

**NOTICE  
129<sup>th</sup> ANNUAL GENERAL MEETING**

Notice is hereby given, in accordance with Article 54 of the Club's Articles of Association, that the Annual General Meeting of the Balmain Bowling Club Limited will be held from **9.00am on Sunday, 27 September 2009**.

**AGENDA** (Article 57)

1. To adopt the Minutes of the 128<sup>th</sup> Annual General Meeting, held on Sunday, 28 September 2008;
2. To receive, consider and adopt the reports of the Board;
3. To adopt the Annual Report, Financial Statements and Auditor's Report;
4. To elect a Returning Officer and 2 Scrutineers followed by the election of the Club's 2009-2010 Office Holders ;
5. To receive nominations and elect the Club's 2009-2010 Non-Office Bearers (ie. Bowls Secretary, Bowls Selectors and Social Committee);
6. To deal with any General Business that may be raised in accordance with the Articles of Association; and
7. To adopt the proposed date of the Club's next (130<sup>th</sup>) Annual General Meeting.

**T.J. (Terry) Thurtell**  
**Secretary**  
**30 August 2009**

**NOTES: No notification, as required by Article 58, of any item(s) of business or notice(s) of motion has been received by today's closing date; and**

**No written request for the disclosure of specific information from the Financial Statements has been received by today's date. If any request is received by the required (ie. 13 September 2009) closing date, then it will be addressed during the Treasurer's verbal report.**

**OFFICE HOLDERS & BEARERS 2008 – 2009**

**Patron**

Raymond (Ray) Leo

**President**

Robert (Bob) Jackson

**Senior Vice President**

Brian Battin

**Vice President**

Raymond (Ray) Locke

**Treasurer**

Terence (Terry) Thurtell

**Directors**

Russell Baxter  
John Blunt  
Matthew Hearne  
Merv Ismay  
Robert (Bob) Leo

**Bowls Secretary**

Raymond (Ray) Locke

**Selectors/Match Committee**

Robert (Bob) Jackson  
Noel Jamieson  
Raymond (Ray) Locke  
Steve Smith

**Social Committee**

Frank Barbuto  
Neil Delany  
Darcy Lawler  
Steve Smith

**Auditor**

John Allotta  
John Allotta and Partners

**Manager and Licensee**

Janice Heidke

## PRESIDENT'S REPORT 2008-2009

After some 11 years of deficit results I am happy to report that the Club has finally returned a surplus of just under \$28K. Our Treasurer and Auditor will expand on this and the financial statements in their respective Reports.

The objectives of the Operational strategies that have been put in place by the Board of Directors are now being realised. The turn around is reflected through increased patronage of the Club and Restaurant. Janice Heidke (our Manager and Licensee) and Finola Healy (our Restaurateur) and their staff are to be congratulated for their contributions.

Earlier in 2009 Telstra, through CPS Global, reconsidered their options for the installation of the Mobile Phone Antenna that was originally proposed in 2004. They decided on pursuing the low impact option - a positive outcome for us - with the antenna now to be mounted on the Clubhouse building. The Lease for this community facility is now with the Government Solicitor for the final stages of sign off and registration. This guaranteed revenue stream will be adjusted each year in accordance with CPI. The initial lease is for 5 years with 3 renewable options of 5 years.

Throughout the year the Board:-

- approved expenditure to replace the roof on our Greenkeeper's shed and install a water storage tank to catch the run off to provide a guaranteed source for the watering of our greens;
- approved expenditure because of OH & S considerations to take out the garden and demolish the wall at the Ewenton Street end of the Main Green. In doing so it created additional space with the new paved area, but regrettably the former (over 50 year old) Flag Pole had to be replaced and the boundary wall treated with shotcrete spray. Consideration is still being given to completing the refurbishment of the area (ie. either putting up a mural or staining/painting the shotcrete wall);
- approved expenditure to maintain and upgrade the outdoor lighting, and security camera system; and
- more recently sought quotes to ensure that the OH & S considerations are addressed to ensure that the Top Deck Terrace area is safe and can be more gainfully used.

Between looking after Bare Foot Bowlers the Club's Website is constantly being updated by Ray Locke. Thanks Ray for ensuring that patrons and barefoot bowlers are coming from far and wide to use our facilities.

Events held during the year included:-

- an exceptionally successful "Flying Tigers" bowling trip to Tuncurry. Thanks Tuncurry Sporties, particularly Terry Green, for your hospitality;

- a hugely successful "Christmas in July" Night held in Finola's Restaurant . Thanks Finola; and
- the inaugural " John Smith Invitation 4's". Thanks Steve Smith for organizing such a great day. From the feed back received it will be even bigger and better next year.

Two Pennants Teams (3s and 6s) were entered this year. Both Teams bowled well through out the season. The 3s managed to finish 2<sup>nd</sup> behind a formidable Leichhardt side. Unfortunately, the 6s were depleted because of the need to move players up to strengthen the 3's. Thank you to all bowlers who represented BBC. With the newfound confidence of our players who played in the 3s (up from 5s) better results will be achieved next year.

While on bowling it would be remiss of me not to extend my congratulations to Darcy Lawler the Club's 2009 Major Singles Champion. The back to back wins for Darcy were outstanding and a rare feat.

Our sincere sympathy is extended to both the families of members who passed away and those members who have lost loved ones during the last year. Their loss is deeply felt within the Club.

As this is my 5<sup>th</sup> and final year as President I would like to again thank my colleagues on the Board of Directors (past and present), members, visitors, guests and our tireless Staff for their support of BBC.

In closing, I extend my personal thanks to our Treasurer, Terry (Turtle) Thurtell, for his support. Our goal since 2003-2004 has been to see BBC move from the red into the black. It is very satisfying that this has now been achieved.

