

LANE COVE BOWLING & RECREATION CLUB

A.B.N. 22 000 915 515

**ANNUAL FINANCIAL REPORT
30 JUNE 2019**

LANE COVE BOWLING AND RECREATION CLUB LIMITED
A.B.N. 22 000 915 515

DIRECTORS' REPORT

Your directors present their report on the company for the financial year ended 30 June 2019.

DIRECTORS

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

Name	Qualifications	Position
Mr B. Piper	Company Director	Chairman
Mr D. Madson	Company Director	Vice Chairman
Mr R. Moran	Retired	Treasurer
Mr D. Erskine	Retired	Director
Mr R. Cartwright	Retired	Director
Mr S. Cole	Solicitor	Director
Mr L. Sturman	Retired (Appointed September 2018)	Director
Mr I. Toth	Retired (Ceased October 2018)	Director

MEETINGS OF DIRECTORS

During the financial year, 12 meetings of directors were held. Attendances were:

Directors	Directors' Meetings	
	No. Eligible To Attend	No. Attended
Mr B. Piper	12	12
Mr D. Madson	12	10
Mr R. Moran	12	10
Mr D. Erskine	12	12
Mr R. Cartwright	12	11
Mr S. Cole	12	6
Mr L. Sturman	9	8
Mr I. Toth	3	3

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

The principal activity of the company during the financial year was to provide the facilities of a licensed club to the members and visitors and to promote sporting activities.

The clubs short term objectives are to:

- i) provide the best possible bowling and clubhouse facilities to members.
- ii) encourage new membership.
- iii) remain financially viable to achieve the above objectives.

The clubs long term objectives are to:

- i) establish and maintain membership that foster the game of lawn bowls; and
- ii) be sustainable and strive for continuous improvement so as to offer the best possible bowling and social amenities to member.

to achieve these objectives, the club has adopted the following strategies:

- i) the Board strives to attract and retain quality management and staff who are committed to providing high standards of service levels to the members. The board believes that attracting and retaining quality staff will assist with the success of the club in both the short and long term.
- ii) maintain rigorous control over the clubs finances to ensure the club remains viable and is able to continually upgrade the greens and clubhouse for the benefit of members and encourage new membership.
- iii) the Board is committed to meet consistent standards of governance, best practice and provide clear expectations of professional accountabilities and responsibilities to all members.

The club is incorporated under the Corporations Act 2001 and is a club limited by guarantee. If the club is wound up, the constitution states that each member is required to contribute a maximum of \$20.00 towards meeting any outstanding obligations of the club.

AUDITORS' INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATION ACT 2001

A copy of the Auditor's Independence Declaration follows this Directors Report.

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

Mr B. Piper

Mr D. Madson

Date: 6th September 2019

LANE COVE BOWLING AND RECREATION CLUB LIMITED
A.B.N. 22 000 915 515

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF LANE COVE BOWLING AND
RECREATION CLUB LIMITED

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

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



David Conroy
Principal

Date: 6th September 2019

LANE COVE BOWLING AND RECREATION CLUB LIMITED
A.B.N. 22 000 915 515

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019

	NOTE	2019 \$	2018 \$
Revenue			
Sale of goods		365,649	348,915
Rendering of services		199,088	210,416
Other revenue		37,984	30,821
Total revenue	2	602,721	590,152
Expenses			
Cost of sales		(160,769)	(149,030)
Employee benefits expense		(187,237)	(168,837)
Bowling & Greens expenses		(73,183)	(78,613)
Council lease, property and insurance expense		(60,231)	(62,485)
Other expenses from ordinary activities		(61,719)	(77,662)
		(543,139)	(536,627)
Earnings before depreciation, amortisation expense and finance costs		59,582	53,525
Depreciation and amortisation expense	3	(59,537)	(38,595)
Finance costs	3	-	-
Profit/(Loss) before income tax		45	14,930
Income tax expense		-	-
Net profit/(loss)		45	14,930
Other Comprehensive Income		-	-
Total Comprehensive Income for the Year		45	14,930

