

# **Royal New South Wales Bowling Association Limited**

ACN: 159 083 413

## **Financial Statements**

For the Year Ended 30 June 2017

# Royal New South Wales Bowling Association Limited

ACN: 159 083 413

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For the Year Ended 30 June 2017

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# Royal New South Wales Bowling Association Limited

ACN: 159 083 413

## Directors' Report For the Year Ended 30 June 2017

The directors present their report on Royal New South Wales Bowling Association Limited for the financial year ended 30 June 2017.

### Directors

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

<b>Names</b>	<b>Position</b>	<b>Appointed/Resigned</b>
Barry Watkins	Director (President)	
Dennis Taylor	Director (Deputy President)	Appointed 15/09/2016
Ron King	Finance Director	
Vince Beard	Director	
Brett Duprez	Director	
Jay Porter	Director	
Duncan Tait	Director	
Bob Moran	Director	Resigned 15/09/2016

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 Royal New South Wales Bowling Association Limited during the financial year was the promotion and encouragement of the game of lawn bowls.

No significant changes in the nature of the company's activity occurred during the financial year.

### Information on directors

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

Barry Watkins	President and Director
Experience	NSW Public Service 34 years, Clerk of the Court, Senior Executive Service Director, Attorney Generals Department, Coroner. Cabramatta BC President (14 years); Cabramatta BC General Manager (14 years), Chairman Bowls Council; Zone Secretary (2 years); State Councillor (1 year); Clubs NSW State Councillor (4 years). Currently RNSWBA Director (2 years). Term commenced as President 15/09/2016.
Dennis Taylor	Deputy President and Director
Experience	Qualifications in accounting and real property. 10 years with public companies. 3 years Corporate Affairs Commission (Investigation Div). 10 years audit, management review, governance. 17 years (Sydney, Oxford, UNSW) universities. Various secondments and attachments including Price Waterhouse International, Oxford University, NSW Police Fraud Squad. Work experience in Australia, UK, USA. Professional bodies - ASCPA committees, Councillor and Executive 10 years. AIM Annual Reports Award Committees 8 years. YHA (NSW) Finance and Planning Committee 2 years. Bowls admin -10 years: Zone 9 (President, State Councillor, SVP, Match Committee). Term commenced as RNSWBA Director and Deputy President 15/9/2016.

# Royal New South Wales Bowling Association Limited

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## Directors' Report

For the Year Ended 30 June 2017

### Information on directors

Ron King Experience	Finance Director Qualified Accountant and Company Secretary. Retired from Lend Lease Corporation as Company Secretary. Filled director roles in various subsidiary companies. Formerly NSW and Australian President Chartered Secretaries Australia, now called Governance Institute of Australia. On international board (3 years). On Pennant Hills BC Board (10 years), formerly Chairman (3 years). Treasurer RNSWBA (3 years), Finance Director (4 years).
Vince Beard Experience	Director Automotive and agriculture sales (45 years); Director Riverina Australian Football Club (31 years); Clubs NSW member. Bowling administration experience includes RAFC BC President (4 years); Wagga & District President (2 years); Zone 8 President (8 years); Zone 8 Councillor (7 years); RNSWBA VP (2 years); RNSWBA Senior VP (1 year); RNSWBA Board of Directors (7 years), 4 years as President.
Brett Duprez Experience	Director Current role as manager, Gow-Gates Insurance Brokers, Sports & Services Division (9 years). Insurance and risk advice, account and relationship management of diverse national, Olympic and State sporting associations. Risk programmes inc IT solutions, risk control and avoidance, financing from national bodies to grass roots. Constant liaison with sporting association CEOs, boards, financial controllers and risk managers. BA Director (2 years). Representation at state, national and international level. RNSWBA Director (1 year).
Jay Porter Experience	Director Current role as GM Cabramatta B&RC; previously CEO of Dubbo Railway BC (4 years). Involved in bowls administration from club level to State (10 years). Clubs NSW member. Secretary Dubbo Liquor Accord (2 years). Administered a \$1.4M renovation upgrade to Dubbo Railway BC. RNSWBA Director (3 years) until resignation 19 June 2015 when redirected focus to role of Zone President, to assist in transitioning Zone 4 in boundary redistribution. RNSWBA Director (1 year).
Duncan Tait Experience	Director Bowling club President (7 years). Commerce degree. TV station manager (3 years). Business and marketing consultant (6 years). Running small-medium businesses (26 years). RNSWBA Director (1 year).
Bob Moran Experience	Director Qualified chemical engineer and GM. Retired from James Hardie as State Manager (NSW), after holding general management positions in Malaysia (4 years), USA (3 years) and Australia (7 years). Former member of Dust Diseases Board (3 years), Greater Western Sydney Economic Development Board (2 years) and Board of National Safety Council of Australia (NSW) (3 years). Bowls administration (18 years) inc SMC (1 year); Zone 9 President (3 years); VP (2 years) and Chair Match Committee (5 years); Warrawee BC, Committee (6 years), President (2 years) and Bowls Secretary (5 years). RNSWBA Director (4 years) serving as Deputy President 1 year. Term completed 15/09/2016.