**Bob Jackson**  
President

### TREASURER'S REPORT 2008 – 2009

Barefoot bowling (particularly with the good weather, including between April and June) continued as an integral part of the Club's service to the community and provided significant revenue through out the year. This combined with the patronage from new members (thanks to all of our social members who previously frequented The Commercial Hotel) saw more than a commensurate increase in revenue than the increase in expenditure. Consequently, the Club recorded a welcomed surplus of \$27,233: the first since 1997-1998 and the 2<sup>nd</sup> best in the Club's recent history (1991-1992 saw an unusual surplus of \$41,890).

The surplus was achieved because of the maintenance of the tightest possible financial controls (thanks ALG) and the continued strict adherence to all possible cost reduction strategies. The Board carefully considered but had no option other than to again defer the larger of its planned initiatives (the refurbishment of the upper deck and bar area with a cost estimate blowing out well over the original estimate of \$100,000 to \$150,000). Nevertheless, given continued improvement in the Club's cash flows from operating activities (see Note 16b on page 13) it introduced a number of smaller initiatives aimed at ensuring the Club's viability and continued survival in the increasingly difficult operating and trading environment.

During the year the Board:-

- in the light of the economic environment, set a limit of \$30,000 on its Capital Expenditure while undertaking to complete all major repairs and maintenance work;
- authorised reasonable expenditure to undertake all major repairs and maintenance work as well as invest in some capital projects (eg. provision of high quality umbrellas on the external deck, additional tables and chairs on the external deck and in Finola's Restaurant, repainting of the Restaurant, new B-B-Q area and B-B-Q (thanks "Flying Tigers" for your contribution towards the B-B-Q);
- was able, because of the improved cash flow, to cease using the \$50,000 Bank Overdraft facility with the National Australia Bank and increase its Investment (Term Deposit) by \$25,000;
- agreed to Telstra's revised proposal to erect a low impact Mobile Phone Antenna on the Clubhouse and enter into a Lease agreement that provides a guaranteed revenue stream for 20 years. The initial 5 year Lease's terms and conditions provide for the upfront payment of rent, with annual adjustments, for the 1<sup>st</sup> 3 years. The base amount is \$25,000, with the 1<sup>st</sup> payment due on 24 September 2009; and
- restrained from increasing all alcohol prices, wherever and for as long as possible, and minimised the unavoidable increase in the membership subscriptions for 2009-2010.

While the Club recorded a profit for 2008-2009, a large portion of this was committed by the Board to paying for essential capital works that had been commenced in June, but were still to be completed and paid for. These expenses (estimated at \$24,000) will be incurred in the 2009-2010 financial year.

I am truly appreciative of:-

- the continued support and understanding of my fellow Board members, especially with the difficult decisions that had to be made, given the Board's management (financial and operational) strategies when considering the short, medium and long-term advantages and the scope and range of proposed initiatives;
- Janice Heidke and her staff for their professionalism and efforts to ensure that the Club's operations continued to be both efficient and effective;
- ALG's staff (Annette Barham, Claire Bailey and Andrew Simpson) for their professionalism in providing specialist financial services, timely provision of comprehensive financial reports and advice and guidance on operational management matters;
- the advice, expertise, services and extent of voluntary labour provided by members, especially John Blunt, which effectively minimised the cost of the Board's consideration of capital works programs and completion of a wide range of necessary and essential repair and maintenance programs around the Club;
- the time Ray Locke committed to serving the Club, particularly with the organisation and conduct of the sessions for barefoot bowlers; and
- the support provided by Andy Anderson and Ray Locke through out the year in:-
  - o running the B-B-Qs for the Wednesday Wasters and Sunday morning bowlers; and
  - o conducting the popular Friday night and Sunday afternoon meat and seafood raffles.

While the Club is operated as a Not-for-Profit organisation, it remains essential that its financial objective is to achieve small annual surpluses to:-

- facilitate its survival in increasingly more difficult times (with increasing competition, increasing legislative requirements and unpredictable economic climates); and
- ensure the maintenance of its community facilities (ie. has the necessary financial resources to complete essential repairs and maintenance and capital works programs).

Terry Thurtell  
Treasurer

## BOWLS SECRETARY'S REPORT

### Pennants

For many years the Club had only been able to enter 5<sup>th</sup> & 6<sup>th</sup> grade sides in the New South Wales Zone 11 Pennants Competition, but in 2009 factors came together to allow the Club to make a successful representation to the Zone Match Committee to have the 5<sup>th</sup> grade side elevated to 3<sup>rd</sup> grade. Some of the factors that influenced this were:-

- the 5<sup>th</sup> grade side being narrowly beaten by Waverley in the Sectional Final played at Leichhardt Bowling Club in 2008;
- an influx of new members in 2008/2009 provided a larger and higher quality base from which to select players; and
- the willingness of players to enter State Championships in Singles, Pairs, Triples and Fours raised an awareness at Zone level of the ability and dedication of our players.

All of the players who gave up their time to participate in the 2009 Pennants are to be congratulated, especially those who contributed to the 3<sup>rd</sup> grade side being the runners up in their Section. The result was a vindication of the Club's representations and the Zone Match Committee's decision.

### Club Championships

The 2008 Club Championships saw some memorable matches contested.