LANE COVE BOWLING AND RECREATION CLUB LIMITED

A.B.N. 22 000 915 515

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2019

	NOTE	2019 \$	2018 \$
CURRENT ASSETS			
Cash and cash equivalents	4	372,067	378,000
Trade and other receivables	5	50,952	35,516
Inventories	6	7,256	6,827
TOTAL CURRENT ASSETS		<u>430,275</u>	<u>420,343</u>
NON CURRENT ASSETS			
Property, Plant and Equipment	7	<u>297,852</u>	<u>320,280</u>
TOTAL NON-CURRENT ASSETS		<u>297,852</u>	<u>320,280</u>
TOTAL ASSETS		<u>728,127</u>	<u>740,623</u>
CURRENT LIABILITIES			
Trade and other payables	8	48,590	68,018
Income in Advance	9	7,640	7,819
Short term provisions	10	25,254	18,188
TOTAL CURRENT LIABILITIES		<u>81,484</u>	<u>94,025</u>
TOTAL NON-CURRENT LIABILITIES		<u>-</u>	<u>-</u>
TOTAL LIABILITIES		<u>81,484</u>	<u>94,025</u>
NET ASSETS		<u>646,643</u>	<u>646,598</u>
MEMBERS' FUNDS			
Retained Earnings	12	<u>646,643</u>	<u>646,598</u>
TOTAL MEMBERS' FUNDS		<u>646,643</u>	<u>646,598</u>

LANE COVE BOWLING AND RECREATION CLUB LIMITED
A.B.N. 22 000 915 515

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

	NOTE	RETAINED EARNINGS	TOTAL \$
Balance at 1 July 2017		<u>631,668</u>	<u>631,668</u>
Total Comprehensive Income for the year		<u>14,930</u>	<u>14,930</u>
Balance at 30 June 2018		<u>646,598</u>	<u>646,598</u>
Total Comprehensive Income for the year		<u>45</u>	<u>45</u>
Balance at 30 June 2019		<u>646,643</u>	<u>646,643</u>

LANE COVE BOWLING AND RECREATION CLUB LIMITED
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019

	NOTE	2019 \$	2018 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from customers		768,547	778,359
Payments to suppliers and employees		(743,931)	(716,877)
Interest received		6,560	6,698
Interest paid		<u>-</u>	<u>-</u>
Net cash provided by (used in) operating activities		<u>31,176</u>	<u>68,180</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Equipment		-	200
Payment for Property, Plant & Equipment	7	<u>(37,109)</u>	<u>(192,802)</u>
Net cash provided by (used in) investing activities		<u>(37,109)</u>	<u>(192,602)</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds of Borrowings		-	-
Repayment of Borrowings		<u>-</u>	<u>-</u>
Net cash provided by (used in) financing activities		<u>-</u>	<u>-</u>
<i>Net increase/(decrease) in cash held</i>		<i>(5,933)</i>	<i>(124,422)</i>
Cash at Beginning of Year		<u>378,000</u>	<u>502,422</u>
Cash at End of Year	4	<u><u>372,067</u></u>	<u><u>378,000</u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are for Lane Cove Bowling and Recreation Club Limited as an individual entity, incorporated and domiciled in Australia. Lane Cove Bowling and Recreation Club Limited is a company limited by guarantee.

Basis for Preparation

Lane Cove Bowling and Recreation Club Limited adopts Australian Accounting Standards - Reduced Disclosure Requirements as set out in AASB 1053: Application of tiers of Australian Accounting Standards.

The financial statements are general purpose financial statements that have been prepared in accordance with Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board and the Corporations Act 2001. The company 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 these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements, except for the cash flow statement have been prepared on an accruals basis and are based on historical costs, modified where applicable by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Accounting Policies

Inventories

Inventories consist of bistro & liquor provisions and showcase stock and are measured on a first in first out basis, at the lower of cost and net realisable value.

Property, Plant and Equipment

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

Property

Leasehold Improvements are measured at cost.

Plant and equipment

Plant and equipment is measured on the cost basis.

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

Depreciation

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

LANE COVE BOWLING AND RECREATION CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

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

Class of fixed asset	Depreciation rate/useful lives
Clubhouse Improvements	5-20 Years
Plant & Equipment	2-25 Years

Impairment

The carrying amounts of the Company's assets, other than investment property and inventories are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset is written down to its recoverable amount.

