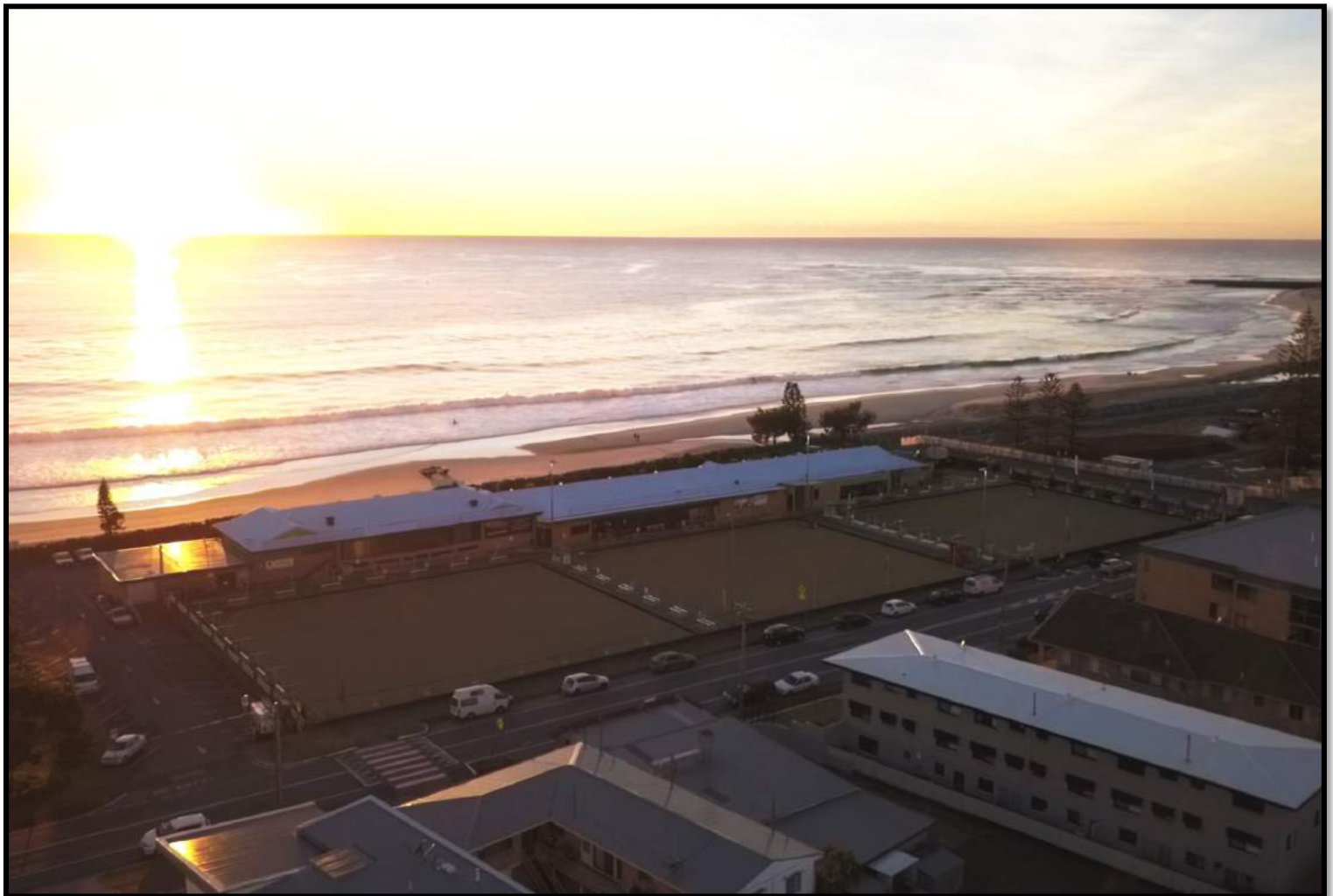


KINGSLIFF BOWLS CLUB LTD

ABN 44 001 035 472

47th Annual Report

For the Year Ended 30 June 2019



BEREAVEMENTS

JULY 2018 – JUNE 2019

To the families, friends and loved ones of the Bowling and Social Members who passed in the last year, from all involved with Kingscliff Bowls Club Limited, we express our sadness and deep sympathy for your loss.

They will be greatly missed

BOARD OF DIRECTORS



CHAIRMAN
Ray Breen



DEPUTY CHAIRMAN
Phil Perkiss



CLUB SECRETARY
Phillip Kelly



DIRECTOR
Barrie Butler



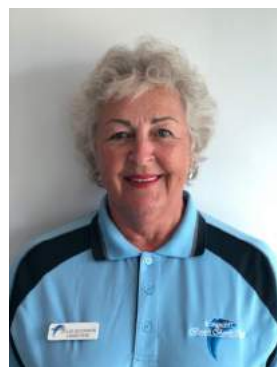
DIRECTOR
Tom Eadie



DIRECTOR
Laurie Gillespie



DIRECTOR
Beven Lamb



DIRECTOR
Julie O'Connor

CHAIRMAN'S 2019 REPORT



As I write this report for the year ending 30 June 2019, I wonder where the year has gone.

As expected, the current Board has embraced change and as a Board we are united as we negotiate the Club's financial future success. The Board and I have been focused on creating a better Club, whilst maintaining our financial position, and how we can continue to grow the business and remain financially sustainable in a very competitive market.

In relation to the Club's financial results, I will leave this for our General Manager to detail in his report.

The Board, in conjunction with Management, have been working hard on ensuring our facilities are well maintained with projects like the painting of the exterior of the Club, preparation and painting of the paths and the installation of the new seats and shades, to name a few. The new seats and shades have been installed and financially supported by our Men's and Women's committees, which is very much appreciated. These projects were all part of the Club's Strategic Planning and Action List which the Board work through each month and it is pleasing to have been in a position to "tick" them off the list as we move forward. Projects like the maintenance and painting of the paths has been on our Action list for a number of years and was originally put forward by Trevor King when he was a valuable member of the Board, but due to other priorities this project has only just been completed and I am pleased to say that it not only looks great but also now provides our members and guests with a safer environment.

The exterior painting has created plenty of conversation around the Club and the Board is very pleased with the end result. We would like to take this opportunity to thank "Do it Easy" painting who did a great job. These works included a lot of rust prevention works and with the maintenance program in place we hope these works will last at least 5 years. The colour has also been a topic of discussion and the Board and Management were guided by professional advice before deciding on the final colours, which we believe looks great for our Club.

The Board has also approved for a mural to be painted on the northern wall of the greenkeepers shed which will showcase our great beach and Club from a different angle. This project will be completed in early September.

Keeping our members informed has continued to be an important part of the Board's agenda and Director, Tom Eadie, has been tasked with this role. I thank Tom for his continued dedication to this job as we keep you all well informed. Tom has also been working very closely with our Women's and Men's Clubs in updating our By-Laws to bring them up to date. We hope this will be completed before Christmas.

Most members would have noticed the new defibrillator at our main and bowler's entrances and these very important pieces of equipment have been put in place to assist in medical emergencies. I thank Director, Laurie Gillespie, who was instrumental in the upgrade, on behalf of our members.