**Major Singles** – Darcy Lawler defeated Brad Donaldson in a tightly contested match which ran over 37 ends. Only a shot separated the players on the 14<sup>th</sup> end following which Darcy took multiples counts on the 15<sup>th</sup> and 16<sup>th</sup> to give him a 5 shot lead. Brad struck back on the 22<sup>nd</sup> end with a 3 only to see Darcy counter with a 3 on the 23<sup>rd</sup> to give him a 6 shot advantage. Brad fought back with a multiple on the 34<sup>th</sup> to bring him to within 4 shots of the lead, but Darcy held his cool to take multiples on the 35<sup>th</sup> and 37<sup>th</sup> ends and the Championship 31 to 22.

**Minor Singles** – Richie Semmen's display of consistent draw shots proved too good for Ray Locke who held him to 6 all on the 9<sup>th</sup> end. Richie held the mat for 14 of the remaining 19 ends to take out the title 31 to 17.

**Holroyd Singles** – Steve McIlroy and Greg Laws battled for 31 ends to decide the outcome. This handicapped event saw Steve start with plus 5 and Greg with minus 8. It took Greg 12 ends to overcome the deficit before he went on to take multiple counts on the 16<sup>th</sup> and 18<sup>th</sup> ends. Steve kept up the pressure with multiples on the 20<sup>th</sup>, 22<sup>nd</sup> and 24<sup>th</sup> ends and eventually to win the event 31 to 15.

**Pairs** – Steve Adams and Glenn Rogers caused an upset by playing consistent and aggressive bowls to defeat Dave Mara and Grant Thomas. The scores were tied on the 8<sup>th</sup> and 16<sup>th</sup> ends with the teams only separated by 2 shots on the 20<sup>th</sup> end, but Steve and Glenn decisively halted their opponent's ambitions by scoring 2 shots on the last end to win the Championship 18 to 14.

**Triples** – Richie Semmens, Neil Delany and Greg Laws were victorious in their match against John Smith, Grant Thomas and Dave Mara. Greg's team lead for most of the match, but Dave's team clawed their way back to have the margin reduced to a shot on the 19<sup>th</sup> end. They took the lead by a shot on the 20<sup>th</sup> end, but Dave's team picked up a shot on the final end to level the scores at 21 all: necessitating a play-off. In a nail-biter Greg's team picked up 2 shots on the deciding end to run out victors.

**Fours** – Alan Hearn, Steve Smith, Greg Laws and Neil Delany defeated the team of Russell Baxter, Rodney Marsden, John Smith and John Blunt in a battle to the end. The scores were tied on the 16<sup>th</sup>, 18<sup>th</sup> and 20<sup>th</sup> ends, but Neil's team held it together to score a multiple on the final end to win 17 to 14.

Thank you everyone who played and marked in the Club's Championships and hearty congratulations all of those players who won a Club event.

**Ray Locke**  
**Bowls Secretary**

## DIRECTORS REPORT

1. The Directors in office at this date are:-  
R. Jackson, B. Battin, R. Locke, T. Thurtell, R. Baxter, J. Blunt, M. Hearne, M. Ismay and R. Leo.

During the financial year there were 12 Monthly meetings held. No Special Meetings were needed. Attendance by Directors at the Monthly meetings was as follows:-

Director	Nº of Monthly Meetings Attended	Leave Approved from Meetings <sup>8</sup>
Robert Jackson <sup>1</sup>	11	1
Brian Battin <sup>2</sup>	8	4
Ray Locke <sup>3</sup>	11	1
Terry Thurtell <sup>4</sup>	12	0
Russel Baxter <sup>5</sup>	12	0
John Blunt <sup>5</sup>	10	2
Matthew Hearne <sup>5</sup>	9	3
Merv Ismay <sup>6</sup>	6	3
Bob Leo <sup>5</sup>	10	2
Leo Stibbard <sup>7</sup>	1	2

- Notes**
- 1 Re-elected as President at AGM on 29 September 2008.
  - 2 Re-elected as Senior Vice President at AGM.
  - 3 Re-elected as Vice President at AGM.
  - 4 Re-elected as Treasurer and Secretary at AGM.
  - 5 Re-elected as Director at AGM.
  - 6 Elected as Director at AGM, following which there were 9 Monthly Board Meetings held.
  - 7 Did not seek re-election as Director.
  - 8 Leave approved because of intrastate, interstate or overseas travel or because of unavoidable work commitments or extended illness.

2. The principal activity of the Company during the year was maintaining a Registered Club and there has been no change in that activity during the year.
3. The surplus of the Company for the financial year was \$27,233. The Company is not required to pay income tax pursuant to current legislation.
4. The Memorandum and Articles of Association preclude the payment of dividends and none were paid during the year.

5. During the year the Company conducted a bowling and recreation club in Balmain and the results of those operations are reflected in the accounts.
6. Since the end of the financial year no Director has received or become entitled to receive a benefit by reason of a contract made by the Company with the Director or with a firm of which he has a substantial financial interest.
7. No Director has received or become entitled to receive, during or since the end of the financial year, a benefit because of a contract made by the Company with a Director, a firm of which the Director is a member, or with an entity in which the Director has a substantial financial interest.
8. The Club's operation is subject to various environmental regulations under either Commonwealth or State legislation. The Board believes that the Club has adequate systems in place for the management of its environmental requirements as they apply to the Club.
9. Part 4A of the Registered Clubs Act 1976, requires the Club to include certain information in its Annual Report to members. The relevant information has been provided at the end of the financial report (see page 51).
10. The Club has not given indemnities or paid insurance premiums, during or since the end of the financial year, for a person who is or has been an officer or auditor.

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

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**R.J. Jackson**  
President

Dated this 26<sup>th</sup> day of August 2009

**INCOME STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2009**

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

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2009 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.

