



Annual Report 2019

Cabarita Beach Bowls & Sports Club Ltd
(A.B.N. 70 000 998 863)
Cabarita Road, Bogangar NSW 2488
www.cabaritasportsclub.com.au

“The Mission of our Club is to provide quality facilities and friendly service that enhances the growth of our business for the benefit of members and visitors”.

BOARD OF DIRECTORS

CHAIRMAN Ian Crabb

DIRECTORS Greg Goode
Jim Rannie
Susan Harriman
Greg Dryden
Kearen Finn
John Klose
Marg Turner
Lyn Sheppard

AUDITORS WFD Assurance Services P/L

BANKERS..... National Australia Bank
Southern Cross Credit Union
ANZ Bank



and Community Donations

For the Period 1 September 2018 to 31 August 2019

Beneficiary	Classification	Category 1 \$	Category 2 \$
Cabarita Youth Services	A4 – Aged, Disability or Youth Services	11,500	
Pottsville Neighbourhood Centre	B1 – Neighbourhood Centre/Youth Drop in Activities	1,000	
Shaping Outcomes	A4 – Aged, Disability or Youth Services	2,000	
Tweed Heads/Tweed Coast Liquor Accord	C3-Drug & Alcohol/Palliative Care/Women's Health/Aboriginal Health/Dental Services	1,000	
Cabarita Beach Social Fishing Club	A - Sport		3,000
Cabarita Beach Social Golf Club	A - Sport		4,500
Cabarita Beach Social Cricket Club	A - Sport		2,000
Cabarita Beach Social Bowling Clubs	A - Sport		6,029

CHAIRMAN'S REPORT

Another busy year has been completed, and like other clubs on the Tweed, we have witnessed both challenging and rewarding times.

The first six months of the financial year was a financial success for the club. At the February half yearly Members Meeting, I reported an Operating Profit of \$195,684. At the end of June 2019, our Operating Profit only increased by \$81,921 to \$277,605. This last 6 months period was a very disappointing result especially knowing the outstanding effort put in by our General Manager and his staff during the Christmas period. However, I must remind all members and myself that there was reported to be a general downturn in retail and hospitality takings across the nation and not just our club. As a result, the Board was excited that some aspects of the business held and even grew.

Gaming was the most pleasing outcome for the financial year. This year we witnessed an overall 4% increase in our income from our poker machines. Even though we saw a slowing of takings in the second half of the year, our overall performance in this area was pleasing when compared to other clubs in the Tweed. Undoubtedly, our General Manager's commitment to continually upgrade the machines has played a significant role in this positive outcome.

Bar sales gave us a satisfactory return with a 3% overall increase on 2018 results. In the last 6 months there was a significant slowing of income in this area owing to the general slowing of the economy and the responsible reaction of members to the new Drink Driving legislation introduced by the State Government.

Several years ago, the Board decided to upgrade the TAB area and the downstairs bar. At that time, Clubs NSW was advising clubs to upgrade their food offerings and so we incorporated the new cafeteria into the upgraded bar. This decision has been very profitable for our club with around \$160,000 revenue coming from food sales in this area. There is no doubt that this source of income can continue to improve as we look at using more modern equipment which is capable of producing a quicker response to orders.

Members would be aware of the report I gave at the 2018 on our 5 Year Plan. As we went about implementing that plan at the beginning of 2019, it became apparent that things had changed significantly from when we started to develop the Old Club House into the Club Office and move the Bottle Shop into the old office. Changes include:

- the significant changes in costings for work on the Old Club House such as the asbestos roof.
- the retirement of Chinese Restaurant Chefs (Chris & Jo Jo)
- the importance of food in the future development of club.
- The slowdown of economy and cash flow.

As a result, the Board has decided to move in a different direction in the coming years. The Board will borrow money and use it to develop the upstairs Restaurant which will allow us to start a whole new venture with the newly appointed Asian Chef. This move will undoubtedly give us a better cash flow in the coming years.

As we look down the track to the time when there is a need for a new venture to move the club forward, I have no doubt that food will play an important role and better catering for families in an outdoor environment will be needed.

On the opposite side of the ledger, our expenditure has increased 4%. The Board Directors have done complete surveillance of expenditures such as the wages of employees, advertising and insurance costs and general maintenance costs. In the coming years, we will need to look at replacing a Courtesy bus as we are continually addressing rust and general repairs. Just recently, the Fair Work Commission increased the minimum wage by 3% from 1st July 2019. As a result, our budget for our next financial year will have to cater for this increase and other related entitlements.

Volunteers continue to play a financial and operational role within the club. Thanks are extended to the men and women who have given their time and effort in a variety of activities around the club. From all reports, the sharing of Head Greenkeeper with Kingscliff Beach Bowls Club continues to produce quality outcomes for both clubs. Well done Dave Perez!!!!

This year we saw the passing of Life Members Ken Hansen and Bert Overall. Ken was a founding member and inaugural Secretary of the club in 1963. Bert joined the club in 1968 and was a regular member of Pennant teams. He was a member of the winning 1979 Div.5 team which won the first Pennant flag for the club.

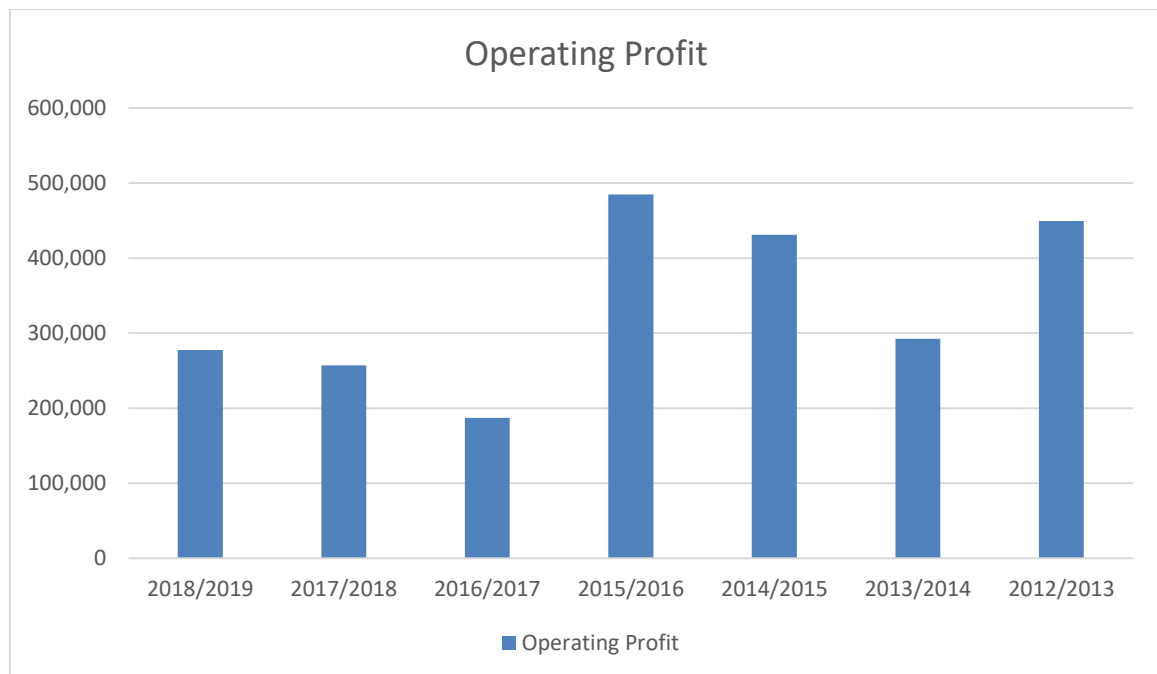
Finally, as I complete my 10th Annual Report as Chairman of the Cabarita Beach Bowls & Sports Club, I wish to express my appreciation for the opportunities this role has given me. My thanks are extended to all the Board Directors, the General Manager, Nick Brabham, and the staff of the club for the highly professional support they provided to me over the last twelve months.