Our dress code was reviewed following a ClubsNSW meeting and workshop where all clubs were advised to make changes to some very old rules. It was strongly recommended that clubs need to change or risk losing patrons to the local hotels or surf clubs. The Board discussed the pros and cons before making the decision to introduce some changes which now allow patrons to wear singlets and caps/ hats into our Club, with restrictions. These changes have been very much welcomed by many with some members raising concerns over how this will be monitored. Overall, the Board is happy to report that this decision has been well accepted.

Most members would not be aware of the amount of work our General Manager has put in to dealing with Council to obtain approvals for our Bistro extension (Master Plan) and Pop-Up Bar over the past few years. This has been a challenge with plenty of road blocks but we are pleased to advise we now have full approvals and we are excited moving forward. The Pop-Up Bar DA was approved back in December 2018 after months of hard work providing extra information and reports and we now have approval to operate this area 7 days per week until 8.30pm, with some Restrictions. We now can promote this area for functions and corporate events.

In relation to the Master Plan DA, this was approved in March this year and now the clock is ticking. Since the approval the Board has not made any further decision on the future development but will commence discussions in late 2019 on how this project can be staged and time frames. It is not anticipated that any major works will be carried out in the next few years. It is important to note that the Board is fully committed to the future viability of the Club and this master plan is vital for future growth.

Our General Manager has applied to the Office of Liquor and Gaming to change our current licence approval for our main bar area. This application, if approved, will allow minors to enjoy our main lounge facilities in the company of an adult, with some restrictions and rules to be put in place to protect the integrity of our Club and members. We are hoping to have this approval before our busy Christmas holiday period.

Keeping up to current standards and technology is often difficult, however, the Board this year have moved with the times and are now using modern means of receiving our Board reports electronically. This transition has been challenging for some but we believe the investment will save the Club substantial money and time as we move forward.

Catering has been a real issue for the Board over the past few years and we have faced plenty of challenges over the past twelve months in this area. The Board last year appointed a consultant to review our catering operations and a number of recommendations were provided in his report which provided the Board and Management with some very hard decisions to make. During this process our Executive Chef, Tony Axelby, decided to step down from his position and we thank Tony for his contribution over the previous few years as our Executive Chef. This then created further issues and opportunities for the Club but the timing was not great leading into our busy Christmas period. Our General Manager will provide more detail in his report on our Catering operations.

Staffing is never easy in hospitality. Our Club is very fortunate to have some great staff and the Board is very proud of our professional team who all work hard to provide great service to our members and who are dedicated in their roles.

Our investment into functions is paying dividends with over 44 weddings being booked in 2019 and already we have over 25 booked for 2020. Weddings are not the only functions we do. Our Functions Coordinator, Cindy McGovern, has been working extremely hard in ensuring the room is being used as much as possible and we are pleased with the financial results coming from these functions. On behalf of the Board we thank Cindy and her team for their dedication and efforts.

Marketing is another area that the Club has been strongly focused on and we thank Ali Alder for her ongoing commitment to the Club and her role. Ali has been instrumental in our marketing and building our brand and on behalf of the Board I thank Ali for her dedicated support of the Board and Club.

The Board has been continuing to work closely with our Men's and Women's committees and on behalf of the Board I would like to thank President Robyn Wickbold and her executive management committee for their hard work over the past year and for the continual support and working with the Board during this time. I would also like to thank the committee for their financial commitment towards the upgrade of the seating and shades around the greens. The

Women provided \$7500 from their investment account towards these works which will benefit all bowling members and I say thank you for their support.

The Men's committee, lead by President Paul Crompton, has also been working very hard to continue to provide our male bowling members with some great bowls days and events and on behalf of all members we say thank you to you all for your ongoing dedication and commitment to our members. The Men's Club's contribution of \$15,000 towards the seats and shades is also much appreciated. On behalf of the Board and all members we say thank you for this support, it is very much appreciated with these funds coming out of their investment account which was set up for such purposes.

I know both section Presidents will discuss the Club championships and results, so I will not go into any detail but will say congratulations to all winners on behalf of the Board. Pennants and championships play an important role in all sporting clubs and we thank all bowlers for supporting and playing in these events.

How times change! Many clubs are struggling to maintain bowling numbers and have instigated mixed events to maintain playing numbers on main bowling days, including weekends. Whilst we have good numbers, concerns were raised in relation to making our greens available on Saturdays for women to play who could not normally play during the week. A number of meetings and discussions were held in relation to this issue and the KMBC agreed to offer our women the opportunity to play on Saturday afternoons in a separate competition when green space was available. This provision is not new and has been in the By-Laws for some years and with the support of our Men's committee we are now seeing our ladies enjoying the greens on most Saturday afternoons. Whilst this issue has been political, the Board's view is clear, the greens are expensive to maintain and the more players we can have to utilise them the better it is. We thank both executive committees for working together on this important issue to get to some common ground.

Barefoot bowls is also an important part of our business with all income going towards the greens to help offset our operational costs. I would like to thank our Deputy Chairman, Phil Perkiss and his team of volunteers who have all worked hard on ensuring our barefoot bowlers have a great experience on the greens.

Mixed Bowls has been a topic of concern over the past few months and firstly I wish to thank Raewyn Liddington and her committee for their valuable commitment with mixed bowls over many years. Unfortunately, the Mixed committee resigned following some internal political concerns and the Board has been supporting the existing bookings and will call for nominations to fill the committee positions in November, after the Club AGM.

The Women's State Pennant finals was a great, well run event, with planning starting over 12 months ago once our Club received confirmation our hosting proposal was accepted by Women's Bowls NSW. This has been a big job coordinating four clubs and volunteers to showcase the Tweed Coast Clubs and it would not have been possible without the dedication and hard work of our General Manager and the working committee who put in many hours to ensure its success. Our Club showed true Club spirit with 66 volunteers putting up their hands to offer support which was fantastic. Volunteers covered a wide range of duties from Liaison Officers to BBQ cooks and we thank every one of you for your support and hard work to ensure this was a great event. We will again be hosting this event in 2020 and planning is underway already. Again, on behalf of the Board, we congratulate our Women's Club and thank all volunteers and members for making this a great event that showcased our great Club to the wider bowling community.

Clubs don't run themselves and I would like to thank our General Manager, Phil Kelly, who is a well organised professional and well respected manager in the industry. The Board would like to thank Phil Kelly for his guidance and professionalism during the past year and as a Board we have 100% full support in Phil as the General Manager and his team of staff. We look forward to working with them again in 2020.

I would also thank my fellow Directors for their efforts over the past year in what has been political and challenging. All Directors have worked hard to fulfil their roles and responsibilities on behalf of the members and we are looking forward to continuing to work hard to represent the members in 2020.

Finally, I would like to thank you, our members. Clubs are a place to meet, greet and form friendships and our Club offers a safe and friendly environment for all to enjoy. I know most members take full advantage of the member's discounts and offers and we hope that you continue to enjoy our facilities. As a member, you receive many benefits such as discounts on food and beverages, loyalty points, great entertainment, great member's only promotions and more and we again thank you for your support.

To those members who may have lost a loved one during the past year, our thoughts are with you all and those members who are unwell and suffering medically we wish you all a speedy recovery.

I look forward to seeing you at the Club

Ray Breen
Chairman of the Board.



GENERAL MANAGER'S REPORT



As the Chairman has stated, where has the year gone? It only seems like a short time ago I presented my report for 2018 and here I am presenting my report for the 47th Annual General Meeting for Kingscliff Bowls Club Ltd.