**John Allotta  
Allotta and Partners**

26 August 2009

Suite 7, Level 7  
377-383 Sussex Street  
Sydney NSW 2000

	Note	2009 \$	2008 \$
Revenues	2	887,546	785,637
Cost of sales, Bar & Catering		(246,064)	(241,802)
Clubhouse & Grounds expenditure		(135,483)	(140,571)
Employee benefits expense		(208,636)	(194,642)
Depreciation and amortisation expenses		(55,748)	(63,630)
Greens expenditure		(52,304)	(48,909)
Amenities expenditure		(1,000)	(1,059)
Other expenses		(161,078)	(138,658)
Profit/(loss) before income tax expense	3	27,233	(43,634)
Income tax expense			
Net profit after income tax expense attributable to the members of the company		27,233	(43,634)

The accompanying notes form part of this financial report.

**BALANCE SHEET AS AT 30 JUNE 2009**

	Note	2009 \$	2008 \$
<b>CURRENT ASSETS</b>			
Cash assets	4	31,678	7,045
Receivables	5	2,047	2,494
Prepayments	6	6,135	2,178
Investments	7	75,214	45,255
Inventory		13,536	13,226
TOTAL CURRENT ASSETS		<u>128,610</u>	<u>70,198</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	8	8,530,147	8,563,018
TOTAL NON-CURRENT ASSETS		<u>8,530,147</u>	<u>8,563,018</u>
<b>TOTAL ASSETS</b>		<b><u>8,658,757</u></b>	<b><u>8,633,216</u></b>
<b>CURRENT LIABILITIES</b>			
Payables	9	26,534	30,232
Tax Liabilities		5,284	8,885
Provisions	10	13,868	8,261
TOTAL CURRENT LIABILITIES		<u>45,686</u>	<u>47,378</u>
<b>NON-CURRENT LIABILITIES</b>			
TOTAL NON-CURRENT LIABILITIES		<u>-</u>	<u>-</u>
<b>TOTAL LIABILITIES</b>		<b><u>45,686</u></b>	<b><u>47,378</u></b>
<b>NET ASSETS</b>		<b><u>8,613,071</u></b>	<b><u>8,585,838</u></b>
<b>EQUITY</b>			
Asset Revaluation Reserve		6,833,580	6,833,580
Retained Earnings	11	1,779,491	1,752,258
<b>TOTAL EQUITY</b>		<b><u>8,613,071</u></b>	<b><u>8,585,838</u></b>

The accompanying notes form part of this financial report.

**STATEMENT OF RECOGNISED INCOME AND EXPENDITURE  
FOR THE YEAR ENDED 30 June 2009**

	Asset Revaluation Reserve	Retained Earnings
Balance as at 30 June 2007	<u>6,833,580</u>	<u>1,795,892</u>
Profit/(loss) after income tax		(43,634)
Balance as at 30 June 2008	<u>6,833,580</u>	<u>1,752,258</u>
Profit/(loss) after income tax		27,233
Balance as at 30 June 2009	<u>6,833,580</u>	<u>1,779,491</u>

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2009**

	Note	2009 \$	2008 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>NET INCOME</b>			
Receipts from members and guests		879,637	786,129
Interest Received		4,998	1,178
Interest Paid		(480)	(1,930)
Net GST Refunds /Payments		(30,398)	(20,449)
Government Rebates Received		20,359	11,476
Rent Received		15,113	11,061
Payments to suppliers and employees		(810,228)	(755,014)
Net cash provided by operating activities	<b>16b</b>	78,461	32,451
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payment for plant and equipment		(23,870)	(62,370)
Net cash provided by/(used in) investing activities		(23,870)	(62,370)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Net cash used in financing activities		-	-
NET INCREASE/DECREASE IN CASH HELD		54,591	(29,919)
Cash at the beginning of the financial year		52,300	82,220
<b>Cash at the end of the financial year</b>	<b>16a</b>	<b>106,891</b>	<b>52,300</b>

The accompanying notes form part of this financial report.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

This financial report is a general purpose financial report that has been prepared in accordance with all Australian equivalents to International Financial Reporting Standards and the requirements of the Registered Clubs Act 1976.

The financial report covers BALMAIN BOWLING CLUB LIMITED as an individual entity. BALMAIN BOWLING CLUB LIMITED is a company limited by guarantee, incorporated in Australia under the Corporations Act 2001.

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.

The following is a summary of the material accounting policies adopted by the Club in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

**a. Inventories**

Inventories are measured at the lower of cost and net realisable value. Bar stock on hand has been valued at cost.

**b. Property, Plant and Equipment**

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

Plant and equipment are measured on the cost basis.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The carrying amount of plant and equipment is reviewed annually by the Club 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.

**c. Depreciation**

The depreciable amount of all fixed assets are depreciated either on a straight line basis or diminishing value basis over the useful lives of the assets to the Club commencing from the time the asset is held ready for use.

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

<u>Class of Fixed Asset</u>	<u>Depreciation Rate</u>
Building Improvements	2.5%
Plant, Fixtures & Fittings	Varying between 15% and 50%

The carrying amount of fixed assets is reviewed annually by Directors to ensure it is not in excess of the recoverable amount of those assets.

The recoverable amount is assessed on the basis of 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 their present values in determining the recoverable amounts.

**d. Investments**

Investments are measured on the cost basis and represent short term deposits held with financial institutions.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**e. Employee Benefits**

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at their nominal amount. Other employee benefits payable later than one year (where applicable) are measured at the present value of the estimated future cash outflows to be made for those benefits.

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

**f. Cash**

For the purposes of the Statement of Cash Flows, cash includes cash on hand, at banks and cash held on deposit with financial institutions.

**g. Revenue**

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

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

**h. 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 Tax 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 the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

#### i. **Company Limited by Guarantee**

The company is a company limited by guarantee under the Corporations Act 2001. The amount of capital per member which is capable of being called up in the event of, and only for the purpose of, winding up the company is that amount stated in the company's constitution.