Yours sincerely,
Ian Crabb
Board Chairman

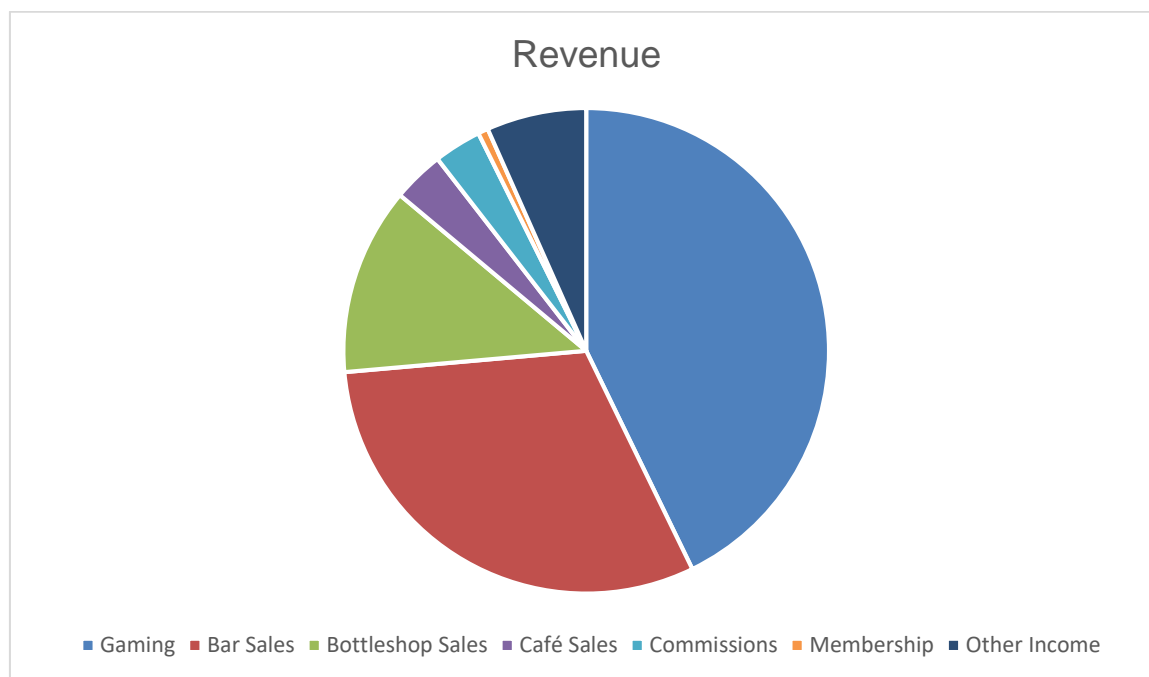
GENERAL MANAGER'S REPORT

2018/2019 was another successful year for Cabarita Beach Bowls & Sports Club. A significant focus was to attract and retain a new customer. I am very happy to report that our Social Membership grew by 1,112 members of 23% for the year. Our next aim is implementing the strategies of retaining those members as loyal customers.

As Ian mentioned in his report, the first six months of trading was very successful. Unfortunately, we were not able to sustain this success with a below expected result for the second half of the year. There are many contributing factors to this downturn. Our main priority is to ensure that plans are in place to reduce the chances of this happening again. Overall, I believe that our operating profit of \$277,605 is satisfactory when compared to previous years.



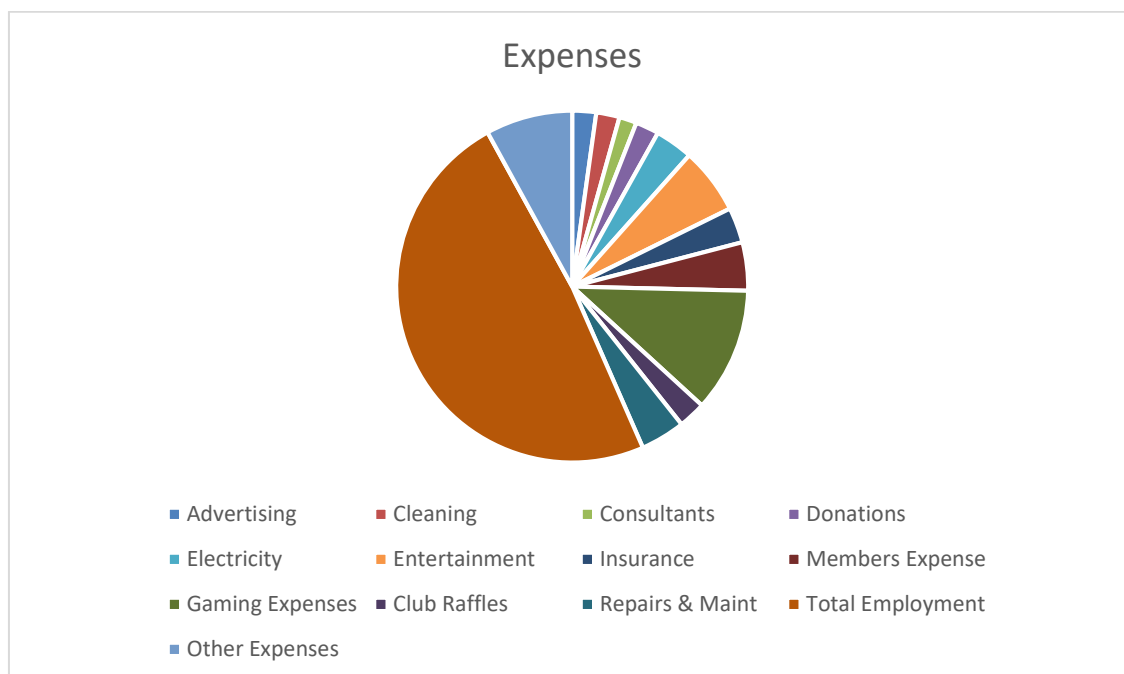
Our revenue streams continued to improve with growth in the major contributors. Our growth particularly in gaming is against the industry trend, something that will not sustain us forever. Food continues to be a positive focus for the business with an increase of 20% in sales. Whilst this growth is based on a relatively small base, it is important to realise the importance of food and the role it plays in the business.



On the 27th of October 2019 we will bid farewell to our long-term caterers Chris and Jo jo Lau. The past 20+ years is one that the club will be forever grateful for. Chris and Jo jo have placed the club on the culinary map with their Chinese cuisine. They have played an integral role in bringing new people into the business, especially through the tough times during the 90's. Thank you for your dedication, willingness to accommodate and of course that great food. I wish you well in your retirement.

We are very close to announcing who the successor will be. Stay tuned for what will be a journey to better atmosphere, service and décor in our restaurant area.

One of our larger concerns as a business is that of increasing operating costs. As you can see from the graph below that employment costs make up a large portion of our overall expenses. There is no forecast for these expenses to slow or even decline. Something that we need to consider when future planning.