The global financial environment has certainly been on a roller coaster over the last year and the hospitality industry has not been spared. Whilst governments worldwide flex their muscles to show who is the best leader, this display of strength or stupidity creates a flow on effect economically worldwide and Australia has also been caught in the middle. This year we experienced another Federal Election which always creates uncertainty in the community with people being very careful in their spending habits with the

uncertainty of what changes Governments were going to make in the future. Interest rates have never been so low, which is good for some but extremely bad for others such as our self-funded retirees and businesses who are not getting any returns on their investments. This, combined with increasing costs in living expenses, wages and general services, impacts on household incomes and reduces the basic allowance for entertainment.

Whilst the financial environment has been challenging, our Club has been trading well with our cash flow being strong to allow the Club to continue to maintain our maintenance program and to work through our key items on our action list and strategic plan. Financially the Club's trading profit of \$25,571.00 after \$534,348.00 in depreciation is down on the 2018 result of \$172,437. This is a result of reducing our debt for the bistro renovations that were completed in July 2018 from cash flow whilst still being in a position to complete a number of other major works.

The first 8 months of trading, from July 2018 to March 2019, were very strong with the Club holding a trading profit of \$154,642.03 before experiencing two months of losses, which was all gaming related. April and May reduced our trading profits by \$135,741.02 as a result of an increase in gaming payouts and slower trading for this period.

The Board's ongoing commitment to our members continues with \$985,214.00 being provided in member's expenses, discounts, promotions, raffles, advertising and entertainment during the last financial year. This is up \$59,262.00 on the previous year and includes the extra expenses related to our family fun day events, entertainment for the Pop-Up Bar during the holiday periods and major promotions. The Board have reviewed this commitment and are looking at ways of reducing this expense whilst maintaining membership value.

Catering is always challenging and we have been working through a number of concerns in this area. The Board appointed a consultant to review our catering operations in 2018 and, following this review, a number of issues were identified which we have been working through them the past year. During this process our Executive Chef, Tony Axelby decided to stand down from his position to allow the Club to implement a number of required changes with our catering. The Board and Management thank Tony for his valuable contribution and dedication to his role over many years and wish him well in his future endeavours.

The Club then appointed the consultant to fill in until a new Executive Chef was appointed and to assist in the application process. During this process the Club appointed Executive Chef, Matt Kemp, who brought a wide range of experience and knowledge to the Club's catering. Matt, during his short time at our Club, implemented a number of key changes in our catering and introduced a new menu which was very well received and supported. It has been very pleasing to see income increase due to a large increase in patronage. Not only did Matt provide great food he concentrated on the service as well, by working with our staff to improve all of the basic service requirements for our members and guests. In conjunction with improving the bistro operations, we have also been concentrating on our

Coffee Shop by employing two great Brazilian Pastry Chefs who provide some fantastic, tasty treats to enjoy with a coffee in our newly renovated bistro. Again, it is pleasing to see sales improving in this department and we thank all staff for their efforts.

Unfortunately, Matt was approached by a local Restaurant group who made him a great offer to oversee a group of restaurants, which he accepted. We thank Matt for his incredible contribution to our catering in the six months he was with us which has been amazing, not only in our food offering but the leadership, training and guidance he provided to our catering staff.

With Matt's decision being announced, this left the Club with a major issue in trying to find a suitable replacement that had the passion, drive and experience required to fulfil the role. The Chairman and I pondered over what to do before advising the Board of Matt's decision and I then put the call out to Executive Chef, Scott Patten at a large Club in Brisbane and made him an offer to try and get him back, which I am extremely pleased he accepted. Scott was employed as our Executive Chef back in 2009 but left for family reasons to move to Perth. Scott was appointed as our Executive Chef in June 2019, with his wife Leanne also joining our team as our Catering Supervisor. Scott and Leanne bring years of experience and industry knowledge to the Club and it is pleasing to see the positive results to date.

The catering results for the 2018/2019 year show a trading loss of \$230,816.62 but include \$115,223.04 in member's discounts and promotions, \$38,700.00 in consultant's fees and additional wage expenses relating to Tony's payout, replacement chefs and the employment of our pastry chefs. Whilst the Board and Management are very concerned with the overall results in this department we are pleased with the appointments of Scott and Leanne who have been working hard to reduce wage costs, improve systems and implement new menus. We have made a large number of changes within catering and with the Executive Chef we will be monitoring all areas with a major focus on wage costs moving forward.

2018 was election year and members voted for some changes within the Board. The election process is very simple and it is a democratic right for all members to cast their votes in the manner they wish within the guidelines set by the constitution and regulatory laws. There has been a lot of concerns raised following the election in relation to members supporting a "ticket" or "how to vote" card that was reported being circulated throughout the membership. To clarify, there is nothing in the rules to say a member or group of members can or cannot produce / promote a "how to vote" card, providing it is not done within the Club. The concerns raised, both for and against this issue of circulating a "how to vote" card, has created plenty of political discussions within the Club and for some time did create concerns, however, as a Club, we cannot be held responsible for how members vote, nor the results. The Club must work with and respect all those appointed by the election process and continue to guide the elected members in their roles as best as possible. The current Board, whether in favour or not, were appointed by the election process and do hold office on behalf of the members and should be respected in their roles as representatives of the members. It is disappointing that, since the elections, the Board have been engaged in some political nonsense and bad behaviour of some members which has distracted them from performing their roles in the professional manner required on behalf of all members. Whilst this has created concerns during the year, I thank the Board for maintaining professionalism and not losing focus on the running of the Club. This has not always been possible with a number of decisions being challenged, overturned or reviewed after receiving legal advice. Legal costs for the financial year total \$5035.60 which represent advice relating to disciplinary matters.

The Board's role is to set policy, maintain corporate governance, maintain financial controls and represent all members in a professional manner at all times and this includes making decisions in the best interest of the business, which may not always be seen in the best interest of some members. The current Board, like all Boards before, are all trying hard to fulfil their roles in a professional manner and represent the overall membership whilst still learning their roles.

Training is also a strong part of being a Director and all Directors have been committed to this process and meeting the required training requirements.

Our Club is very fortunate to have great sponsors who provide financial support for tournaments and events for our bowlers and we thank them all for their ongoing support of our Club. I would like to give special mention and thanks to ClubsNSW, Aristocrat Gaming, Asahi Schweppes, GSW Cleaning and Tropical Fruit World for supporting our major bowling events in 2018/2019 including the Women's State Pennant finals.

We are very pleased with our gaming installation and results. Compared to State averages, our Club is performing extremely well and this is a direct result of our current up-to-date fleet of machines. The Club is committed to regularly upgrading our machines and the Club will be in a position to roll over our machines every 8 years. It has taken 10 years to get to this position. A machine has a depreciation life of between 8 / 10 years and we now plan and budget to replace / upgrade 10 machines per year to the latest games on the market, which keeps players engaged.

In 2016 the Club started working on our Club's Master Plan which includes the bistro extensions and full upgrade. In March 2019, Tweed Shire Council finally approved the Development Application after a lengthy process. Since receiving the approval, the Board have parked the project to concentrate on other short term concerns and will be holding discussions in late 2019 to look at how this project can be staged and time frames moving forward. The current approvals require work to commence within five years from the date of approval which is before March 2024. There is a lot of work to be done before any works commence and further member's information meetings will be held to keep everyone well informed.