# Royal New South Wales Bowling Association Limited

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## Directors' Report

For the Year Ended 30 June 2017

### Information on directors

### Members guarantee

Royal New South Wales Bowling Association Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each members and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$1 for members that are corporations and \$1 for all other members, subject to the provisions of the company's constitution.

At 30 June 2017 the collective liability of members was \$39,569 (2016: \$40,672).

### Short term objectives

The company's short term objectives are to:

- Increase the number of registered bowlers.

and to improve:

- Communication and Marketing.
- Diversity of Revenue Streams (sustainable business model).
- Service Levels.
- Engagement and Participation.

### Long term objectives

The company's long term objectives are to:

- Obtain positive growth in the number of registered bowlers each year.
- Ensure the sustainability of the sport and the Association through preservation of facilities.
- Promote and market the long term health and personal benefits of participating in the sport for life.

### Strategy for achieving the objectives

To achieve these objectives, the company has adopted the following strategies:

- Established Communication & Marketing department to oversee marketing activities.
- Revenue Stream Committee looking at diversifying revenue streams and more sustainable financial models.
- New organisational structure - shift from magazine to wider range of communications.
- Exploring new competition ideas to capture new participation market.
- Boundaries and governance research commissioned for future planning.

# Royal New South Wales Bowling Association Limited

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## Directors' Report

For the Year Ended 30 June 2017

### How principal activities assisted in achieving the objectives

The principal activities assisted the company in achieving its objectives by:

- Research and information gathering to ensure the Board can make evidence-based decisions.
- Ceasing magazine production has greatly reduced our expenditure and allowed for more sustainable cost levels to be achieved.

### Performance measures

The following measures are used within the company to monitor performance:

- Monthly budget performance.
- Monthly Board review of registered bowler numbers.

### Operating results

The profit of the company after providing for income tax amounted to \$166,182 (2016: \$105,976).

### Meetings of directors

During the financial year, 15 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings		Committee Meetings	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Barry Watkins	14	13	-	-
Dennis Taylor	12	11	-	-
Ron King	14	12	1	1
Vince Beard	14	13	1	1
Brett Duprez	14	11	-	-
Jay Porter	14	13	-	-
Duncan Tait	14	9	-	-
Bob Moran	3	3	1	1

**Royal New South Wales Bowling Association Limited**

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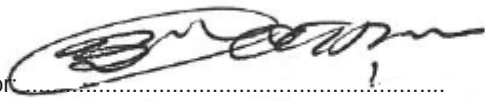
**Directors' Report**

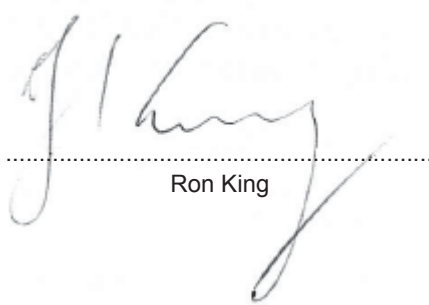
**For the Year Ended 30 June 2017**

**Auditor's independence declaration**

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2017 has been received and can be found on page 6 of the financial report.

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

Director  .....  
Barry Watkins

Director:  .....  
Ron King

Dated 17 August 2017

## Auditors Independence Declaration under Section 307C of the Corporations Act 2001 To the Board of Directors Royal New South Wales Bowling Association Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2017, 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.