Our continued focus on family focused events again proved successful with our Food Truck Festivals and Glow Garden. I am pleased to report that these events had a positive outcome both financially and to the Clubs reputation. We received great support along with many compliments of how well the events were run and how safe people felt whilst in attendance. I believe that this is the ultimate compliment.

This year we had some changes to our Senior Management Team. In November we said farewell to a very loyal and hardworking employee in Mary McCulloch. Mary worked for the club for a period of over 15 years. During this time, you could always depend on her to get the ship back on course when it infrequently drifted. Thank you, Mary, for your years of dedication and commitment to the club. We wish you well in your future endeavours.

To our volunteers, I cannot thank you enough. We continually have people pitching in to help with whatever needs doing. It is easy to lose sight of the club and its core values. Comradeship is one that I believe we are very strong in.

Members, lastly, Thank You for your support and understanding over the past year. Not all the decisions that have been made have been popular. Hopefully this Annual Report gives you the insight you need to understand why. I look forward to another busy twelve months with our catering relaunch in December and further developments to our café downstairs already underway.

Nicholas Brabham
General Manager

Cabarita Beach Men's Bowling Club
President's Report

This year has gone by so fast , the Committee worked in well together everyone as you know has a different job or jobs to do. I would like to thank them for their time and commitment during the whole year a job well done, the club could not survive without your hard work. Several competitions were run very successfully and the feedback from you bowlers was very positive.

Our green staff , Dave ,Bill , Warren and to all the volunteers who were always ready to assist , thanks seems too small a word to express what the club owes , our greens the best in the Tweed region and visitors have nothing but praise when they bowl here. To do Kingscliff and Cabarita's greens at the same time speaks volumes of your work.

Great to see both the women and men's clubs working together when required, shows we can combine as one club and get the job done , a great example was the Ladies Pennant Finals and several other competitions.

Estelle and her trusty band of volunteers have again done us proud with the meals during competitions don't know what we would do without you, thanks for all the work , great food.

To Club Ltd, the bowls club could not achieved what we have this year without your support, I personally would like to thank you for all you have done over the past year, you and your staff have been extremely helpful, both to myself and the Committee.

To you the members who bowl here every week rain hail and shine THANKS . Special mention to those bowlers who represented this club in Districts and Zone levels , well done and it's great to see so many of you putting your names down for these competitions.

To the new Committee I wish you all the best in the coming year which will be challenging with Bowls NSW asking us to look into dropping Districts and run with Zone only , also Club Ltd are now cutting back on sponsorship this means the committee must look elsewhere for funds to run competitions. For myself it has been a pleasure to represent this great club for the past year and I hope the committee did it proud.

See you on the greens

Keith Foran
President

Cabarita Beach Men's Bowling Club

Committee list for 2018/19.

President Keith Foran

Vice President Eric Marsden

Secretary Scott Duncan

Treasurer Greg Goode

Games Controller Ricky Maunders

Committee members Barry Poole, Ray Millington.

Championship Results 2018/2019

A Singles Rohan Norris

B Singles Boyd Kelly

A grade pairs Denis Blackadder, Cec. Sheppard

B grade pairs Alistair Arnott, David Sheather

Club select triples Ken Coyte, Eric Marsden, Boyd Kelly

Club select fours David Sheather, Jason Clarke, Barry Poole, Ken Ross.

Cabarita Beach Women's Bowling Club

President's Report

Once again, we have had a wonderful year at the Cabarita Beach Women's bowls club with so many of our ladies being successful at both Club, District and State level events.

The highlight of the year was the success of the Cabarita Ladies Grade 3 pennant team reaching the State Pennant playoffs. The State playoffs were held across 4 clubs in our district these being Cudgen, Kingscliff, Pottsville and Cabarita. Cabarita hosted the Grade 4 event with all our ladies working as volunteers, umpires, cooks, liaison offers etc. What a sterling job they did, and the positive feedback from the visiting interstate clubs was so appreciated.

I would like to thank all our committee members and players for their support and hard work in organising our events. We had more players entering our competitions than in previous years with many teams from across our District and beyond. A big thank you to our members who helped at our gala days, tournaments and Visit ins. They volunteered to cook, clean, run raffles, money boards etc for without them we would not be the success that we are.

We have hosted many Visits In from clubs and organisations around the nation whose play and friendship were enjoyed by all and we look forward to seeing those friendly faces again in 2020.

This year we received sponsorship from so many of our local businesses and I would thank you for all your support and we look forward to working with you again.

To our green keepers who have worked tirelessly to ensure our greens are always ready for play, the Women's club says thank you. I would like to add that the Greenkeepers did an excellent job in preparing the greens for the State playoffs and I received so many complements on the green's quality.

The Women's management team has already started planning for 20120 with exciting new events and competitions for all our bowlers to enjoy and we look forward to another successful year.

I am looking forward to our 2019/20 year and the comradery our club offers to all.

Sue Harriman
President

COMMITTEE LISTING – 2018/19

President:	S Harriman
Vice President:	L McLeod, J Soan
Secretary:	L Sheppard / S Goode
Treasurer:	Annette North / P McDonald
Championship Committee:	M Freeman, S Goode, M Turner, P Moore, R Gleeson

Match Committee/Bowls Office:	L Middleton, S Evans, F Bosher, J Martin, Y Hawkey, J Foran
Social Committee Co-ordinator:	R Andrews, E Crabb, V Dudley
Delegates – District Meetings:	C Kinnaird
Patron:	K Dimauro

Championship Results 2018- 2019

B Grade Singles	L Marsden
Club Selected Pairs	P Ceircan, F Bosher
Club Selected Triples	P Ceircan, F Jones, J Foran
Club Selected Fours	D Barnes, E Crabb, G Madden, J Foran
Mixed Pairs	P McDonald, R Faulkner
Mixed Fours	L Middleton, J Martin, B Poole, J Leijen
Consistency	J Foran
C Grade Singles	J Soan
C Grade Singles	L Sheppard
Championship Open Singles	M Freeman
Championship Open Pairs	V Dudley, M Freeman.
Championship Open Triples	J Foran L Marsden, F Turner.
Championship Open Fours	L McLeod, L Marsden, V Dudley, J Foran

WBNSW No. 3 State Pennant 2019 Runner Up

L McLeod, L Marsden, V Dudley, J Foran, F Turner, K Potter, M Freeman, S Goode.

Manager: F Jones / Reserve: P Ciercan

Champion of Tweed Byron District Champion Singles

J Foran

Cabarita Beach Social Golf Club

President's Report

Another Golfing year has been and gone; in fact, a year that due to increasing costs being charged by the courses we play on, has seen it necessary to increase our game fees to \$35. This is still the cheapest golf you can play with the Club heaving subsidising many games.

In an effort also to contain costs, it was decided to combine our presentation night with our Annual Christmas game thus releasing more funds to allow the Club to continue to significantly subsidise our games and give back to our members.

Support for our games throughout the year has been strong with several new members joining our happy group of social golfers.

It has also been good to see our Club Captain introducing different games which involves considerable effort as many of our members being strictly social golfers, are unfamiliar with how some of these games are played.

Games throughout the year have seen many different winners which is great to see as we are a social golf club and would indicate our handicap system is working well giving all our members a fair chance of winning, whether you are a "Tiger Woods" or just a weekend golfer!