An impairment loss is recognised whenever the carrying amount of an set or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of comprehensive income, unless an asset has previously been revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through profit or loss.

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 company are classified as finance leases. 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 company 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 in the periods in which they are incurred. This basis is representative of the pattern of benefits derived from the leased asset.

Lease incentives received under operating leases are recognised as a liability. Lease payments received reduced the liability.

Financial Instruments

Recognition and initial measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

Financial Instruments (Cont)

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

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 either 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 profit or loss.

Classification and subsequent measurement

1) Financial assets at fair value through profit or loss

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 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. Realised and unrealised gains and losses arising from changes in fair value are included in profit or loss in the period in which they arise.

2) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

3) Held to maturity investments

Held to maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments, and it is the entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method.

4) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that either designated as such or that are not classified in any of the other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

5) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

Financial Instruments (Cont)

Financial guarantees

Where material, financial guarantees issued, which requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due, are recognised as a financial liability at fair value on initial recognition. The guarantee is subsequently measured at the higher of the best estimate of the obligation and the amount initially recognised less, when appropriate, cumulative amortisation in accordance with AASB 118 Revenue. When the entity gives guarantees in exchange for a fee, revenue is recognised under AASB 118.

Employee Benefits

Provision is made for the company's liability for employee entitlements arising from services rendered by employees to balance date. Long Service Leave is accrued in respect of employees with more than 5 years' service with the company. Employee entitlements together with entitlements arising from wages and salaries, annual leave and sick leave have been measured at amounts expected to be paid when the liabilities are settled plus related on-costs and have been allocated between current and non current liabilities.

As the company has relatively few employees with service more than 5 years, the adoption of the basis for long service is believed to produce a result which is not materially different from the present value method prescribed by AASB 119: Employee Benefits.

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

Cash and Cash Equivalents

For the purposes of the Statement of Cash Flows, cash includes cash on hand and at call deposits with banks of financial institutions, investments in money market instruments maturing within less than three months from the date of acquisition and net of bank overdrafts.

Revenue

Non-reciprocal grant revenue is recognised in the statement of comprehensive income when the Company obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the Company 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 Company incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

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

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

Interest revenue is recognised using the effective interest 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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

Comparative Figures

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

Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Club prior to the end of the financial year and which are unpaid. These amounts are unsecured and are usually paid within 30 days of recognition.

Income Tax

No provision has been made for income tax as the company is exempt under s 50-45 of the income tax assessment act (1997), providing it continues as a sporting club predominantly encouraging and promoting the sport of bowling for recreation purposes. Accordingly tax effect accounting has not been adopted by the company.

Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements 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 group.

Key Estimates

Impairment

The company assesses impairment at each reporting date by evaluating conditions specific to the company that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Key Judgements

Provision for Impairment of Receivables

No provision for impairment of receivables has been made at the end of the financial year.

New Standards and interpretations not yet adopted

AASB 16 Leases

AASB 16 Leases removes the classification of leases as either operating lease or finance leases - for the lessee - effectively treating all leases as finance leases. Short-term leases (less than 12 months) and leases of low value assets (such as computers) are exempt from the lease accounting requirements. There are also changes in accounting over the life of the lease. In particular, companies will recognise a front-loaded pattern of expenses for most leases, even when they pay constant rentals.

AASB 16 is effective for annual reporting periods beginning on or after 1 January 2019, with early adoption permitted where AASB 16 Leases is adopted at the same time.

The Company is assessing the potential impact on its financial statements resulting from the application of AASB 16.