Our Pop-Up bar is proving to be very popular with many functions already being booked for staff parties this year. After the 2018 January holiday period the Club was advised by Tweed Shire Council that we had to apply for a Development Application following a noise complaint from a neighbour. This process was exhausting to say the least and took over 9 months to get final approval. In early December 2018 I contacted Council to see how the application was going as we had functions booked from Friday 7th December. After many phone calls and meetings, we received approval on the Thursday before our first December function which was very tight. The approval was restrictive and we again had to apply to modify the approval in February to allow us to use the area from early morning to 8.30pm, with restrictions. This was approved in March following having to provide further reports to satisfy Council and our neighbours. The Club now has approval to operate the Pop-Up bar 7 days per week from early morning till 8.30pm, with noise restrictions as part of the approvals.

The Club has applied to the Office of Liquor Gaming and Racing to modify the Club's licensed areas to allow kids to sit in the main lounge with a responsible adult. If approved, the Club will have strict guidelines in place so that the parents or responsible adults fully understand their responsibilities to ensure the minors are well supervised and behave whilst in the company of our members and adults. There will also be time restrictions put in place to protect the integrity of the Club and our members. We are hoping to have the approvals in late November.

The NSW Department of Industry are currently reviewing all Crown Land leases and the Club has applied an "expression of interest" with the department on the possibility of purchasing the Club land from the Crown. This application has now been with the department for over twelve months and we have been advised in July 2019 that our application is still to be processed. They have received a large amount of applications which they did not expect and it is taking much longer than anticipated to process each application.

What does this mean for our Club? We currently pay Land lease rent of \$156,305 per annum for the land the Club and greens are on, this amount was reduced a few years ago when we negotiated the car park license.

We now also pay \$51,096.00 for a licence over the carpark. However, the carpark license does not give the Club any rights or control of the use of the carpark but is a requirement for the Club's Liquor License to have and maintain 166 car spaces.

The Department of Industry will review our current agreements and look at the value of the land before making any decision to offer the Club the opportunity to purchase. If they proceed they will have the land valued and then make an offer to the Club based on their valuation. The offer, as it stands, would allow the Club to purchase the land at an agreed value and be paid in instalments over 20 years. This is expected to be less than our current land lease Payments, with an asset on our books at the end. Once again, we will inform the members on the progress of the application in our future newsletters.

Repairs and maintenance are a continual ongoing concern when we have a Club in such a great location and so close to the beach. The Board have been committed to ensuring our building and furnishings are well maintained whilst we try and stay on top of all our maintenance issues. Corrosion is our biggest issue with our TV's and security cameras only having a shelf life of about 3 years before having to be replaced. This is not cheap and is very frustrating when we are trying to do improvements but are continuously being hit with replacement costs and breakdowns due to corrosion issues.

Protecting our assets is a high priority and the decision to paint the exterior of the Club forms part of this priority. Whilst most members appreciate the work being done and love the colours, some don't agree and dislike the colours. The work carried out by "Do it easy" painting ensures longer life in our assets. The rust prevention works and maintenance program will provide the Club with some confidence and assurance that the assets will last longer and save money longer term.

The Board have a number of maintenance items on the Action list to be addressed over the coming year which includes upgrading / replacing our essential fire services, upgrading of the Club's air-conditioning water tower fan unit, ladder and hand rails, which are all works that are required to be performed as part of our compliance requirements. Air-conditioning is a major expense to the business and we now only have 4 units to be replaced over the next 2 years. These units are all over 20 years old and will be replaced over time.

The Club has 8 electrical switch boards and as part of our strategic plan we have been working on total upgrades of each board over the past 12 months. Currently we have only 3 to be completed which brings them all up to the current Australian standards with a total investment of \$60k.

As part of our ongoing maintenance, repairs to our seating around the bowling greens has always been an ongoing commitment and costs on average about \$3k per year in paint and replacement costs. This year, after some discussion, it was agreed to upgrade all the seating with aluminium seating and to install sun protection shades along the western wall. The Club had applied for a number of government funding grants during the year but unfortunately were not successful due to our gaming income.

As a result, our Men's and Women's committees paid for these works from their investment accounts which was set up from monies raised in raffles and bowls events to be used to support our bowlers in the future. On behalf of the Board and members we thank both section committees for their ongoing commitment to our bowling members and utilising the member's funds for the benefit of all bowling members.

Clubs are well known for offering great entertainment and promotions to members and we are always looking at new opportunities and ideas to entertain our members. Over the past year we have introduced a number of new family friendly events and the Sunday Beats and Brews live entertainment which have all been very well supported by our

members. We have also made substantial investments in our Club promotions and we are very excited with our current "Great Australian Doorstep" promotion which will see 2 very lucky members winning the opportunity to be part of 2 great "tag along" tours with Spida and/or Sheree Everitt with one travelling from Melbourne to Darwin and the New Zealand package travelling from Auckland to Queenstown. Both packages are valued at \$15,000.00 each and T&C's can be viewed on our website.

Our "Kinky Rewards" program is still performing very strong and we have provided some great rewards for our Diamond and Gold members as a result of their continual support by using their membership cards and receiving points on every purchase throughout our Club.

Our Wedding's sector continues to grow and in 2018 the Club won the Gold Coast & Hinterland's Brides Choice Award for Best Wedding Venue - Licenced Club. Again, in 2019, the Club has found itself nominated as a finalist with the awards night taking place in late October. We will keep you informed.

In 2018 we applied on behalf of our Women's Bowls Club to host the 2019 and 2020 Women's NSW State Pennant finals and we were very excited to be advised our application was successful last October. Work began to start preparing and planning for this massive event which involved over 600 women bowlers and approximately 1500 supporters from all over NSW. The 4 Tweed Coast Clubs all worked together to ensure all bowlers and supporters enjoyed our Clubs and our beautiful Tweed Coast. Our Club, as the host venue, hosted the finals and it was an amazing event that showcased our great Club. I would like to thank President Robyn and Secretary Maureen and the Women's management committee for all their hard work and support during this event, which was very successful. The finals would not have been so successful without the support of all our Liaison Officers and volunteers who all worked together as a team to ensure its success and we thank them all for their support and efforts. We are already planning next year's finals and we hope that it will be even bigger and better than 2019. I would like to give special thanks to Ali Alder who was pivotal to this year's success by providing direct contact with each visiting team managers to ensure their experience on the Tweed Coast was memorable whilst enjoying the bowling competition.

Entertainment is still a major part of our business and we have been trying to mix it up with some great entertainers, which has been well supported. From Australia Day (26 January 2020) we will be hosting our 2020 "Search for a Star" karaoke competition with up to \$5,000.00 in prize money up for grabs to our best singer. This competition will run over 9 Sunday afternoons and if you think you can sing, make sure you join us to share your abilities.

Our Constitution and By-Laws govern the day to day operations of our Club and the Board has been working with our Women's and Men's committees over the past year to look at what changes need to be made in our By-Laws and Constitution to bring them up to date. Pleasingly, our Constitution only requires a few minor changes which is basically to amend some minor wording concerns. Our By-Laws have been totally reviewed and are currently being worked through with some changes to be presented to the Board for approval in late 2019. Once these amendments have been approved full updated copies will be posted and available for all members from Reception.