A very important part of the club's financial management is the Friday Night Raffles and a special thanks goes out to all those who have volunteered their time to sell raffle tickets. The profits from these raffles go back to the club and contribute enormously to keeping our costs down so all our members benefit.

If you can spare a few hours, simply come to the Club on Friday nights when it is our turn to sell tickets (dressed in your Club shirt) and assist in the selling or simply just buy some tickets.

The club's annual charity day "Surf n Turf" was also again a great success with the proceeds from the day being held by the local Lions Club to be distributed to a needy person/cause within the local community that the Golf Club nominates. If anyone is aware of any needy person or cause within the community that does not have other backing, you can contact any of the Golf Club committee members who are more than willing to consider the request.

In conclusion, this 2018/19 season has been very successful, notwithstanding escalating costs, thanks to the ongoing support of our members and the continuing support of our volunteers and committee members.

Let's make 2019/20 season even better! So happy Golfing and see you on the Tee!

Chris Middleton
President

Committee Members

President - C Middleton

Secretary - F Perlenfein

Treasurer - B Huber

Captain - C Montgomery

Starter - G Peace

Handicapper - C Gale

Committee - R Linz, W Hammond, K Hejduk

Championship Results

A Grade – G Peace

B Grade – C Montgomery

C Grade– C Middleton

Cabarita Beach Social Fishing Club

President's Report

Well, what a great year of fishing we've had again. As per usual, beach fishing has produced some good catches, plenty of nice tailor and swallowtail have been the species mostly caught this year. The estuaries gave up plenty of good whiting and flathead as well.

Outside fishing has been good too, but just not on competition weekends. Hopefully, that will change from next round. The going-away trips have been well attended and everyone seemed to enjoy themselves.

I'd like to thank those who attend and help out on our monthly raffle nights – this is great support for our Club. Thanks also to Billy Creedon for BBQ duties, and Bob, Drydee and Welshie whose efforts make our Club run smoothly.

A huge thanks to our sponsors, O'Connor's Transport, Col and Kath from Advanced Blind Cleaning, Gary and Cherie from Tweed Skips and Wayne and Gaye Moore from Seascope Realty. Lastly, thank you to Club Ltd for their continued support and sponsorship.

On a sad note, one of our founding members, Rob Watkins passed away. RIP "Grinner".

Chris Wilson
President.

COMMITTEE LIST FOR 2018-2019

President	C Wilson
Secretary	B Wickbold
Treasurer	G Dryden
Weighmaster	P Welsh
Social Secretary	B Creedon

Cabarita Beach Social Fishing Club
Championship Results for 2018-2019

CLUB CHAMPION	Des Johnston (376.2 points)
MENS CHAMPION	Chris Wilson (280.3 points)
LADIES CHAMPION	Cherie King (80 points)
SENIORS CHAMPION	Steve Gilbert (220.3 points)
VETERANS CHAMPION	Des Johnston (376.2 points)
JUNIOR CHAMPION	Max Kennedy (30 points)
SUB JUNIOR CHAMPION	Layla Wilson (107 points)
BIGGEST FISH OFFSHORE	John Gray (4.5kg Spotted Mackerel)
BIGGEST FISH ESTUARY	Samara King (0.83kg Flathead)
BIGGEST FISH ROCK & BEACH	Des Johnston (1.38kg Tailor)
BIGGEST TAILOR	Des Johnston (1.38kg)
BIGGEST FLATHEAD	Marilyn Cheshire (1.10kg)
BIGGEST WHITING	Paul Welsh (0.32kg)
BIGGEST BREEM	Brian Wilson (0.62kg)
BIGGEST TARWHINE	Bob Wickbold (0.44kg)
BIGGEST DART	Toby Scius (0.54kg)
BIGGEST SNAPPER	John Gray (3.94kg)
BIGGEST FISH OUT OF COMP:	Brian Wilson (6.1kg Mulloway)
BIGGEST FISH:	
ILUKA	John Klose (0.92kg Pearl Perch)
EVANS HEAD	Eric Cheshire (0.94kg Snapper)
BALLINA	John Carsley (0.80kg Bream)

Cabarita Beach Social Cricket Club

President's Report

2018/2019 season was a successful season for the club.

We finished second in the regular season only to be controversially dropped from the finals after rain washed out the semi-finals.

John Fallows had a good year as Captain also with bat and ball.

We had a good presentation at the club. Andrew Pasterfield was awarded the Captain Award for his dedication to the club. John Fallows, the Batting Award; just another great year from John.

Dave Hurst the Bowling Award for his outstanding year with the ball. Hurst also won the JEFF HILL Memorial Award for his commitment to the club and players.

The cricket club would like to thank Nick and staff and Board Members for their support throughout the season.

I would like to thank all the players for a great year and also to our supporters and club members who always ask how the team going.

Warren Hammond
President

Cabarita Beach Social Carpet Bowls Club

President's Report

Another year has gone by but not without sadness. We lost one of our ladies (Marlene Ainsworth) after a yearlong illness.

We now have Lorna in hospital with a broken hip after a fall.

Thank you to our members for all the help you give. Thank you, Fred, for the printed paper work.

Thank you, Cabarita Beach Bowls & Sports Club, for supporting us.

See you on the Carpet!

Flo Boshier
President

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED

ABN: 70 000 998 863

**Financial Report For The Year Ended
30 June 2019**

Cabarita Beach Bowls & Sports Club Limited

ABN: 70 000 998 863

Financial Report For The Year Ended 30 June 2019

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CABARITA BEACH BOWLS & SPORTS CLUB LIMITED

ABN: 70 000 998 863

DIRECTORS' REPORT

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

Directors

The names of each person who has been a director during the year and to the date of this report are:

Ian Crabb
Greg Dryden
Kearen Finn
Greg Goode
Susan Harriman
John Klose
James Rannie
Lyn Sheppard
Margery Turner

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

Principal Activities

The principal activity of the company during the financial year was:

- To provide members with lawn bowling and other sporting activities

Short-term and Long-term Objectives

The company's short-term objectives are to:

- Develop an annual budget
- Continually monitor the financial activities to ensure the continued viability of the club (e.g., water & electricity costs, poker machine income, beverage income etc.).
- Monitor the environment of the club to ensure that we are providing an inviting and safe place for our members, visitors and staff
- Provide adequate and appropriate sponsorship to the sub-clubs to ensure:
 - the continuation of sporting activities for club members
 - the extension of involvement of members in the club
- Create a welcoming and friendly atmosphere for our members, visitors and staff.
- Support local sporting groups and encourage them to make use of our club facilities.
- Monitor and advertise the distribution of ClubGRANTS funds to local organisations.
- Continue to seek major sponsorship for bowls tournaments.
- Continue to submit applications for State / Zone / District Bowling Carnivals.
- Increase the number of visits-in from other bowling clubs.

The company's long-term objectives are to:

- Continually review our facilities with regard to improving the outdoor & indoor ambience of the Club for our members, visitors and staff.
- Continue discussions that will ensure the continued development and viability of the Cabarita Beach Bowls & Sports Club.

Strategies

To achieve its stated objectives, the company has adopted the following strategies:

- Monthly review of financial accounts.
- Monthly reports to the Board on Workplace Health & Safety issues. Reports actioned if necessary.
- Continue to establish and improve communication with other community organisations.
- Support and encourage the professional development of staff to create a friendly and welcoming environment within the Club.
- General Manager and Finance Committee develop an annual budget and a major expenditure plan for Board approval.
- Encourage local organisations to make application for ClubGRANTS funds.
- Communicate with sub-clubs and acknowledge their activities.
- Regularly monitor the Club's utilities use.
- Identify and implement projects from the major expenditure plan that improve the ambience for the patrons and staff of the club (e.g. Main Bar, Western verandah).