**PKF**  
Chartered Accountants

Level 8, 1 O'Connell Street, Sydney NSW 2000

Dated: 17<sup>th</sup> August 2017



**SCOTT TOBUTT**  
Partner



# Royal New South Wales Bowling Association Limited

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## Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2017

		2017	2016
	Note	\$	\$
Revenue	2	2,350,581	2,432,331
Cost of sales	3	(25,255)	(33,072)
Employee benefits expense		(746,703)	(770,309)
Other sports development		(51,245)	(20,721)
Depreciation	3	(50,395)	(53,458)
IT and internet expenses		(84,668)	(95,983)
Board costs		(39,614)	(43,025)
Council costs		(15,320)	(10,807)
Committee expenses		(24,919)	(29,775)
Event expenses		(158,693)	(149,327)
Bowls Australia Affiliation fees		(545,069)	(529,193)
Magazine and communication expenses		(111,355)	(206,972)
Office and administration expenses		(247,432)	(215,506)
Occupancy expenses		(83,731)	(81,207)
Membership survey	3	-	(87,000)
<b>Profit/(Loss) before income tax</b>		<b>166,182</b>	<b>105,976</b>
Income tax expense	1(l)	-	-
<b>Profit/(Loss) for the year</b>		<b>166,182</b>	<b>105,976</b>
Other comprehensive income		-	-
<b>Total comprehensive profit/(loss) for the year</b>		<b>166,182</b>	<b>105,976</b>

The accompanying notes form part of these financial statements.

# Royal New South Wales Bowling Association Limited

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## Statement of Financial Position

As At 30 June 2017

	Note	2017 \$	2016 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	4	179,886	318,362
Trade and other receivables	5	158,594	125,655
Inventories	6	11,110	11,562
Other financial assets	7	2,871,811	2,582,534
Other assets	9	68,385	65,668
TOTAL CURRENT ASSETS		<u>3,289,786</u>	<u>3,103,781</u>
NON-CURRENT ASSETS			
Property, plant and equipment	8	1,508,306	1,440,474
TOTAL NON-CURRENT ASSETS		<u>1,508,306</u>	<u>1,440,474</u>
TOTAL ASSETS		<u>4,798,092</u>	<u>4,544,255</u>
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	10	893,796	801,414
Provisions	11	121,755	132,524
TOTAL CURRENT LIABILITIES		<u>1,015,551</u>	<u>933,938</u>
NON-CURRENT LIABILITIES			
Provisions	11	26,074	20,032
TOTAL NON-CURRENT LIABILITIES		<u>26,074</u>	<u>20,032</u>
TOTAL LIABILITIES		<u>1,041,625</u>	<u>953,970</u>
NET ASSETS		<u>3,756,467</u>	<u>3,590,285</u>
<b>EQUITY</b>			
Retained earnings		<u>3,756,467</u>	<u>3,590,285</u>
TOTAL EQUITY		<u>3,756,467</u>	<u>3,590,285</u>

The accompanying notes form part of these financial statements.

# Royal New South Wales Bowling Association Limited

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## Statement of Changes in Equity

For the Year Ended 30 June 2017

	Retained Earnings	Total
	\$	\$
<b>Balance at 1 July 2016</b>	<b>3,590,285</b>	<b>3,590,285</b>
Profit attributable to members	166,182	166,182
<b>Balance at 30 June 2017</b>	<b>3,756,467</b>	<b>3,756,467</b>
<b>Balance at 1 July 2015</b>	3,484,309	3,484,309
Profit attributable to members	105,976	105,976
<b>Balance at 30 June 2016</b>	<b>3,590,285</b>	<b>3,590,285</b>

The accompanying notes form part of these financial statements.