In 2017, the State Government introduced the bottle redemption program to try and reduce litter and waste issues in landfill. Whilst this program is good, it also created some commercial concerns for Clubs. Our Club experienced an increase of people going through our bins which created some safety issues and general concerns. After being in place for a few months the then Board approved a recommendation from our current Chairman to collect and return our bottles with all funds being retained to support the ongoing operation of our courtesy bus and reduce its operational costs. In 2018/2019 the "return & earn" scheme raised \$2927.45 from bottles from our Club and we thank Ray Breen for his efforts with this scheme. Club staff sort all bottles daily and twice a week meet the Chairman at the "return & earn" refuge where he runs them through the system to collect the funds. This not only takes time but commitment and again we thank Ray for his dedication with this scheme.

Politics, complaints and general whinging are all part of what Directors and committees of Clubs have to deal with on a daily basis. It should be remembered that these dedicated people put up their hands to support and represent the members in a variety of roles and our Directors and section committees all work hard to represent our members.

I would like to thank the Chairman and Directors of the Board for their ongoing commitment to our members and staff during the past year and look forward to working with them in 2020. I would also like to personally thank our Men's and Women's Presidents and management committees for their ongoing dedication during a very challenging year on behalf of our members. 2019 is election year for our bowls sections and again I thank all those currently holding office and look forward to working with the section committees in 2020.

Members make Clubs successful and we are very fortunate of having great members and I thank you all for your ongoing support of your Club. The Board and Management are committed to ensure we provide a clean and safe environment for all members to enjoy and we have a strict "no nonsense" policy in place to protect all members. The Club is also governed by licensing laws and the "Responsible service of alcohol" laws are very controlled. The Club must always ensure the "responsible service of alcohol" and we ask all members to be respectful to our staff and security if approached in relation to your behaviour within the Club. Whilst we want our members and guests to enjoy themselves whilst in our Club, our Staff are responsible to ensure members and guests are not showing signs of intoxication on our premises and to prevent any breach of the laws or penalties for intoxication being issued to the member, guest and Club staff.

Again, we stress that we want all members to come and enjoy our Club but be responsible and consider others whilst having a great time.

Lastly, I would like to thank my team, Greg Follett – Operations Manager, Mark Booker – Finance Manager, Scott Patten – Executive Chef and his team for their dedication in providing great quality food and service. Cindy McGovern, our very competent Functions Coordinator for her continual dedication in our functions, Ali Alder, our fantastic Marketing Coordinator for her continual support, Dave Perez, our head Greenkeeper and his team for providing great greens for our members to enjoy, our Duty Managers, Angela, Annie, Jason and Mitch for their hard work and commitment to providing great service to our members as well as all of our staff, without great staff we can't provide the great service we do and I thank them all for their efforts on behalf of the Board and members.

P.L Kelly
General Manager, JP



MEN'S BOWLS CLUB - PRESIDENT'S REPORT



Another successful year has been completed at our Club. 22 new members have been accepted in this time while fractionally more did not renew their memberships. Many whom probably were not regular bowlers. We welcome our new members and trust that their time with us will be a most enjoyable one. Our membership stands at approximately 170 male bowlers.

Congratulations to Division 4 and 6 who won District flags but were defeated at Zone level in Yamba. Both divisions played at Yamba on the same weekend where bowlers did our Club proud and thoroughly enjoyed the trip thanks to contributors, the raffles and assistance from the Board. A big thank you to all bowlers who played pennants, managers, umpires, selectors and everyone who assisted.

Congratulations to all Championship winners and runners-up and to all who participated – some new formats seem to be well accepted, including handicap events. Many of our bowlers also participated in District and Zone events with distinction. Many thanks to Stuart Miles and his committee for the smooth running of these events and especially for their organisation of the various tournaments. The “King-Noble Day” was another pleasant outing with King’s men taking home the trophy this year. President’s Day was also another great day with over 100 bowlers – locals and visitors alike taking to the greens and enjoying both the game of bowls and camaraderie.

Thanks to our Men’s committee, our CEO, Board of Directors, greenkeepers and staff who are all much appreciated by members. Congratulations to our Women’s committee who organised the finals of the Women’s State Pennants. For such a large number of bowlers from all parts of the state to enjoy the hosting by our ladies shows what a wonderful organisation had been at the fore. Congratulations ladies and all who assisted in this endeavour, which certainly put our Club on the map.

I hope we can continue to have a friendly and harmonious Club with understanding, patience and goodwill as sometimes things don’t always go as planned. Great to have so many visitors during the winter who are regulars and remain at our Club for some months. We are very fortunate to have this wonderful Club. Can we do more?

Paul Crompton
Men’s Club President

WOMEN'S BOWLS CLUB - PRESIDENT'S REPORT



The past 12 months has resulted in some challenges, but the honour of being your President has outweighed the negatives, and I look forward to it being onward and upward from now on.

Our final day of bowling for the Women's Club saw a slightly different format from the past. "Fun bowls" were played and several of our ladies had to warm their vocal chords before receiving their prize money. A very enjoyable morning was had by all and 2 days later we acknowledged the achievements of our winners and runners-up from throughout the year at our Christmas/Presentation Dinner function.

Once again, Wedgetail Palliative Care were the recipients of our annual charity raffle and the proceeds were handed over at that function. Many thanks to all who supported this venture and assisted by selling tickets. "Wigs for Wendy" was also the recipient of a donation during the year from the Women's Club.

Sandra Akers was again the "Champion Lady Bowler of the Year". Congratulations go to Sandra for this wonderful achievement. To all our winners and runners-up in the various Championships and Tournaments throughout the year, well done! And to all the Ladies who entered these events, thank you for your participation.

Our Club was represented in Divisions 1, 2 and 4 in the District Pennant Competition this year, and while we were not successful in winning a flag, everyone is better for the experience. Hopefully, next year, with the mooted changes to be introduced by WBNSW, the competition numbers will improve and standards will even out.

While the Pennant competition was not successful for us, we did have 2 teams (Open Pairs and Open Triples) represent our Club at Regional level in the State Championships. Congratulations to these ladies on their success and we wish our Open Pairs team well as they progress to the State play-offs in Tamworth during September this year.

Tuesday Mixed Bowls has maintained a steady level of participation, and my thanks to the diligent members who conduct this event each week. The competition is enjoyed by many, as is the introduction of Saturday afternoon "open pairs" for those interested. Visit-ins have been numerous and well supported by both the Women's and Men's Clubs. These occasions give everyone a chance to showcase our Club. My thanks also to those members who run these events, as well as to those who support them.

The high point of our year was the hosting of the Women's State Pennant finals. Not only was it a great experience, but it enabled us to showcase our Club facilities and hospitality. We witnessed 5 days of brilliant bowling, all made possible by the hard work and dedication of a small group of people over a long time. It would be remiss of me not to mention some individuals in particular:

- Our GM, Mr Phil Kelly had the initiative and drive to secure the finals in conjunction with Cabarita Beach, Pottsville and Cudgen.
- Ali Alder (Marketing) worked tirelessly, in particular, creating a portfolio of the details of the attending Clubs, and also ensured that these Clubs were provided with all necessary information required over the 5 days of competition.
- Our Secretary, Maureen James, made herself available continuously whenever there was a job to be done, without hesitation.