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED

ABN: 70 000 998 863

DIRECTORS' REPORT

New Accounting Standards Implemented

- The entity's revenue recognition and measurement accounting principles are in agreement with the new revenue Accounting Standard AASB 15. There has been no effect on the current or previous financial year.
- The entity has no operating leases to which the new lease Accounting Standard AASB 0016 would apply.

Performance Indicators

- Satisfactory operating profit
- Steps taken to improve the financial viability of Club Ltd
- WHS Reports completed and acted on
- ClubGRANTS allocations advertised to community
- Community groups regularly accessing our facilities
- Sub-clubs satisfied with their sponsorship
- Steps taken to address savings in water and electricity use
- Good reports on staff and club performance
- Identified projects started/completed
- Additional sponsorships for bowls tournaments
- Visits-In encouraged, supported and maintained

Information on Directors

Ian Crabb	—	Chairman
Qualifications	—	Member of the Board since 30/09/2008
Special Responsibilities	—	Finance Committee, Strategic Planning & Development, Disciplinary Committee, Poker Machines
Greg Dryden	—	Director
Qualifications	—	Member of the Board since 26/4/2016
Special Responsibilities	—	Greens, Poker Machines
Kearen Finn	—	Director
Qualifications	—	Member of the Board since 30/5/2017
Special Responsibilities	—	Citation Committee, Sub-Club Liaison
Greg Goode	—	Deputy Chairman
Qualifications	—	Member of the Board since 7/1/2011
Special Responsibilities	—	Finance Committee, Citation Committee, Poker Machines
Susan Harriman	—	Director
Qualifications	—	Member of the Board since 30/9/2014
Special Responsibilities	—	Finance Committee, Technology
John Klose	—	Director
Qualifications	—	Member of the Board since 30/5/2017
Special Responsibilities	—	Finance Committee, Strategic Planning & Development, Poker Machines
James Rannie	—	Director
Qualifications	—	Member of the Board since 11/11/2013
Special Responsibilities	—	Work Health & Safety, Poker Machines
Lyn Sheppard	—	Director
Qualifications	—	Member of the Board since 13/11/2017
Special Responsibilities	—	Strategic Planning & Development, Community Liaison & Visits In
Margery Turner	—	Director
Qualifications	—	Member of the Board since 30/5/2017
Special Responsibilities	—	Strategic Planning & Development, Raffles

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED

ABN: 70 000 998 863

DIRECTORS' REPORT

Meetings of Directors

During the financial year, 15 meetings of directors were held. Attendances by each director were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Ian Crabb	15	14
Greg Dryden	15	14
Kearen Finn	15	11
Greg Goode	15	11
Susan Harriman	15	9
John Klose	15	14
James Rannie	15	15
Lyn Sheppard	15	15
Margery Turner	15	14

The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$1 each towards meeting any outstanding obligations of the company. At 30 June 2019, the total amount that members of the company are liable to contribute if the company is wound up is \$4,745 (2018: \$3,633).

Core – Non Core Property as required under Section 41J of The Registered Clubs Act

The Directors consider the Club's defined premises and all of its facilities to be Core Property. The directors do not consider the Club to have Non-Core Property.

Section 41J of the Act defines core property as meaning any real property owned or occupied by the Club that comprises:-

- (a) the defined premises of the club, or
- (b) any facility provided by the club for use of its members and their guests' or
- (c) any other property declared, by resolution passed by a majority of the members present at a general meeting of the ordinary members of the club, not to be core property of the Club.

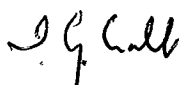
Non-core property is defined as meaning any real property owned or occupied by the Club that is not core property.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2019 has been received and can be found on page 4 of the financial report.

This directors' report is signed in accordance with a resolution of the Board of Directors.

Director


Ian Crabb

Dated this 1st day of October 2019

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863
AUDITOR'S INDEPENDENCE DECLARATION UNDER S 307C OF
THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF CABARITA BEACH BOWLS & SPORTS CLUB

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Cabarita Beach Bowls & Sports Club Limited. As the lead audit partner for the audit of the financial report of Cabarita Beach Bowls & Sports Club Limited for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

WFO Assurance Services Pty Ltd

Name of Firm WFD Assurance Services Pty Ltd

B. Dunnett

Name of Partner Barry Dunnett

Date 30/09/2019

Address **Office**
11 Nunawading Crt
Robina, QLD 4226

Registered Office
39 Wharf Street
Tweed heads, NSW 2485

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863
STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019	2018
		\$	\$
Revenue	2	4,760,097	4,637,555
Other income	2	12,049	42,965
Employee benefits expense	3(a)	(1,462,269)	(1,397,817)
Depreciation and amortisation expense	3(a)	(323,964)	(335,750)
Interest expense	3(a)	(7,180)	(4,073)
Cost of sales	3(a)	(1,162,007)	(1,194,176)
Other expenses	3(b)	(1,863,085)	(1,788,892)
Profit/(loss) before income tax		(46,359)	(40,188)
Tax expense	1(j)	-	-
Profit/(loss) for the year		(46,359)	(40,188)

The accompanying notes form part of these financial statements.

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
Profit/(loss) for the year	(46,359)	(40,188)
Total comprehensive income for the year	<u>(46,359)</u>	<u>(40,188)</u>

The accompanying notes form part of these financial statements.

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019

	Note	2019 \$	2018 \$
ASSETS			
Current Assets			
Cash and cash equivalents	4	355,603	361,202
Trade and other receivables		22,571	22,975
Inventories		98,291	98,410
Prepayments		11,057	5,870
Total current assets		<u>487,522</u>	<u>488,457</u>
Non-current assets			
Property, plant and equipment	5	5,161,618	5,259,875
Intangible assets	6	104,417	104,417
Total non-current assets		<u>5,266,035</u>	<u>5,364,292</u>
TOTAL ASSETS		<u>5,753,557</u>	<u>5,852,749</u>
LIABILITIES			
Current liabilities			
Trade and other payables	7	313,879	295,359
Borrowings	8	87,336	121,125
Provisions	9	114,004	122,144
Total current liabilities		<u>515,219</u>	<u>538,628</u>
Non-current liabilities			
Borrowings	8	13,353	28,832
Provisions	9	28,052	41,997
Total non-current liabilities		<u>41,405</u>	<u>70,829</u>
TOTAL LIABILITIES		<u>556,624</u>	<u>609,457</u>
NET ASSETS		<u>5,196,933</u>	<u>5,243,292</u>
EQUITY			
Retained surplus		3,373,023	3,419,382
Reserves	14	1,823,910	1,823,910
TOTAL EQUITY		<u>5,196,933</u>	<u>5,243,292</u>

The accompanying notes form part of these financial statements.

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2019

	Retained Earnings \$	Revaluation Reserve \$	Total \$
Balance at 1 July 2017	3,459,570	1,823,910	5,283,480
Comprehensive Income			
Profit/(loss) for the year	(40,188)		(40,188)
Total comprehensive income attributable to the entity	(40,188)		(40,188)
Balance at 30 June 2018	3,419,382	1,823,910	5,243,292
Balance at 1 July 2018	3,419,382	1,823,910	5,243,292
Comprehensive Income			
Profit/(loss) for the year	(46,359)		(46,359)
Total comprehensive income attributable to the entity	(46,359)		(46,359)
Balance at 30 June 2019	3,373,023	1,823,910	5,196,933

The accompanying notes form part of these financial statements.