# Royal New South Wales Bowling Association Limited

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## Statement of Cash Flows For the Year Ended 30 June 2017

	2017	2016
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers	2,461,119	2,378,351
Payments to suppliers and employees	(2,364,734)	(2,089,573)
Sponsorship received	84,745	67,926
Interest received	80,623	78,748
Net cash provided by/(used in) operating activities	<u>261,753</u>	<u>435,452</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Proceeds from sale of plant and equipment	17,914	-
Purchase of property, plant and equipment	(128,866)	(7,853)
Proceeds/(Purchase) of held-for-maturity investments	(289,277)	(496,029)
Net cash provided by/(used in) investing activities	<u>(400,229)</u>	<u>(503,882)</u>
Net (decrease) / increase in cash and cash equivalents held	(138,476)	(68,430)
Cash and cash equivalents at beginning of year	318,362	386,792
Cash and cash equivalents at end of financial year	4 <u><u>179,886</u></u>	<u><u>318,362</u></u>

The accompanying notes form part of these financial statements.

# Royal New South Wales Bowling Association Limited

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## Notes to the Financial Statements

For the Year Ended 30 June 2017

The financial statements are for Royal New South Wales Bowling Association Limited as an individual entity, incorporated and domiciled in Australia. Royal New South Wales Bowling Association Limited is a not-for-profit company limited by guarantee.

The functional and presentation currency of Royal New South Wales Bowling Association Limited is Australian dollars.

### 1 Summary of Significant Accounting Policies

#### (a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Act 2001*.

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

#### (b) Comparative Amounts

Comparatives are consistent with prior years, unless otherwise stated.

#### (c) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first-in-first-out basis and are net of any rebates and discounts received.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the costs necessary to make the sale. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

#### (d) Property, Plant and Equipment

Classes of property, plant and equipment are measured using the cost or revaluation model as specified below.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

##### Land and buildings

Land and buildings are measured using the cost method.

##### Plant and equipment

Plant and equipment, motor vehicles are measured using the cost method.

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 1 Summary of Significant Accounting Policies

#### (d) Property, Plant and Equipment

##### Depreciation

The depreciable amount of property, plant and equipment, except for freehold land is depreciated on a straight-line method from the date that management determine that the asset is available for use. The depreciable amount of motor vehicles is depreciated on a reducing balance method from the date that management determine that the asset is available for use.

The estimated useful lives used for each class of depreciable asset are shown below:

Fixed asset class	Useful life
Buildings	50 years
Plant and Equipment	3 - 10 years
Motor Vehicles	4.5 years

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

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

When an asset is disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to profit or loss.

#### (e) Financial instruments

##### Initial recognition and measurement

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. For financial assets, this is the equivalent to the date that the company 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 transactions costs, except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

##### Classification and subsequent measurement

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

*Amortised cost* is calculated as:

- (a) the amount at which the financial asset or financial liability is measured at initial recognition;
- (b) less principal repayments;
- (c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 1 Summary of Significant Accounting Policies

#### (e) Financial instruments

(d) less any reduction for impairment.

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

The classification of financial instruments depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and at the end of each reporting period for held-to-maturity assets.

The company does not designate any interest as being subject to the requirements of accounting standards specifically applicable to financial instruments.

#### (i) Financial assets at fair value through profit or loss

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

#### (ii) Loans and receivables

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

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting year.

#### (iii) Held-to-maturity investments

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

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

If during the period the company sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire held-to-maturity investments category would be tainted and reclassified as available-for-sale.

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2017**

### **1 Summary of Significant Accounting Policies**

#### **(e) Financial instruments**

##### **(iv) Financial liabilities**

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Fees payable on the establishment of loan facilities are recognised as transaction costs of the loan.

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

##### **Impairment of financial assets**

At the end of the reporting period the company assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

##### **Financial assets at amortised cost**

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

Impairment on loans and receivables is reduced through the use of an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

#### **(f) 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.

#### **(g) Employee benefits**

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than twelve months after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on national corporate bonds with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

Employee benefits are presented as current liabilities in the statement of financial position if the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.



## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 1 Summary of Significant Accounting Policies

#### (h) Trade and other payables

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

#### (i) Income Tax

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

#### (j) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

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

#### Sponsorship and grants

Sponsorship and grants are recognised as income as the relevant costs are incurred.

#### Donations

Donations and bequests are recognised as revenue when received.

#### Interest revenue

Interest is recognised using the effective interest method.

#### Rendering of services

Revenue in relation to rendering of services is recognised depends on whether the outcome of the services can be measured reliably. If this is the case then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period.

If the outcome cannot be reliably measured then revenue is recognised to the extent of expenses recognised that are recoverable.

#### Subscriptions

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the period to which the subscription relates.

