NSW TAB	5,000	5,000
	<u>5,000</u>	<u>5,000</u>
	<u>5,000</u>	<u>5,000</u>

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	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
<b>7. Capital Commitments</b>		
Renovations/improvements to Clubhouse	456,170	250,493
<u>Less: Paid to date</u>	(61,470)	(115,534)
	394,700	134,959
	394,700	134,959
 <b>8. Asset Revaluation Reserve</b>		
Asset Revaluation Reserve at the beginning of the year	36,000	36,000
Net movement for the year	-	-
	36,000	36,000
Asset Revaluation Reserve at the end of the year	36,000	36,000

**Ettalong Memorial Bowling Club Ltd**  
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***DIRECTORS' DECLARATION***

The Directors of Ettalong Memorial Bowling Club Limited declare that the concise financial report for the financial year ended 30 June 2008 as set out herein.

- (a) complies with accounting standard AASB1039: Concise Financial Reports, and
- (b) has been derived from and is consistent with the full financial report of Ettalong Memorial Bowling Club Limited.

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

On behalf of the Directors

\_\_\_\_\_  
R Henderson  
Director/(Chairman)

Ettalong  
28 August 2008

**Membership**

As at 30 June 2008 there were 3,836 members of the company

**Ettalong Memorial Bowling Club Ltd**  
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***INDEPENDENT AUDIT REPORT***

The accompanying concise financial report of Ettalong Memorial Bowling Club Limited which comprises the balance sheet as at 30 June 2008 and the income statement, statement of recognised income and expenditure and cash flow statement for the year then ended on that date and related notes derived from the audited financial report of Ettalong Memorial Bowling Club Limited and the discussion and analysis. The concise report does not contain all the disclosures required by the Australian Accounting Standards.

*Directors' Responsibility for the Financial Report*

The directors of the company are responsible for the preparation and fair presentation of the concise financial report in accordance with Accounting Standards AASB 1039: Concise Financial Reports (including the Australian Accounting Interpretations) statutory and other requirements. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the concise financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

*Auditor's Responsibility*

Our responsibility is to express an opinion on the concise financial report based on our audit procedures. We conducted our audit in accordance with Australian Auditing Standards. We have conducted an independent audit of Ettalong Memorial Bowling Club Limited for the year ending 30 June 2008 and the discussion and analysis. Our audit report was signed on 28 August 2008 and was not subject to any modification. These Auditing 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 judgement, 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 and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

**Ettalong Memorial Bowling Club Limited**  
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***INDEPENDENT AUDIT REPORT***

*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, provided to the directors of Ettalong Memorial Bowling Club Limited on 28 August 2008 would be in the same terms if provided to the directors as at the date of this auditor's report.

*Auditor's Opinion*

In our opinion, the concise financial report of Ettalong Memorial Bowling Club Limited including the discussion and analysis of Ettalong Memorial Bowling Club Limited for the year ending 30 June 2008 complies with Accounting Standard AASB 1039: Concise Financial Reports.

**Bracey & Associates**  
**(Central Coast)**

**D C Bracey**  
Chartered Accountants

1/255 The Entrance Road  
ERINA NSW 2250

28 August 2008

"Liability limited by a scheme approved under Professional Standards Legislation"