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members, tenants and patrons		5,228,518	5,084,776
Payments to suppliers, employees and ATO		(4,964,519)	(4,827,075)
Interest received		1,872	902
Interest paid		(7,180)	(4,073)
Net cash (used in)/generated from operating activities		<u>258,691</u>	<u>254,530</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		12,052	18,038
Net payment for property, plant and equipment	5(c)	<u>(72,621)</u>	<u>(34,738)</u>
Net cash from/(used in) investing activities		<u>(60,569)</u>	<u>(16,700)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings - hp arrangements		(3,257)	(1,725)
Repayment of borrowings - supplier instalment arrangements	8(c)	<u>(200,464)</u>	<u>(197,307)</u>
Net cash from/(used in) financing activities		<u>(203,721)</u>	<u>(199,032)</u>
Net increase in cash held		(5,599)	38,798
Cash on hand at beginning of the financial year		<u>361,202</u>	<u>322,404</u>
Cash on hand at end of the financial year	4	<u><u>355,603</u></u>	<u><u>361,202</u></u>

The accompanying notes form part of these financial statements.

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Note 1 Summary of Significant Accounting Policies

Basis of Preparation

Cabarita Beach Bowls & Sports Club Limited applies 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 Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The entity is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

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

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on 1 October 2019 by the directors of the company.

Accounting Policies

(a) Revenue

Gaming subsidies are recognised in the period receipted, which aligns with the timeframe the poker machines are patronised.

Revenue from gaming is derived from poker machines and is recognised 'net' of payouts to players.

Revenue from bar, bottleshop and coffee shop sales is recognised when beverage is acquired by patrons.

Revenue from raffles is derived from ticket sales and is recognised in the period the raffle is drawn.

Sponsorship revenue is recognised upon invoice to the sponsor; this amount is determined in accordance with the amount pledged and the timing with which the agreed pledge will flow to the Company.

Revenue from members subscriptions is aligned with the period the members utilise the facilities provided and paid for. Those received in advance for future years are deferred until those timeframes are reached and are recognised, in the meanwhile, as a liability in the statement of financial position.

Revenue from mat fees is recognised in the period the bowling green is used by playing patrons for such purposes. The receipt of fees and playing of bowls usually occurs in the same timeframe.

Rent received from the use of club facilities is recognised in accordance with negotiated lease agreements. The periods recognised equate to those of the financial year under review. Rent received in advance for future years is deferred until those timeframes are reached and is recognised, in the meanwhile, as a liability in the statement of financial position.

Commission revenue derived from patronising the ATM, Keno and TAB facilities provided, are recognised in the period it is earned.

Revenue from promotional rebates are recognised in the period they are earned, per the negotiated contracts.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

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

(b) Inventories

Inventories held for sale are measured at the lower of cost and net realisable value.

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

(c) Property, Plant and Equipment

Land

The valuation model is applied to land.

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Buildings

The valuation model is applied to buildings. The fair value of buildings is usually determined from market-based evidence by appraisal. However, it is evident that there is very little or no market based evidence of value because Club buildings are rarely sold within a reasonable radius of Cabarita.

The Accounting Standards suggest that, in the absence of market based evidence, the depreciated replacement cost approach may be used to estimate fair value. This has been used.

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

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

Freehold land and buildings that have been contributed at no cost or for nominal cost are initially recognised and measured at the fair value of the asset at the date it is acquired.

Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(f) for details of impairment).

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

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use.

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

Class of Fixed Asset	Depreciation Rate
Buildings	2.5%
Plant and equipment	5 - 20%

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

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

(d) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term. Your attention is drawn to note 15.

(e) Financial Instruments

Initial recognition and measurement

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

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified as "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value or amortised cost using the effective interest method. Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment (loss allowance), and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

(i) *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.

(ii) *Financial liabilities*

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost.

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire 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 when the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability, which is 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.

(f) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying amounts 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 of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

(g) Employee Benefits

Employee benefit obligations are presented as current liabilities if the organisation does not have an unconditional/vested right to defer settlement for at least 12 months after the year end, irrespective of when the actual settlement is expected to take place, and are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position.

(i) *Annual leave*

Annual leave shall be presented as a current liability, notwithstanding that historical records will confirm that staff are unlikely to take their full entitlement within 12 months of the year end.

(ii) *Long service leave*

Long service leave shall be presented as a current liability, to the extent that employees have a vested right there to, notwithstanding that their expectations or historical records will confirm that staff are unlikely to take their full entitlement within 12 months of the year end.

Long service leave shall be presented as a non-current liability, to the extent that employees do not have a vested right thereto.

Long service leave is accrued at the rate of pay that is expected to be in force when it is taken and then discounted back to current present value. This only applies to non-current liabilities.

Retirement benefit obligations

Defined contribution superannuation benefits

All employees of the entity receive defined contribution superannuation entitlements, for which the entity pays the fixed superannuation guarantee contribution (currently 9.5% of the employee's average ordinary salary) to the employee's superannuation fund of choice. All contributions in respect of employees' defined contribution entitlements are recognised as an expense when they become payable. The company's obligation with respect to employees' defined contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the company's statement of financial position.

(h) Cash and Cash Equivalents

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

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

(i) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(j) Income Tax

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

(k) Intangible Assets

Poker Machine Entitlements

Poker machine entitlements are recorded at cost. They are assessed annually for impairment.

(l) 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 the end of reporting period.

(m) Comparative Figures

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

(n) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the entity during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(o) Critical Accounting Estimates and Judgements

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

Key estimates

Valuation of freehold land and buildings

Attention is drawn to note 5.

Long Service Leave Entitlement

Assessments are made on the probability of staff taking long service leave and the provisions structured accordingly.

(o) Economic Dependence

Cabarita Beach Bowls & Sports Club Limited is dependent on the members and patrons for the majority of its revenue used to operate the business. At the date of this report the Board of Directors has no reason to believe the members and patrons will not continue to support Cabarita Beach Bowls & Sports Club Limited.

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Note 2 Revenue and Other Income

	2019	2018
	\$	\$
Revenue		
Revenue from government grants and operating activities		
— Government subsidy	17,180	17,180
— Gaming	1,974,937	1,889,990
— Bar sales	1,433,757	1,415,226
— Bottleshop sales	581,190	615,542
— Functions, promotional rebates, mat fees etc	221,895	192,611
— Coffee shop sales	159,477	131,842
— Commission	147,409	133,913
— Sub clubs	105,220	123,281
— Club raffles	63,926	71,209
— Member subscriptions	31,515	28,570
— Bowls shop sales	6,848	1,888
	<u>4,743,354</u>	<u>4,621,252</u>
Other revenue		
— Rent received	14,871	15,401
— Interest received	1,872	902
	<u>16,743</u>	<u>16,303</u>
Total revenue	<u>4,760,097</u>	<u>4,637,555</u>
Other income		
— Gain on disposal of property, plant and equipment	12,049	18,038
— Insurance claim refund	-	12,476
— Prior year adjustments re travel account liability	-	12,451
Total other income	<u>12,049</u>	<u>42,965</u>
Total revenue and other income	<u>4,772,146</u>	<u>4,680,520</u>