Obviously, it takes more than 3 people to pull off an event like this, and I must make mention of the efforts of our

Chairman, Ray Breen, and his fellow Directors for their work and support. There were also 66 volunteers, both ladies and men, who worked tirelessly for the duration of the event. This will hold us in good stead for next year!

September will hopefully see a number of our ladies selected in the Tweed Byron District team to contest the Inter-District Shield competition at Condong. In October, Kingscliff will be represented by 8 ladies at the District Shield competition. I wish good bowling to those who are selected in these teams, and also to those who are participating in the Summer League which will be held from October through to December.

In conclusion, I would like to take the opportunity to thank Mr Phil Kelly and all his staff, including the Greenkeepers, for their hard work. My thanks also go to the Board for their support throughout the year, and to the volunteers who conduct both Tuesday and Wednesday morning bowls fixtures. I also thank my Management committee, VP Robyn Fuller, Secretary Maureen James, Treasurer Glenda Dean, and Match Jenny Greenback and Anne Mullen, for your support, work ethic and diligence throughout the year. It has been a pleasure to be your President for the past 18 months.

Robyn Wickbold
Women's Club President





PATRONS



**LAUREL
WILLOUGHBY**



**DORIS
MADDEN**



**JUNE
SCOTT**

LIFE MEMBERS



**LAUREL
WILLOUGHBY**



**DORIS
MADDEN**



**ELSIE
CLAYBOURN**



**MARION
GARDNER**



**BARBARA
MIRLS**



**GEORGE
PRICHARD**



**JOHN
JULIUS**



**ROSS
JULIUS**



**PAUL
CROMPTON**

COMMITTEES

MEN'S BOWLS CLUB COMMITTEE

PRESIDENT:	PAUL CROMPTON
VICE PRESIDENT:	BOB REABURN
SECRETARY:	PAUL GENTLE
ASSISTANT SECRETARY:	GRAHAM LONSDALE
TREASURER:	GRAEME COWIE
GAMES CONTROLLER:	STUART MILES
ASSISTANT GAMES CONTROLLER:	RAY SZKUDLARSKI
SELECTORS:	STUART MILES; GREG BARRACK; PETER DUNCAN; GLENN SEARLE
COACHES:	BEVEN LAMB; BILLY FITZGERALD; GREG BARRACK; JOHN AKERS; ROSS JULIUS; TOM EADIE
UMPIRES:	BOB JAMES (CHAIRMAN); JOHN AKERS; LEX MCLEAN; MICHAEL O'CONNOR; RALPH BRYAN



WOMEN'S BOWLS CLUB COMMITTEE

PRESIDENT:	ROBYN WICKBOLD
VICE PRESIDENT:	ROBYN FULLER
SECRETARY:	MAUREEN JAMES
TREASURER:	GLENDA DEAN
SELECTORS:	JAN MITCHELL; KERRY LESLIE; WYN BUTLER
COACHES:	JENNY WHITE; JILLIAN MONOPOLI; EILEEN TAYLOR; SANDRA AKERS
UMPIRES:	EILEEN TAYLOR; KERRY LESLIE; MAUREEN JAMES; SUE REID; CATHERINE MANGAN

* DUE TO VACANCIES IN THE WOMEN'S GAMES CONTROLLER POSITION, THE COMMITTEE CREATED A "MATCH COMMITTEE" WITH CASUAL APPOINTMENTS: ANNE MULLEN & JENNY GREENBANK

KINGSLIFF WOMEN’S BOWLING CLUB

CHAMPIONSHIP & COMPETITION RESULTS

CHAMPIONSHIP EVENTS	WINNER	RUNNER UP
OPEN SINGLES	LAUREL POOLE	DI JAMES
OPEN PAIRS	JENNY WHITE ROBIN EVANS	DI JONES SANDRA AKERS
OPEN TRIPLES	DI JONES DI JAMES SANDRA AKERS	BARBARA O'REILLY GLENDA DEAN MAUREEN JAMES
OPEN FOURS	KERRY LESLIE SHEILA CANCELLIER LAUREL POOLE JUNE MUNN	JENNY WHITE JOAN FRANCIS AILEEN MCNAMARA ROBYN FULLER
A GRADE SINGLES	NO RESULTS	
A GRADE PAIRS	NO RESULTS	
B.GRADE SINGLES	NO RESULTS	
B.GRADE PAIRS	JAN CURTIS ANNETTE JOHNSON	JANE BONETT LIZ REEKES
MAJOR MINOR PAIRS	NO RESULTS	
CONSISTENCY SINGLES	NO RESULTS	
CLUB SELECTED TRIPLES	NO RESULTS	
SENIOR SINGLES	NO RESULTS	
NOVICE SINGLES	NO RESULTS	

KINGSCLIFF MEN'S BOWLING CLUB

CHAMPIONSHIP & COMPETITION RESULTS

CHAMPIONSHIP EVENTS	WINNER	RUNNER UP
OPEN SINGLES	TREVOR HILLS	CHRIS AMOS
OPEN PAIRS	PETER DUNCAN STUART MILES	PAUL MCGIRR DALE ROUGHLEY
OPEN TRIPLES	TREVOR HILLS RAY AMOUR DICKIE DOYLE	BOB WATSON TONY POTOCHNIK JOHN BRINSMEAD
OPEN FOURS	PETER DUNCAN STUART MILES GIL STEINHARDT RAY SZKUDLARSKI	WAYNE BARTLETT HARRY LAWRENCE MAX KING BERT MOORE
B.GRADE SINGLES	MICK LOY	STUART WALLACE
B.GRADE PAIRS	NOEL DUNSTONE BILL TYRRELL	BARRIE BUTLER BEVEN LAMB
B.GRADE TRIPLES	NO RESULTS	
B.GRADE FOURS	FRANK MCNAMARA RAY SZKUDLARSKI MICK RYAN GRAHAM LONSDALE	BARRIE BUTLER NOEL DUNSTONE TONY WONKA JOSH SAWTELL
PRESIDENTS SINGLES	NO RESULTS	
MAJOR MINOR PAIRS	NO RESULTS	
NOVICE SINGLES	TONY LOWE	RAY CHAPMAN
MIXED PAIRS	NO RESULTS	
MIXED FOURS	NO RESULTS	

ClubGRANTS

Local Clubs helping the local community



\$40,924

DONATIONS to local community groups,
charities, schools & sporting teams 2018 - 2019



ClubGRANTS

Local Clubs helping the local community



2018 - 2019 RECIPIENTS

St. Anthony's Food Fiesta
Buy a Bale
Kingscliff Swimming Club
Uniting Church Spring Fair
Red Cross
International Women's Day

Friends of the Pound
Kingscliff Soccer Club
Banora Point Community Centre
Noble Park Snooker Club
Men's Shed



ClubGRANTS

Local Clubs helping the local community



2018 - 2019 RECIPIENTS

Pottsville Beach Public School
Cudgen Netball Club
Kingscliff Public School
Tweed Coast Tigers Jnr. AFL
Casuarina Hockey
Zonta Southern GC / Tweed

Pottsville Beach Neighbourhood Ctr.
Casuarina Beach Rugby Club
ANZAC School Initiatives
Early Childhood Intervention
ClubsNSW
Legacy



ClubGRANTS

Local Clubs helping the local community



2018 - 2019 RECIPIENTS

St. Anthony's Primary School
Kingscliff Jnr. AFL
Kingscliff Board Riders
Vets Benevolent Fund
Red Shield Appeal
Mt. St. Pats College

Banora Public School
Tweed Liquor Accord
Cancer Fundraising
Tweed Coast View Club
Probus
Lions Club



SPONSORS AND CORPORATE PARTNERS

**THANK
YOU!**

**TO OUR CORPORATE
PARTNERS**



Solomons
Flooring



NATIONAL SENIORS LAWYERS Pty Ltd

Tweed River Seafoods



Kingscliff Bowls Club Limited

Financial Statements

For the Year Ended 30 June 2019

Kingscliff Bowls Club Limited

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For the Year Ended 30 June 2019

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Kingscliff Bowls Club Limited

Directors' Report

30 June 2019

The directors present their report on Kingscliff Bowls Club Limited for the financial year ended 30 June 2019.