#### j. **Income Tax**

The company is a non-profit sporting club and is exempt from income tax pursuant to Division 50 of the Income Tax Assessment Act 1997.

#### k. **Impairment**

At each reporting date, the company 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 expenses to the Income Statement.

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

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

#### I. **Financial Instruments**

##### *Recognition and initial measurement*

Financial instruments, incorporating financial assets and liabilities, are recognised when the company 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.

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

##### *De-recognition*

Financial instruments 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.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

#### *Classification and subsequent measurement*

##### *(i) Held to maturity investments*

*Held to maturity investments are non-derivate financial assets that have fixed maturities and fixed or determinable payments and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate.*

##### *(ii) Financial liabilities*

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

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

#### Impairment

At each reporting date, the company assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the Income Statement.

### **m. Intangibles**

#### **Software**

Software is recorded at cost. Software has a finite life and is carried at cost less accumulated amortisation and impairment losses. It has an estimated useful life of between one and three years. It is assessed annually for impairment.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

#### **n. 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.

#### **o. Comparative figures**

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

#### **p. 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 company.

#### **q. Key Estimates**

##### *Impairment*

The company assesses impairment at each reporting date by evaluation of conditions and events specific to the company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using independent valuations by appropriately qualified valuers.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**r. New Accounting Standards for Application in Future Periods**

The Australian Accounting Standards Board ("AASB") has issued new, revised and amended standards and interpretations that have mandatory application dates for future reporting periods. The company has decided against early adoption of these standards. A discussion of those future requirements and their impact on the company is as follows:

AASB101: Presentation of Financial Statements, AASB 2007-08: Amendments to Australian Accounting Standards arising from AASB101, and AASB 2007-10: Further Amendments to Australian Accounting Standards arising from AASB101 (all applicable to annual reporting periods commencing 1 January 2009). The revised AASB 101 and amendments supersede the previous AASB101 and redefines the composition of financial statements including the inclusion of a statement of comprehensive income. There will be no measurement or recognition impact on the company. If an entity has made a prior period adjustment or reclassification, a third balance as at the beginning of the comparative period will be required.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

	2009	2008
	\$	\$
<b>NOTE 2: REVENUE</b>		
Operating activities		
- Bar trading	603,174	555,596
- Poker machines	157,811	117,978
- Subscriptions	9,035	11,839
- Commissions	2,826	5,873
- Merchandise revenue	(345)	387
- Green Fees	70,399	65,804
- Functions	545	455
- Raffles	444	339
- Juke Box	1,522	509
- Sundries	1,954	2,038
- Telephone	160	241
	<b>847,525</b>	<b>761,060</b>
Non-operating activities		
- Interest received	5,725	2,858
- GST rebates	13,938	10,242
- Rent receivable	20,359	11,476
	40,022	24,576
<b>Total Revenue</b>	<b>887,547</b>	<b>785,636</b>

	2009	2008
	\$	\$
<b>NOTE 3: PROFIT BEFORE INCOME TAX</b>		
Profit Before income tax expense has been determined after:		
<b>a. Expenses:</b>		
Cost of sales	246,064	241,802
Clubhouse and grounds expenditure	135,483	140,571
Depreciation of property, plant and equipment	55,748	63,630
Employee benefits expenditure	208,636	194,642
Greens expenditure	52,304	48,909
Amenities expenditure	1,000	1,059
Auditor Remuneration		
— audit and review services	13,000	8,900
<b>b. Significant Revenues and Expenses:</b>		
The following revenue and expense items are relevant in explaining the financial performance:		
Contractors - Bar	-	-
Employee leave entitlements	4,353	2,740
Repairs and maintenance	29,251	38,927
Council rates	53,929	54,713
Electricity and gas	30,024	30,716
Laundry and cleaning	15,805	16,215
Contractors – Greens	52,304	48,909
Catering	846	1,059
Office salaries	60,374	63,547
Advertising	8,097	6,517
Insurance	19,986	22,340
Stationery and postage	6,290	6,446
Superannuation	13,852	5,103

**NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

	2009	2008
	\$	\$
<b>NOTE 4: CASH ASSETS</b>		
Cash on hand	15,012	13,012
Cash at bank/(bank overdraft)	16,666	(5,967)
	<b>31,678</b>	<b>7,045</b>
<b>NOTE 5: RECEIVABLES</b>		
Rent receivable	-	-
Bonds Paid	-	-
Interest accrued	727	1,680
GST Rebates receivable	1,320	814
	<b>2,047</b>	<b>2,494</b>
<b>NOTE 6: PREPAYMENTS</b>		
Prepaid Expenses	6,135	2,178
	<b>6,135</b>	<b>2,178</b>
<b>NOTE 7: INVESTMENTS</b>		
Cash on deposit	75,214	45,255
	<b>75,214</b>	<b>45,255</b>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009 \$	2008 \$
<b>NOTE 8: PROPERTY, PLANT AND EQUIPMENT</b>		
Plant, Furniture & Fittings — at cost	343,927	325,682
Less accumulated depreciation	(236,313)	(214,202)
Plant, Furniture & Fittings – at written down value	107,614	111,480
Land at Independent Valuation (30 June 2007)	7,100,000	7,100,000
Building Improvements at Independent Valuation (30 June 2004)	1,350,000	1,350,000
Building Improvements – at cost	147,530	142,898
Less accumulated depreciation	(174,997)	(141,360)
Total Buildings Improvements – at written down value	1,322,533	1,351,538
Total property, plant and equipment	8,530,147	8,563,018