Note 3 Expenses

	Note	2019	2018
		\$	\$
(a) Expenses			
Employee benefits expense:			
— Employee benefits expense including contributions to defined contribution superannuation funds		1,462,269	1,397,817
— Employee on-costs	3(b)	132,814	118,732
Total employee benefits expense		<u>1,595,083</u>	<u>1,516,549</u>
Depreciation and amortisation:			
— Land and buildings		106,340	113,957
— Plant and equipment		217,624	221,793
Total depreciation and amortisation		<u>323,964</u>	<u>335,750</u>
Finance costs:			
— interest expense on financial liabilities		7,180	4,073
Directors' honorariums	3(b)	15,379	12,671
Cost of sales			
— Bar		590,885	594,916
— Bottleshop		474,183	510,845
— Coffee shop		90,939	85,762
— Bowls shop		6,000	2,653
		<u>1,162,007</u>	<u>1,194,176</u>

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

		2019	2018
		\$	\$
(b) Other			
— Poker machine expenses		363,144	333,994
— Entertainment		193,853	191,785
— Members expenses		141,086	177,553
— Employee on-costs	3(a)	132,814	118,732
— Repairs and maintenance		130,221	113,186
— Sub clubs		117,155	116,517
— Electricity		110,885	109,658
— Club raffles		79,977	88,837
— Cleaning		68,000	61,203
— Consultant and marketing fees		61,029	50,068
— Advertising		59,880	57,537
— Donations and CDSE		53,274	66,679
— Insurance		52,007	42,034
— Accounting & auditing services		49,499	19,460
— Net loss on disposal of property, plant and equipment		1,078	-
— Other operating expenses		249,183	241,649
		<u>1,863,085</u>	<u>1,788,892</u>

Note 4 Cash and Cash Equivalents

		2019	2018
		\$	\$
CURRENT			
Cash on hand	4(a)	202,319	132,516
Cheque account		37,286	99,987
Cash Maximiser account		74,093	80,758
Sub Clubs		41,905	47,941
Total cash on hand as stated in the statement of financial position and statement of cash flows		<u>355,603</u>	<u>361,202</u>
		<u>355,603</u>	<u>361,202</u>

(a) Included in the amount is Bowls Club Travel account of \$17,179 (2018: \$15,406).

Note 5 Property, Plant and Equipment

	Note	2019	2018
		\$	\$
LAND AND BUILDINGS			
Freehold land:			
— Directors valuation	5(a)	900,000	900,000
Total land		<u>900,000</u>	<u>900,000</u>
Buildings:			
— Directors valuation	5(b)	3,304,452	3,304,452
— Less accumulated depreciation		(220,297)	(113,957)
Total buildings		<u>3,084,155</u>	<u>3,190,495</u>
Total land and buildings		<u>3,984,155</u>	<u>4,090,495</u>
PLANT AND EQUIPMENT			
Plant and equipment:			
— At cost		3,037,817	2,843,614
— Less accumulated depreciation		(1,891,720)	(1,705,600)
		<u>1,146,097</u>	<u>1,138,014</u>
CAPITAL WORKS IN PROGRESS (CWIP)			
— At cost		31,366	31,366
		<u>31,366</u>	<u>31,366</u>
Total property, plant & equipment and CWIP		<u>5,161,618</u>	<u>5,259,875</u>

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

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:

	Note	Land \$	Buildings \$	Plant and Equipment \$	Capital Works in Progress \$	Total \$
2019						
Balance at the beginning of the year		900,000	3,190,495	1,138,014	31,366	5,259,875
Additions at cost	5(c)	-	-	226,801	-	226,801
Disposals		-	-	(1,094)	-	(1,094)
Depreciation expense		-	(106,340)	(217,624)	-	(323,964)
Carrying amount at the end of the year		900,000	3,084,155	1,146,097	31,366	5,161,618

(a) Land

The valuation of land was based on 2017 'notices of valuation' issued by the New South Wales Valuer General. Having considered circumstances which could give rise to a material changes in the value in the 2019 financial year, the Board have elected to make no changes.

(b) Buildings

Herron Todd White Brisbane Pty Ltd were engaged to provide a valuation of the company's building and its improvements for the 2017 financial year. The cost approach methodology was used, an approach recognised by AASB 13 fair value measurement. A depreciated cost estimate, determined on 25 May 2016, was adopted by the Board for the 2017 financial year. Having considered circumstances which could give rise to a material changes in the value in the 2019 financial year, the Board have elected to make no changes.

(c) Reconciliation of fixed asset additions to cashflow statement

— Additions- fixed asset movements	226,801
— Financed by supplier instalment arrangements	(154,180)
— Additions- payments from internal resources	<u>72,621</u>

Instalment arrangements are unsecured.

Supplier instalment arrangements are more fully described in note 8(a).

Note 6 Intangible Assets

	2019 \$	2018 \$
Poker machine entitlements - at cost	104,417	104,417
Net carrying amount	<u>104,417</u>	<u>104,417</u>

Note 7 Trade and Other Payables

	Note	2019 \$	2018 \$
CURRENT			
Trade payables		123,512	137,005
Payroll liabilities		56,408	30,418
GST payable		51,465	51,123
Accrued expenses		46,756	48,095
Deferred income - membership fees in advance		18,870	17,847
Sundry creditors		16,868	10,871
	7(a)	<u>313,879</u>	<u>295,359</u>

(a) Financial liabilities at amortised cost classified as trade and other payables

Trade and other payables:			
— Total current		313,879	295,359
		<u>313,879</u>	<u>295,359</u>
Less deferred income		(18,870)	(17,847)
Financial liabilities as trade and other payables	12	<u>295,009</u>	<u>277,512</u>

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Note 8 Borrowings

	Note	2019	2018
		\$	\$
CURRENT			
Instalment arrangements	8(a)	86,068	119,857
HP Photo copier		1,268	1,268
		<u>87,336</u>	<u>121,125</u>
NON-CURRENT			
Instalment arrangements	8(a)	13,353	27,564
HP - Photo Copier		-	1,268
		<u>13,353</u>	<u>28,832</u>
Total borrowings	12	<u><u>100,689</u></u>	<u><u>149,957</u></u>

(a) Supplier Instalment arrangements

Various suppliers have provided vendor finance arrangements for the purchase of poker machines and furniture, re-payable in instalments ranging from 12 to 36 months. Three of the five arrangements in place were entered into in the 2019 financial year. The cash flow statement recognises the amount paid to the supplier, categorised under financing activities, to the value of \$200,464.

Note 9 Provisions

	2019	2018
	\$	\$
CURRENT		
Provision for employee benefits: annual leave	45,952	51,865
Provision for employee benefits: long service leave	66,113	69,204
RDO's	1,939	1,075
	<u>114,004</u>	<u>122,144</u>
NON-CURRENT		
Provision for employee benefits: long service leave	28,052	41,997
	<u>28,052</u>	<u>41,997</u>
	<u><u>142,056</u></u>	<u><u>164,141</u></u>

Analysis of total provisions:

	Employee Benefits
Opening balance at 1 July 2018	164,141
Additional provisions raised during the year	80,045
Amounts used/paid	(102,130)
Balance at 30 June 2019	<u><u>142,056</u></u>

Note 10 Events After the Reporting Period

Other than the following, the directors are not aware of any significant events since the end of the reporting period.

The company has made application to the bank (ANZ) for a \$400,000 loan to develop the upstairs restaurant. Approval thereof is awaited.