LANE COVE BOWLING AND RECREATION CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
NOTE 2: REVENUE			
Revenue from operating activities			
- Bowling Membership Subscriptions		9,027	9,991
- Green Fees		34,693	42,161
- Poker machine income		97,088	101,382
- Hall Hire		38,865	38,863
- Bar sales		365,649	348,915
- Social Club Income		1,891	1,403
- Catering Income		17,524	16,616
- Other income		5,702	5,941
		570,439	565,272
Revenue from outside the operating activities			
- Interest revenue		6,560	6,698
- Donations Received		50	-
- Government/Council Grants		4,095	18,182
- Clubs NSW Grant		21,577	-
- Profit/(Loss) from sale of non-current assets		-	-
		32,282	24,880
Revenue from ordinary activities		602,721	590,152

NOTE 3: PROFIT FROM ORDINARY ACTIVITIES

Profit (losses) from ordinary activities before income tax expenses (income tax revenue) has been determined after:

(a) Expenses:

Bar trading expenses	160,769	149,030
Depreciation & amortisation expense	59,537	38,595
Employee benefits expense	187,237	168,837
Poker Machine Expenses	8,159	9,290
Greens Expenses	73,183	78,613
Property & insurance expenses	60,231	62,485
Other expenses	53,560	68,372
Total	602,676	575,222

(b) Revenue and Net Gains:

Net gain on disposal of non-current assets		
-property, plant and equipment	-	-

LANE COVE BOWLING AND RECREATION CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
NOTE 3: PROFIT FROM ORDINARY ACTIVITIES			
(continued)			
Depreciation of non-current assets:			
-Plant & Equipment		19,503	16,391
-Leasehold Improvements		40,034	22,204
Total Depreciation		<u>59,537</u>	<u>38,595</u>
Key Performance Indicators			
Bar Gross Profit Percentage		56%	57%
Bar Wages to Sales Percentage		18%	16%
EBITDA Percentage		10%	9%
(c) Significant Revenue and Expenses			
Clubs NSW Grant		21,577	-
Government/Council Grants		4,095	18,181
		<u>25,672</u>	<u>18,181</u>
NOTE 4: CASH AND CASH EQUIVALENTS			
Cash at bank		68,545	47,233
Cash on hand		18,577	20,052
Term Deposit		284,945	310,715
		<u>372,067</u>	<u>378,000</u>
NOTE 5: TRADE AND OTHER RECEIVABLES			
Trade receivables		37,228	6,343
Prepayments		13,724	29,173
		<u>50,952</u>	<u>35,516</u>

LANE COVE BOWLING AND RECREATION CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
NOTE 6: INVENTORIES			
Stock - Bar		7,256	6,827
		7,256	6,827
NOTE 7: PROPERTY, PLANT AND EQUIPMENT			
Leasehold Improvements			
Clubhouse Improvements - at cost		318,594	297,425
less accumulated depreciation		(141,582)	(101,956)
Total Leasehold Improvements		177,012	195,469
Plant & Equipment			
Plant & Equipment - at cost		253,513	237,981
less accumulated depreciation		(132,673)	(113,170)
Total Plant & Equipment		120,840	124,811
Total property, plant and equipment		297,852	320,280

Leasehold improvements are amortised over the term of the lease.

(a) Movements in Carrying Amounts

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

	Leasehold Improvements \$	Plant and Equipment \$	Total \$
Balance at the beginning of the year	195,469	124,811	320,280
Additions	21,577	15,532	37,109
Disposals and assets written off	-	-	-
Depreciation expense	(40,034)	(19,503)	(59,537)
Carrying amount at end of year	177,012	120,840	297,852

LANE COVE BOWLING AND RECREATION CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
NOTE 8: TRADE AND OTHER PAYABLES			
Trade payables and accrued expenses		48,590	68,018
		48,590	68,018

NOTE 9: INCOME IN ADVANCE

Membership in Advance		7,640	7,819
		7,640	7,819

NOTE 10: PROVISIONS

Employment benefits		25,254	18,188
(a) Aggregate employee benefits liability		25,254	18,188

NOTE 11: COMMITMENTS

Operating Leases contracted for but not capitalised in the financial statements:			
Within one year		9,272	9,272
More than one year		74,176	83,448
		83,448	92,720

The Club has renewed its lease with the Council for a period of ten years expiring in June 2028.

NOTE 12: MEMBERS FUNDS

Retained earnings at the beginning of the financial year		646,598	631,668
Net profit/(loss) attributable to members of the entity		45	14,930
Retained earnings at the end of the financial year		646,643	646,598

NOTE 13: EVENTS SUBSEQUENT TO REPORTING DATE

From 30 June 2019 to the date of this report, there has been no subsequent event that would have a material effect on the financial position of the company except as disclosed in these financial statements.