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 8: PROPERTY, PLANT AND EQUIPMENT

Movements in carrying amounts

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

	Furniture & Fittings \$	Building Improve- ments \$	Land – at valuation \$	Total \$
Balance at the beginning of year	111,480	1,351,642	7,100,000	8,563,122
Additions	18,246	4,632	-	22,878
Depreciation expense	(22,112)	(33,741)	-	(55,853)
Carrying amount at the end of year	107,614	1,322,533	7,100,000	8,530,147

The directors obtained an independent valuation of the company's land and buildings at 30 June 2009 by an independent valuer. The valuation was assessed on the basis of the property's "highest and best use". While currently a bowling club the property is zoned for residential use. The valuer concluded that current zoning would be a highest use: that is a residential development. The directors have reviewed the carrying values of the company's land and buildings as at 30 June 2009 and have concluded that there was no indication that those assets have been impaired.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009 \$	2008 \$
<b>NOTE 9: PAYABLES</b>		
Trade creditors and accruals	26,534	30,232
	<u>26,534</u>	<u>30,232</u>
<b>NOTE 10: PROVISIONS</b>		
Employee benefits	13,868	8,261
	<u>13,868</u>	<u>8,261</u>
Number of employees at year end	6	5

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009 \$	2008 \$
<b>NOTE 11: RETAINED PROFITS</b>		
Retained profits at the beginning of the financial year	1,752,258	1,795,892
Net profit/(loss) attributable to the club	27,233	(43,634)
Retained profits at the end of the financial year	<u>1,779,491</u>	<u>1,752,258</u>

**NOTE 12: CONTINGENT LIABILITIES**

Estimates of the potential financial effect of contingent liabilities that may become payable:  
Claims: Nil

-                      -

**NOTE 13: EVENTS SUBSEQUENT TO REPORTING DATE**

Nil

**NOTE 14: RELATED PARTIES**

Interest in Contracts  
Nil

**NOTE 15: SEGMENT REPORTING**

The Club operates predominantly in one business and geographical segment, being in development of Sport throughout New South Wales

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

	2009	2008
	\$	\$
<b>NOTE 16: CASH FLOW INFORMATION</b>		
<b>a. Reconciliation of Cash</b>		
Cash on hand	15,012	12,703
Cash at bank/(bank overdraft)	16,666	(3,627)
Cash on deposit	75,214	73,144
	<u>106,892</u>	<u>82,220</u>
<b>b. Reconciliation of Net Cash provided by Operating Activities to Profit from Ordinary Activities after Income Tax</b>		
Profit/(loss) from ordinary activities after income tax	27,233	(43,634)
Non-cash flows in profit from ordinary activities:		
Depreciation	55,748	63,630
Changes in assets and liabilities:		
Increase (Decrease) in receivables	448	3,091
Decrease (Increase) in inventories	(310)	(316)
(Increase) Decrease in prepayments	(2,457)	11,094
Increase/(Decrease) in creditors and accrued expenses	(4,317)	(2,875)
Increase in accrued income	-	(862)
Increase/(Decrease) in tax payable	(1,626)	(416)
Increase/(Decrease) in provision for employee entitlements	3,742	2,740
<b>Net cash provided by operating activities</b>	<u>78,461</u>	<u>32,451</u>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

**NOTE 16: CASH FLOW INFORMATION**

- c. The Club has a bank overdraft facility in place with the National Australia Bank Limited. The overdraft facility limit totalled \$50,000 at balance date.
- d. There were no non-cash financing or investing activities during the period.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

### NOTE 17: FINANCIAL INSTRUMENTS

#### Financial Risk Management Policies

The company's financial instruments consist mainly of deposits with banks, accounts receivable and payable. The company does not have any derivative instruments at 30 June 2009.

#### *Financial Risks Exposures and Management*

The main risks the entity is exposed to through its financial instruments are Interest rate risk, liquidity risk and credit risk.

#### *Interest rate risk*

Interest rate risk is managed with a mixture of fixed and floating rate debt. At 30 June 2009 0% of debt was fixed.

#### *Foreign currency risk*

The company is not exposed to foreign currency risk.

#### *Liquidity risk*

The company manages liquidity risk by monitoring cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

#### *Credit risk*

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. The company does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the company.

There are no material amounts of collateral held as security as at 30 June 2009.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

### NOTE 17: FINANCIAL INSTRUMENTS

#### a. Financial Risk Management Policies

#### *Credit risk*

Credit risk is managed by the company and regularly reviewed by the directors. It arises from exposures to customers as well as through deposits with financial institutions.

The company monitors the credit risk by actively assessing the rating quality and liquidity of counterparties:

- Only banks and financial institutions with an "A" rating are utilised.
- The credit standing of counterparties is reviewed monthly for liquidity and credit risk.

The trade receivables balances as at 30 June 2009 and 30 June 2008 do not include any counterparties with external credit ratings. Customers are assessed for credit worthiness using the criteria detailed above.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 17: FINANCIAL INSTRUMENTS

b. Financial Instruments Composition and Maturity Analysis

The table below reflects the undiscounted contractual settlement terms for financial Instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the balance sheet.