Note 11 Key Management Personnel Compensation

Key Management Personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity directly or indirectly, including any director (whether executive or otherwise) is considered key management personnel (KMP).

The totals of remuneration paid to KMP of the entity during the year are as follows:

	2019	2018
	\$	\$
KMP compensation:	<u><u>136,427</u></u>	<u><u>125,070</u></u>

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Note 12 Financial Risk Management

The entity's financial instruments consist mainly of deposits with banks, short-term and long-term investments, payables and borrowings.

The totals for each category of financial instruments, measured in accordance with AASB 9: *Financial Instruments* as detailed in the accounting policies to these financial statements, are as follows:

	Note	2019 \$	2018 \$
Financial assets			
— cash and cash equivalents	4	355,603	361,202
— trade and other receivables		22,571	22,973
Total financial assets		<u>378,174</u>	<u>384,175</u>
Financial liabilities			
— trade and other payables	7(a)	295,009	277,512
— borrowings	8	100,689	149,957
Total financial liabilities		<u>395,698</u>	<u>427,469</u>

Note 13 Fair Value Measurements

(a) *Fair Value Hierarchy*

The company's assets and liabilities are measured or disclosed at fair value, using a three level hierarchy, base on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical	Measurements based on inputs other than quoted prices included in Level 1	Measurements based on unobservable inputs for the asset or liability.

Assets and liabilities held for sale are measured at fair value on a non-recurring basis. There were no transfers between levels during the financial year.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short term nature.

(b) *Valuation Techniques*

Your attention is drawn to note 5(a) and (b).

The following table provides the fair values of the company's assets and liabilities.

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Balance 30 June 2018	-	-	4,090,495	4,090,495
Depreciation expense	-	-	(106,340)	(106,340)
Balance 30 June 2019	-	-	3,984,155	3,984,155

Note 14 Reserves

(a) *Revaluation Surplus*

The revaluation surplus records revaluations of non-current assets.

(b) *Analysis of Revaluation Reserve*

		2019 \$	2018 \$
Opening balance at 1 July 2018		1,823,910	1,823,910
Gains (losses) on revaluation of land	5(a)	-	-
Gains (losses) on revaluation of buildings	5(b)	-	-
Balance at 30 June 2019		<u>1,823,910</u>	<u>1,823,910</u>

Note 15 Impact of New Accounting Standards

AASB 15 - Revenue

The entity's revenue recognition and measurement accounting principles are in agreement with the new revenue Accounting Standard. There has been no effect on the current or previous financial year.

AASB 16 - Leases

The entity has no operating leases to which the new lease Accounting Standard would apply.

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Note 16 Entity Details

The registered office of the entity is:

Cabarita Beach Bowls & Sports Club Limited
Cabarita Road
Bogangar NSW 2488

The principal place of business is:

Cabarita Beach Bowls & Sports Club Limited
Cabarita Road
Bogangar NSW 2488

Note 17 Members' Guarantee

The entity is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$1 towards meeting any outstanding obligations of the entity. At 30 June 2019 the number of members was 4,745.

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED

ABN: 70 000 998 863

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Cabarita Beach Bowls & Sports Club Limited, the directors of the entity declare that:

1. The financial statements and notes, as set out on pages 5 to 19, satisfy the requirements of the Corporations Act 2001 and:
 - (a) comply with Australian Accounting Standards applicable to the entity; and
 - (b) give a true and fair view of the financial position of the entity as at 30 June 2019 and of its performance for the year ended on that date.
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.

Director


Ian Crabb

Dated this 1st day of October 2019

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CABARITA BEACH BOWLS & SPORTS CLUB LIMITED

Qualified Opinion

We have audited the financial report of Cabarita Beach Bowls & Sports Club Limited (the entity), which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

Except for the adjustments, if any, resulting from the restriction in scope, more fully described in the basis for qualified opinion paragraph, the accompanying financial report of Cabarita Beach Bowls and Sports Club Ltd is in accordance with the Corporations Act 2001, including:

- i. giving a true and fair view of the entity'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 Qualified Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the entity in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

i. **Background**

There is very little market activity in regards to sales of club property and buildings – with current zoning – in the vicinity of Cabarita Beach Bowls and Sports Club Ltd. Consequently, in respect of land, the rateable value for rates purposes as determined by the New South Wales Valuer General on 1 July 2016 has been used for valuation purposes. Herron Todd White Brisbane Commercial Pty Ltd were engaged to provide a valuation of the company's building and its improvements. The depreciated cost estimate as determined on 25 May 2016 was adopted in the 2017 financial year, followed by annual assessments by the Board subsequently. Depreciation was provided on the depreciated cost estimate.

ii. **Restriction of scope - land**

The Board's decision to adopt the Valuer General rateable value cannot be evaluated against other forms of audit evidence, in the absence of market activity of such properties within the vicinity of Cabarita Beach Bowls and Sports Club Ltd. Our procedures were therefore restricted to an agreement of the rateable value as it appears in the current rates notice to the accounting records only.

iii. **Restriction of scope - buildings**

I have examined the depreciated replacement cost estimate report provided by Herron Todd White (Brisbane Commercial) Pty Ltd.

- I considered the significant assumptions and methods used and concluded they were both relevant and reasonable.
- I considered the relevance and completeness of source input data and with the exception of demolition and removal costs – relevant in my opinion to insurance appraisals – I concluded they were relevant and complete.
- In regards to verifying the accuracy of source data inputs, I was not provided with their respective values as used in their calculations of the depreciated cost estimate. I was supplied with the end result only.
- I considered the relevance and reasonableness of their findings but in the absence of evaluating the accuracy of source data inputs, I am unable to conclude on its reasonableness. Our procedures were restricted to an agreement of the depreciated cost estimate to the accounting records in the 2017 financial year, together with a test of depreciation in subsequent financial years. Those results proved satisfactory

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Cabarita Beach Bowls & Sports Club Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Emphasis of matters

Your attention is drawn to:

- Note 10: the application to the bank (ANZ) for a loan to develop the upstairs restaurant.
- Note 15: the impact of the new Lease (AASB 16) and Revenue (AASB15) Accounting Standards.

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 entity's annual report for the year ended 30 June 2019, but does not include the financial report and our auditor's report thereon.

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

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CABARITA BEACH BOWLS & SPORTS CLUB LIMITED

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.

Please note that the Chairman's and GM's reports refer to 'operating profit' of \$277,605. This is before deducting depreciation of \$323,964. Once deducted, the profit/(loss) before tax is (\$46,359).

We have nothing further to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the 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 entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

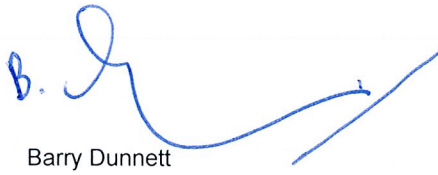
As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- 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 entity'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 entity'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 entity 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the entity audit. We remain solely responsible for our audit opinion.


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.

CABARITA BEACH BOWLS & SPORTS CLUB LIMITED
ABN: 70 000 998 863
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CABARITA BEACH BOWLS & SPORTS CLUB LIMITED

Auditor's name and signature:


Barry Dunnett

Name of firm:


WFD Assurance Services Pty Ltd

Address:

Office
11 Nunawading Crt
Robina, QLD 4226

Registered office
39 Wharf Street
Tweed Heads, NSW 2485

Dated this

2nd

day of

October

2019