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2017**

### **1 Summary of Significant Accounting Policies**

#### **(k) Goods and Services Tax (GST)**

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

Receivables and payable are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the ATO is classified as operating cash flows.

#### **(l) Critical accounting estimates and judgments**

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

##### **Key judgments - income taxes**

The directors have determined that the company is exempt from paying income tax through assessment of the company's sporting operations under Section 50-45 of the Income Tax Assessment Act 1997. Accordingly, no provision for income taxes has been raised.

#### **(m) New accounting standards and interpretations**

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The directors do not expect the adoption of these standards to have any impact on the reported position or performance of the company.

# Royal New South Wales Bowling Association Limited

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## Notes to the Financial Statements

For the Year Ended 30 June 2017

	2017	2016
	\$	\$
<b>2 Revenue and Other Income</b>		
Revenue from operations		
- Sponsorship	80,623	32,926
- Member subscriptions	1,514,342	1,691,546
- Membership fees Bowls Australia	545,069	529,193
- Magazine income	5,230	37,940
- Interest income	84,745	78,748
- Other revenue	120,572	61,978
	<u>2,350,581</u>	<u>2,432,331</u>
<b>3 Result for the Year</b>		
<b>Expenses</b>		
Cost of sales	25,255	33,072
Depreciation	50,395	53,458
Membership survey	-	87,000
	<u>-</u>	<u>87,000</u>
<b>4 Cash and cash equivalents</b>		
Cash at bank and in hand	<u>179,886</u>	<u>318,362</u>
<b>5 Trade and other receivables</b>		
CURRENT		
Trade receivables	<u>158,594</u>	<u>125,655</u>
<b>6 Inventories</b>		
CURRENT		
At cost:		
Finished goods	<u>11,110</u>	<u>11,562</u>
<b>7 Other financial assets</b>		
CURRENT		
Short-term bank deposits	<u>2,871,811</u>	<u>2,582,534</u>

## Notes to the Financial Statements

For the Year Ended 30 June 2017

	2017	2016
	\$	\$
<b>8 Property, plant and equipment</b>		
Buildings		
At deemed cost	1,604,200	1,604,200
Accumulated depreciation	(221,138)	(193,805)
	<u>1,383,062</u>	<u>1,410,395</u>
Plant and equipment		
At cost	159,028	149,806
Accumulated depreciation	(145,259)	(135,962)
	<u>13,769</u>	<u>13,844</u>
Motor vehicles		
At cost	123,255	68,393
Accumulated depreciation	(11,780)	(52,158)
	<u>111,475</u>	<u>16,235</u>
	<u><u>1,508,306</u></u>	<u><u>1,440,474</u></u>

**(a) 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:

	Buildings	Plant and Equipment	Motor Vehicles	Total
	\$	\$	\$	\$
Balance at the beginning of year	1,410,395	13,844	16,235	1,440,474
Additions	-	5,862	123,004	128,866
Disposals - written down value	-	-	(10,639)	(10,639)
Depreciation expense	(27,333)	(5,937)	(17,125)	(50,395)
<b>Balance at the end of the year</b>	<u><u>1,383,062</u></u>	<u><u>13,769</u></u>	<u><u>111,475</u></u>	<u><u>1,508,306</u></u>

Note: The property is currently being carried at deemed cost, however the directors received a market appraisal from an independent valuer, at 30th of June 2015, which provided an indicative value of \$1,850,000 for the property situated at Level 5, 309 Pitt Street, Sydney.

# Royal New South Wales Bowling Association Limited

ACN: 159 083 413

## Notes to the Financial Statements

For the Year Ended 30 June 2017

	2017	2016
	\$	\$
<b>9 Other assets</b>		
CURRENT		
Prepayments	31,296	30,306
Interest receivables	37,089	35,362
	<u>68,385</u>	<u>65,668</u>
<b>10 Trade and other payables</b>		
CURRENT		
Trade payables	52,162	68,818
Accrued expenses	626,043	559,866
Other payables	215,591	172,730
	<u>893,796</u>	<u>801,414</u>
<b>11 Provisions</b>		
CURRENT		
Employee entitlements	121,755	132,524
NON-CURRENT		
Employee entitlements	26,074	20,032
	<u>147,829</u>	<u>152,556</u>
		<b>Employee Entitlements</b>
		\$
Balance at 1 July 2016		152,556
Accrued amounts		92,957
Leave paid		<u>(97,684)</u>
<b>Balance at 30 June 2017</b>		<u><u>147,829</u></u>

# Royal New South Wales Bowling Association Limited

ACN: 159 083 413

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 12 Financial Risk Management

The main risks Royal New South Wales Bowling Association Limited is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk.