1. General information

Information on directors

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

Eileen Taylor	Ceased 28/10/2018
Qualifications	Retired State Registered Nurse, Business and Farming Management, Cert IV in Human Resources
Experience	Board Member 12 years
Ronald Graham	Ceased 28/10/2018
Qualifications	Retired Police Sergeant, Director of Cabarita Sports & Engadine Bowls Club
Experience	Board Member 10 years
Sandra Akers	Ceased 28/10/2018
Qualifications	Retired Bookkeeper
Experience	Board Member 6 years
Robert Jack	Ceased 28/10/2018
Qualifications	Retired Club Manager
Experience	Board Member 6 years
Raymond Breen	
Qualifications	Retired Account Manager
Experience	Board Member 5 years
Barrie Butler	
Qualifications	Retired Transport Officer
Experience	Board Member 3 years
Phillip Perkiss	
Qualifications	Electrical Contractor
Experience	Board Member 3 years
Julie O'Connor	Appointed 28/10/2018
Qualifications	Management Rights
Experience	Board Member 1 year
Laurie Gillespie	Appointed 28/10/2018
Qualifications	Advance Life Support Officer
Experience	Board Member 1 year
Tom Eadie	Appointed 28/10/2018
Qualifications	Public Services
Experience	Board Member 1 year

Directors' Report

30 June 2019

1. General information

Information on directors

Bevan Lamb	Appointed 28/10/2018
Qualifications	Sales Manager
Experience	Board Member 1 year

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

Company secretary

The following person held the position of Company secretary at the end of the financial year:

Mr Phillip Kelly

Mr Phillip Kelly has been the company secretary since 7 November 2008.

Significant changes in state of affairs

No significant changes in the Company's state of affairs occurred during the financial year.

Principal activities

The principal activities of Kingscliff Bowls Club Limited during the financial year have been to manage, conduct, control and to promote the game of Bowls predominately in the Kingscliff District, to provide for members and members' guests a social and sporting club with all the usual facilities of a club including any necessary financial aid, residential or other accommodation, liquid and other refreshment, poker machines and other forms of gaming devices, and provision for sporting and other social and recreational facilities.

No significant changes in the nature of the Company's activities occurred during the financial year.

Objectives

The Company's short and long term objectives are to ensure that the company's financial position remains sound in both the short and long term to allow members and patrons to participate in lawn bowls and other sporting and social activities for many years to come.

Strategy for achieving the objectives

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

- carefully monitor income and expenditure to improve operating profit;
- introduce new ideas that will attract more people to the club to improve income streams;
- promote the above objectives at every opportunity; and
- look at commercial opportunities that will improve the company's asset base and provide additional income on a long term basis for the company.

Directors' Report

30 June 2019

1. General information

How principal activities assisted in achieving the objectives

The principal activities assisted the Company in achieving its objectives by providing quality facilities and by continually looking at ways to attract participants in lawn bowls and other social and sporting activities. This has provided the company with an excellent source of income so the company continues to make improvements and remain viable into the future. The company has to ensure that it continues to provide a quality venue for members and visitors to enjoy lawn bowls and promotes its facilities in and around the Kingscliff district and beyond.

Performance measures

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

- monitoring of profit;
- monitoring of patron satisfaction;
- monitoring of key performance indicators (e.g. gross profit, profit to turnover, profit to income percentages).

Members' guarantee

Kingscliff Bowls Club 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 member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$ 2 for all members, subject to the provisions of the company's constitution.

At 30 June 2019 the collective liability of members was \$ 9,102 (2018: \$ 9,120).

Payments and other benefits

No Directors have a financial interest in any contract or proposed contract with the Company. In accordance with Chapter 2E of the Corporations Act, since the end of the previous financial year, except for minor services rendered in the ordinary course of business, no director has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or receivable by Directors shown in the notes to the financial statements or the fixed salary of a fulltime employee of the Company) by reason of a contract made by the Company or a related corporation with the director or with a firm of which they are a member or with a Company in which they have a substantial financial interest.

2. Operating results and review of operations for the year

Operating results

The profit of the Company after providing for income tax amounted to \$ 25,568 (2018: \$ 172,437).

Dividends paid or recommended

The constitution of the company prohibits the distribution of profits to its members. Accordingly, no dividend or distributions were or could be paid to the members.

Directors' Report

30 June 2019

Operating results and review of operations for the year

Review of operations

A review of the operations of the Company during the financial year and the results of those operations show an overall increase in the financial position of the Company for the year ending 30 June 2019. It is the opinion of the Directors that the Company's operations performed well in the current economic environment.

3. Other items

Events after the reporting date

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.

Future developments, Prospects and Business Strategies

There are no planned changes in the operations of the company which will significantly affect the results of the operations in the financial years subsequent to the financial year.

Environmental issues

The Company's operations are subject to various environmental regulations under both Commonwealth and State Legislation.

The board believes that the Company has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the parent company.

Meetings of directors

During the financial year, 24 ordinary meetings and 6 special meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings		Special Meetings	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Eileen Taylor	8	8	-	-
Ronald Graham	8	8	-	-
Sandra Akers	8	8	-	-
Robert Jack	8	8	-	-
Raymond Breen	24	24	6	6
Barrie Butler	24	24	6	6
Phillip Perkiss	24	23	6	5
Julie O'Connor	16	14	6	4
Laurie Gillespie	16	16	6	6
Tom Eadie	16	15	6	6
Bevan Lamb	16	16	6	6

Directors' Report
30 June 2019

Indemnification and insurance of officers and auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of Kingscliff Bowls Club Limited.

Proceedings on behalf of company

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

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

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 2019 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:.....	Director:.....
Raymond Breen	Phillip Perkiss

Dated 30 August 2019

Kingscliff Bowls Club Limited

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Kingscliff Bowls Club Limited

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

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

WCA Audit & Assurance Services Pty Ltd
Authorised Audit Company

Graham Smith
Director

30 August 2019

LISMORE

Kingscliff Bowls Club Limited

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2019

	Note	2019 \$	2018 \$
Revenue		8,915,902	8,112,987
Changes in inventories of finished goods and work in progress		22,066	(7,557)
Raw materials and consumables used		(1,924,831)	(1,701,956)
Employee benefits expense		(2,787,767)	(2,534,794)
Depreciation and amortisation expense		(534,348)	(451,985)
Gaming Machine Taxes & Levies		(662,044)	(655,752)
Raffles, Promotions & Advertising		(567,277)	(553,209)
Entertainment & Other Activities		(175,199)	(166,349)
Members Expenses & Discounts		(242,738)	(206,394)
Loss on disposal of assets		(17,914)	(5,245)
Other expenses		(1,876,027)	(1,613,842)
Finance costs		(124,252)	(43,465)
Profit before income tax		25,571	172,439
Income tax expense		-	-
Total comprehensive income for the year		25,571	172,439

The accompanying notes form part of these financial statements.