	Weighted Average Effective Interest Rate		Floating Interest Rate		Fixed Interest Rate Maturing			
	2009	2008	2009	2008	Within 1 Yr		1 to 5 Yrs	
	%	%	\$	\$	2009	2008	2006	2005
<b>Financial Assets</b>								
Cash	-	-	-	-	-	-	-	-
Short Term Deposits	7.39	8.40	-	-	75,214	45,255	-	-
<b>Total Financial Assets</b>			-	-	<b>75,214</b>	<b>45,255</b>	-	-
<b>Financial Liabilities</b>								
Bank Overdraft	9.38	11.83	-	-	-	5,967	-	-
<b>Total</b>					-	<b>5,967</b>		

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 17: FINANCIAL INSTRUMENTS

Financial Instruments Composition and Maturity Analysis

	2009	2008
	\$	\$
Trade payables are		
Expected to be paid as follows:		
Less than 6 months	<u>26,534</u>	<u>30,232</u>

c. Net fair values

The net fair values of listed investments have been valued at the quoted market bid price at balance date adjusted for transaction costs expected to be incurred. For other assets and other liabilities the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments. Financial assets where the carrying amount exceeds net fair values have not been written down as the economic entity intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the Statement of Financial Position and in the notes to the financial statements.

Aggregate net fair values and carrying amounts of financial assets and Liabilities at balance date:

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

**NOTE 16: FINANCIAL INSTRUMENTS**

**c. Net fair values (continued)**

	2009		2008	
	<u>Carrying</u>	<u>Net Fair</u>	<u>Carrying</u>	<u>Net Fair</u>
	<u>Amount</u>	<u>Value</u>	<u>Amount</u>	<u>Value</u>
Financial Assets				
At Fair Value	75,214	75,214	45,255	45,255
Financial Liabilities				
At Fair Value	-	-	5,967	5,967

**d. Sensitivity analysis**

Interest rate risk

The company has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. The sensitivity analysis demonstrates the effect on current year results and equity which could result from a change in this risk.

As at 30 June 2009, the effect on profit/(loss) and equity as a result of changes in the interest rate, with all other variables remaining constant, would be as follows:

	2009	2008
	\$	\$
Change in profit and equity		
- Increase in interest rate by 2%	1,504	785
- Decrease in interest rate by 2%	1,504	785

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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

**NOTE 18: CLUB DETAILS**

The principal place of business of the club is:-  
156 Darling Street  
Balmain East NSW 2041  
TEL: (02) 9810 1071  
FAX: (02) 9818 2412  
Email: balmainbowlingclub@hotmail.com  
A.B.N.: 82 000 091 609

**NOTE 19: CAPITAL EXPENDITURE COMMITMENTS**

	2009	2008
	\$	\$
Capital expenditure commitments contracted for:		
- capital expenditure projects	-	-
Payable		
- not later than 1 year	-	-
- later than 1 year but not later than 5 years	-	-
- later than 5	-	-

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

**NOTE 20: CAPITAL MANAGEMENT**

Management control the capital of the company to ensure that adequate cash flows are generated to fund its operations and that returns from investments are maximised. The directors ensure that the overall risk management strategy is in line with this objective.

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

The company's capital consists of financial liabilities, supported by financial assets.

Management effectively manage the entity's capital by assessing the company's financial risks and responding to changes in these risks and in the market. These responses may include the consideration of debt levels.

There have been no changes to the strategy adopted by management to control the capital of the company since previous year. The strategy of the company is to maintain a gearing ratio of less than 1%.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

**NOTE 20: CAPITAL MANAGEMENT (continued)**

The gearing ratios for the years ended 30 June 2009 and 30 June 2008 are as follows:-

	2009	2008
	\$	\$
Financial liabilities	-	5,967
Trade and other payables	<u>45,686</u>	<u>47,378</u>
Total	45,686	53,345
Less cash and cash equivalents	<u>106,892</u>	<u>58,267</u>
Net debt	(61,206)	(4,922)
Total equity	<u>8,613,071</u>	<u>8,585,838</u>
Total capital	<u>8,551,865</u>	<u>8,580,916</u>
Gearing ratio	-0.72%	-0.06%

## DIRECTORS DECLARATION

The Directors of the company declare that:-

1. The financial statements and notes, as set out on pages 12 to 40, are in accordance with the Corporations Act 2001 and:-
  - a. Comply with Accounting Standards and the Corporations Regulations 2001; and
  - b. Give a true and fair view of the financial position 30 June 2009 and of the performance for the year ended on that date of the company;
2. In the Directors opinion, there are reasonable grounds to believe that Balmain Bowling Club Limited will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the board by:-

**R.J. Jackson**  
President

---

**T.J. Thurtell**  
Treasurer and Secretary

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Dated this 26<sup>th</sup> day of August 2009

## INDEPENDENT AUDIT REPORT TO THE MEMBERS OF BALMAIN BOWLING CLUB LIMITED

### Report on the financial report

We have audited the financial report of Balmain Bowling Club Limited for the year ended 30 June 2009 which comprises the balance sheet as at 30 June 2009, the income statement, statement of recognised income and expenditure 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 of the company.

### *Directors' responsibility for the financial report*

The Directors are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the 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. In Note 1, the Directors also state, in accordance with Accounting Standard AASB101: 'Presentation of Financial Statements', that compliance with the Australian equivalents to International Financial Reporting Standards (IFRS) ensures that the financial report, comprising the financial statements and notes, complies with IFRS.

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

**Report on the financial report**

*Auditors' responsibility*

Our responsibility is to express an audit opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. 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 of 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation 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.

*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 Balmain Bowling Club Limited on 22rd August 2009, would be in the same terms if provided to the Directors as at the date of this auditor's report.