The company's financial instruments consist mainly of deposits with banks, accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

#### Financial Assets

Cash and cash equivalents	179,886	318,362
Short-term bank deposits	2,871,811	2,582,534
Trade receivables	158,594	125,655
<b>Total financial assets</b>	<b>3,210,291</b>	<b>3,026,551</b>

#### Financial Liabilities

Financial liabilities at amortised cost		
Trade payables	52,162	68,818
Other payables	215,591	172,730
<b>Total financial liabilities</b>	<b>267,753</b>	<b>241,548</b>

### 13 Members' Guarantee

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 2017 the number of members was 39,569 (2016: 40,672).

### 14 Key Management Personnel Disclosures

The totals of remuneration paid to the key management personnel of Royal New South Wales Bowling Association Limited during the year are as follows:

Short-term employee benefits	143,816	143,657
Long-term benefits	2,932	2,580
Post-employment benefits	13,490	13,478
	<b>160,238</b>	<b>159,715</b>

### 15 Contingencies

In the opinion of the Directors, the company did not have any contingencies at 30 June 2017 (30 June 2016: None).

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2017**

### **16 Related Parties**

#### **(a) 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) of that entity is considered key management personnel.

For details of disclosures relating to key management personnel, refer to Note 14: Key Management Personnel Disclosures.

#### **(b) Other related parties**

Other related parties include immediate family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel, individually or collectively with their immediate family members.

#### **(c) Transactions with related parties**

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

### **17 Events Occurring After the Reporting Date**

The financial report was authorised for issue on 17 August 2017 by the Board of Directors.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in future financial years.

### **18 Company Details**

The registered office of the company is:

Royal New South Wales Bowling Association Limited  
Level 5, 309 Pitt St  
Sydney NSW 2000

**Royal New South Wales Bowling Association Limited**

ACN: 159 083 413

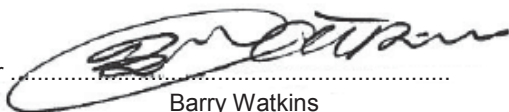
**Directors' Declaration**

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 7 to 21, are in accordance with the *Corporations Act 2001* and:
  - a. comply with Accounting Standards – Reduced Disclosure Requirement; and
  - b. give a true and fair view of the financial position as at 30 June 2017 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 the company will be able to pay its debts as and when they become due and payable.

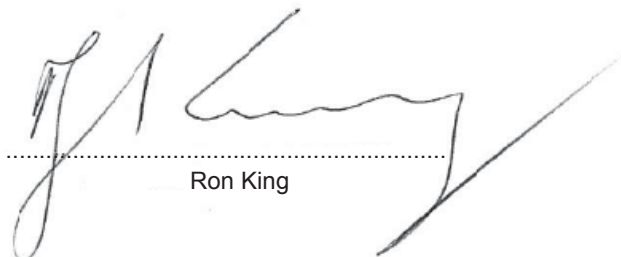
This declaration is made in accordance with a resolution of the Board of Directors.

Director .....



Barry Watkins

Director .....



Ron King

Dated 17 August 2017



# Independent Audit Report to the members of Royal New South Wales Bowling Association Limited

## Report on the Financial Report

### Opinion

We have audited the financial report of Royal New South Wales Bowling Association Limited (the Company), which comprises the statement of financial position as at 30 June 2017, the statement of changes in equity and the 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.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2017 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

### Basis for Opinion

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

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

### Responsibilities of Directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

## Independent Audit Report to the members of Royal New South Wales Bowling Association Limited

### 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 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 the financial report.



**PKF**  
Chartered Accountants



**SCOTT TOBUTT**  
Partner

Level 8, 1 O'Connell Street, Sydney NSW 2000

Dated: 17<sup>th</sup> August 2017