LANE COVE BOWLING AND RECREATION CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

Note	2019	2018
	\$	\$

NOTE 14: KEY MANAGEMENT PERSONNEL DISCLOSURES

The following were key management personnel of the Company at any time during the reporting period, and unless otherwise indicated were directors for the entire period:

<i>Non-executive directors</i>	<i>Executive</i>
Mr B. Piper	Michelle Orec
Mr D. Madson	
Mr R. Moran	
Mr D. Erskine	
Mr R. Cartwright	
Mr S. Cole	
Mr L. Sturman	
Mr I. Toth	

Transactions with key management personnel

No remuneration was paid or is payable by the company to any directors of Lane Cove Bowling and Recreation Club Limited.

- Unless otherwise stated, transactions with related parties are on normal commercial terms and conditions no more favourable than those available to other parties.

- There were no other transactions with any of the directors during the year.

The key management personnel compensations included in "Employee Benefits Expense" as follows:

Short-term employee benefits	81,953	78,334
Other long term benefits	-	-
	<u>81,953</u>	<u>78,334</u>

Apart from the details disclosed in this note, no director has entered into a material contract with the Company or the Company since the end of the previous financial year and there were no material contracts involving directors' interests existing at year-end.

From time to time, directors of the Company, or their director-related entities, may purchase goods from the company. These purchases are on the same terms and conditions as those entered into by other Company employees or customers and are trivial or domestic in nature.

LANE COVE BOWLING AND RECREATION CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

NOTE 15 - FINANCIAL RISK MANAGEMENT

	2019	2018
	\$	\$

The company's financial instruments consist mainly of deposits
The carrying amounts for each category of financial instruments,

Financial assets

Cash on Hand	18,577	20,052
Cash at Bank/Deposits	353,490	357,948
	372,067	378,000

Financial liabilities

Trade Creditors and Other Creditors	48,590	68,018
	48,590	68,018

NOTE 16 - FAIR VALUE MEASUREMENTS

The company measures financial assets at fair value on a recurring basis after their initial recognition. The company does not subsequently measure any liabilities at fair value on a recurring basis and has no assets or liabilities that are measured at fair value on a non-recurring basis.

Financial assets at fair value	372,067	378,000
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NOTE 17: MEMBERS' GUARANTEE

The company is limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the company.

NOTE 18: COMPANY DETAILS

The registered office of the company is:

Lane Cove Bowling and Recreation Club Limited
151 Burns Bay Road
Lane Cove
NSW Australia

LANE COVE BOWLING AND RECREATION CLUB LIMITED
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DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 1 to 18 are in accordance with the Corporations Act 2001 and:
 - (a) comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
 - (b) give a true and fair view of the financial position as at 30 June 2019 and of the performance for the financial year ended on that date of the company.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

Mr B. Piper

Mr D. Madson

Date: 6th September 2019

LANE COVE BOWLING AND RECREATION CLUB LIMITED

A.B.N. 22 000 915 515

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LANE COVE BOWLING AND RECREATION CLUB LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Lane Cove Bowling & Recreation Club Limited (the company), which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of Lane Cove Bowling & Recreation Club Limited is in accordance with the Corporations Act 2001 including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2019 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Regulations 2001.

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 company 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 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 Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the company's annual report for the year ended 30 June 2018, 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 for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the company'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 company 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



A handwritten signature in black ink, appearing to read "D R Conroy", is written over a faint, light-colored signature line.

D R Conroy
Principal

154 Elizabeth Street
SYDNEY NSW 2000

Dated: 6th September 2019

LANE COVE BOWLING AND RECREATION CLUB LIMITED
A.B.N. 22 000 915 515

Core and Non Core Property

Section 41E of the Registered Clubs Act 1976 requires the club to disclose its core and non-core property as defined in the annual report. The Club's core property comprises the defined Leasehold Improvements and clubhouse facilities situated at 151 Burns Bay Road, Lane Cove, NSW. The Club owns no non-core property.