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

**Auditors' Opinion**

In our opinion:-

- a. The financial report of the Balmain Bowling Club Limited is in accordance with the Corporations Act 2001, including:-
  1. giving a true and fair view of the company's financial position as at 30 June 2009 and of its performance for the year ended on that date; and
  2. complying with Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.
- b. The financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

**Allotta and Partners  
Chartered Accountants**

**John Allotta  
Partner**

26 August 2009

Suite 7, Level 7  
377-383 Sussex Street  
Sydney NSW 2000

## COMPILATION REPORT TO BALMAIN BOWLING CLUB LIMITED

### Scope

On the basis of the information provided by the Board of Balmain Bowling Club Limited we have compiled, in accordance with APS 9: Statement of Compilation of Financial Reports the special purpose financial report of Balmain Bowling Club Limited for the period ended 30 June 2009 comprising the attached Detailed Statement of Financial Performance and Statement of Operating Costs.

The specific purpose for which the special purpose financial report has been prepared is to provide financial information to the company. Accounting Standards and other mandatory professional reporting requirements have not been adopted in the preparation of the special purpose financial report.

The Board of Directors is solely responsible for the information contained in the special purpose financial report and has determined that the accounting policies used are consistent with the financial reporting requirements of the company's constitution and are appropriate to meet the needs of the Board of Directors for the purposes of complying with the company's constitution.

Our procedures use accounting expertise to collect, classify and summarise the financial information which the Board of Directors provided into a financial report. Our procedures do not include verification or validation of 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 company, 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 for the benefit of the company and the purpose identified above. We do not accept responsibility to any other person for the contents of the special purpose financial report.

**Allotta and Partners,**  
**Chartered Accountants**  
**John Allotta - Partner**  
26 August 2009

Suite 7, Level 7  
377-383 Sussex Street  
Sydney NSW 2000

### Detailed Income Statement For the year ended 30 June 2009

2008		\$	\$	\$
	BAR			
555,596	TRADING		603,174	
240,865	Less Purchases	250,600		
122,222	Wages	123,141		
	Leave			
2,740	Entitlements	4,353		
-	Sundries	544		
937	Bar Supplies	1,583		
<u>1,934</u>	Depreciation	<u>1,143</u>	<u>381,364</u>	
<u>368,698</u>				
<u>186,899</u>				221,810
	POKER MACHINES			
	Net			
117,978	Clearance		157,811	
-	Less Maintenance	13,586		
<u>10,009</u>	Depreciation	<u>6,994</u>	<u>20,580</u>	
<u>107,969</u>				137,231
	OTHER			
	INCOME			
	Membership			
11,839	Fees		9,035	
	Suppliers			
-	Rebates		1,354	
5,873	Commissions		2,826	



Statement of Operating Costs for the Year Ended 30 June, 2009

2008		\$	\$
90	Cash Variations	50	
4,838	Legal Costs	-	
8,900	Auditor's Remuneration	13,000	
22,340	Insurance	19,986	
6,517	Advertising and Promotion	8,097	
-	Flowers	44	
400	Property Valuation	1,000	
998	Security	1,378	
6,446	Stationary, Postage & Couriers	6,363	
5,369	Entertainment	20,734	
332	Computer Expenses	900	
6,449	Telephone	7,015	
6,081	Affiliation and Membership Fees	4,636	
-	Badges	-	
-	Subscriptions and Donations	-	
<u>172,057</u>			<u>185,255</u>

Statement of Operating Costs for the  
Year Ended 30 June, 2009

2008		\$	\$
3,100	Bank Charges & Merchant Fees	3,291	
5,937	Superannuation	5,122	
0	Other Equipment Expenses	262	
1,625	Equipment Hire & Lease Rentals	599	
55	Fees - Other	120	
0	Filing Fees	40	
500	Fines	550	
13,596	Fox Sports Subscription	15,999	
3,056	Interest Paid	480	
619	Internet	294	
-	Licenses & Fees	342	
1,360	Prior Year GST Adjustment	-	
45	Sponsorships and Donations	1,033	
413	Uniforms	525	
4,714	Waste Removal/Grease Trap	8,235	
<u>3</u>	Travel	-	
<u>207,308</u>			<u>222,147</u>
<u>450,564</u>	TOTAL OPERATING EXPENSES		<u>459,724</u>

The following is important information for Club Members.

This page is in a form approved by the Director of Liquor and Gaming.

Registered Clubs Amendment Act and Regulations became Law on 9<sup>th</sup> April 2004.  
The Club is now required to include the following Annual Report information to Members.

Original declarations, disclosures and returns made pursuant to relevant regulations are held in the secretary registers and may be inspected by Members on written application to the Secretary.

a) The Club's serial number is	225445
b) The reporting period is 1 July 2008 to 30 June 2009	
c) Number of declarations, disclosures and returns received and the total value of all gifts reported	NIL
d) The number of top executives of the Club whose total remuneration for the reporting period is over \$100,000	NIL
e) Purpose and other details of overseas travel by a Director, employee, top executive or manager of the Club	NIL
f) Details of any loan made to an employee of the Club	NIL
g) Number of controlled contracts approved pursuant to each section	NIL
h) The name of any employee of the Club who the Registered Club is aware is a close relative of a member of the governing body of the Club or of the top executive of the Club and the amount of the remuneration package paid to the employee	NIL
i) Details of any amount of \$30,000 or more paid to a particular consultant including the name of the consultant and the nature of the services	NIL
j) The total amount paid by the Club during the reporting period to consultants other than amounts required to be included in the report)	NIL
k) Number of settlements with a) Directors, and b) employees, total value of all settlements legal fees paid by the Club for the Director or employee	\$5,126
l) Number of instances when the Club paid legal fees with a) Directors, b) employees and total value of legal fees paid by the Club for the Director or employee	NIL NIL
m) The total amount of profits (within the meaning of the Gaming Machines Tax Act 2001) from the operation of approved gaming machines in the Club during the reporting period	\$157,811
n) The amount applied by the Club during the gaming machine tax period to community development and support under Part 4 of the Gaming Machines Tax Act 2001	NIL