Kingscliff Bowls Club Limited

Statement of Financial Position

As At 30 June 2019

	Note	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	8	220,225	212,278
Trade and other receivables	10	74,960	3,027
Inventories	9	105,003	83,564
Other assets	11	54,309	62,857
TOTAL CURRENT ASSETS		<u>454,497</u>	<u>361,726</u>
NON-CURRENT ASSETS			
Property, plant and equipment	12	6,373,301	6,038,905
TOTAL NON-CURRENT ASSETS		<u>6,373,301</u>	<u>6,038,905</u>
TOTAL ASSETS		<u>6,827,798</u>	<u>6,400,631</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	845,850	767,888
Borrowings	14	366,870	161,563
Employee benefits	16	260,017	312,416
TOTAL CURRENT LIABILITIES		<u>1,472,737</u>	<u>1,241,867</u>
NON-CURRENT LIABILITIES			
Borrowings	14	488,524	323,672
Employee benefits	16	83,359	77,483
TOTAL NON-CURRENT LIABILITIES		<u>571,883</u>	<u>401,155</u>
TOTAL LIABILITIES		<u>2,044,620</u>	<u>1,643,022</u>
NET ASSETS		<u>4,783,178</u>	<u>4,757,609</u>
EQUITY			
Reserves		3,285,567	3,285,567
Retained earnings		1,497,611	1,472,042
TOTAL EQUITY		<u>4,783,178</u>	<u>4,757,609</u>

The accompanying notes form part of these financial statements.

Kingscliff Bowls Club Limited

Statement of Changes in Equity

For the Year Ended 30 June 2019

2019

	Retained Earnings	Asset Realisation Reserve	Capital Profits Reserve	Total
Note	\$	\$	\$	\$
Balance at 1 July 2018	1,472,042	3,257,226	28,341	4,757,609
Profit/(loss) attributable to members	25,569	-	-	25,569
Transactions with owners in their capacity as owners				
Balance at 30 June 2019	1,497,611	3,257,226	28,341	4,783,178

2018

	Retained Earnings	Asset Realisation Reserve	Capital Profits Reserve	Total
Note	\$	\$	\$	\$
Balance at 1 July 2017	1,299,603	3,257,226	28,341	4,585,170
Profit/(loss) attributable to members	172,439	-	-	172,439
Transactions with owners in their capacity as owners				
Balance at 30 June 2018	1,472,042	3,257,226	28,341	4,757,609

The accompanying notes form part of these financial statements.

Kingscliff Bowls Club Limited

Statement of Cash Flows For the Year Ended 30 June 2019

	2019	2018
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	9,731,451	8,934,716
Payments to suppliers and employees	(9,111,031)	(8,041,327)
Interest paid	(95,972)	(34,817)
Net cash provided by/(used in) operating activities	<u>524,448</u>	<u>858,572</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(886,659)	(918,709)
Net cash used by investing activities	<u>(886,659)</u>	<u>(918,709)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payment of finance lease liabilities	(259,481)	(32,805)
Proceeds from borrowings	616,934	-
Net cash used by financing activities	<u>357,453</u>	<u>(32,805)</u>
Net increase/(decrease) in cash and cash equivalents held	(4,758)	(92,942)
Cash and cash equivalents at beginning of year	<u>108,815</u>	<u>201,759</u>
Cash and cash equivalents at end of financial year	8 <u><u>104,057</u></u>	<u>108,817</u>

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2019

The financial statements are for Kingscliff Bowls Club Limited as an individual entity. Kingscliff Bowls Club Limited is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the 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, with the exception of cashflow 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 the 30th of August 2019 by the directors of the entity.

2 Summary of Significant Accounting Policies

(a) Income Tax

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*. Accordingly no income tax is payable by the entity.

The Company is of the opinion that it is subject to income tax.

(b) Revenue and other income

The Kingscliff Beach Bowls Club recognises revenue on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. The Company achieves this by identifying all performance obligations, determining an appropriate transaction price and recognising any revenue as and when control of the performance obligation is transferred.

Sale of goods

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when performance obligations are transferred.

Rendering of services

Revenue from the performance obligation in relation to rendering of services is recognised upon delivery of the service to the customer.

Notes to the Financial Statements

For the Year Ended 30 June 2019

2 Summary of Significant Accounting Policies

(c) 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.

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 taxation authority is classified as operating cash flows.

(d) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the statement of financial position.

(e) Inventories

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

(f) Property, plant and equipment

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

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

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 model.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Company, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

Notes to the Financial Statements

For the Year Ended 30 June 2019

2 Summary of Significant Accounting Policies

(f) Property, plant and equipment

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

Fixed asset class	Depreciation rate
Buildings	1.5% - 2.5%
Plant and Equipment	5.0% - 33.33%

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.

(g) Provisions

Provisions are recognised when the Company 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 are measured at the present value of management's best estimate of the outflow required to settle the obligation at the end of the reporting period. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the unwinding of the discount is taken to finance costs in the statement of profit or loss and other comprehensive income.

(h) 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 wholly 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 one year 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 high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

(i) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the Company are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

Notes to the Financial Statements

For the Year Ended 30 June 2019

2 Summary of Significant Accounting Policies

(j) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset.

Financial instruments (except for trade receivables) are initially measured at fair value plus transactions costs, except where the instrument is classified 'at fair value through profit and loss' in which case transactions costs are expensed to profit or loss immediately.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain significant financing component.

Classification and subsequent measurement

Financial assets other than those designated and effective as hedging instruments are classified upon initial recognition into the following categories:

- amortised cost
- equity instruments at fair value through other comprehensive income
- equity instruments at fair value through profit or loss

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance income or finance costs, except for impairment of trade receivables which are disclosed with other expenses.

Measurement is on the basis of two primary criteria:

- the contractual cash flow characteristics of the financial asset
- the business model for managing the financial asset

Financial assets at amortised cost

Financial assets are measured at amortised cost if the asset meets the following conditions (and are not designated as fair value through profit and loss):

- the financial asset is managed solely to collect contractual cash flows
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

Financial liabilities

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Company designated a financial liability at fair value through profit and loss.

Non-derivative financial liabilities other than financial grantees are subsequently measured at amortised cost using the effective interest method. All interest related charges and, if applicable, changes in the instruments fair values that are reported in profit or loss are included within finance costs or finance income.

Impairment of financial assets

The impairment requirements as applicable under AASB 9 use more forward looking information to recognise expected credit losses. Executed credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

Notes to the Financial Statements

For the Year Ended 30 June 2019

3 New Accounting Standards and Interpretations Adopted During the Year

AASB 9 - Financial instruments

AASB 9 Financial Instruments replaces AASB 139 Financial Instruments: Recognition and Measurement. AASB 9 makes major changes to the previous guidance on the classification and measurement of financial assets and introduces an "expected credit loss" model for impairment of financial assets. The most significant impact of the replacement of AASB 139 by AASB 9 for the company has been the reclassification of assets previously determined as "held to maturity" to now be classified as "amortised cost"

There has been no material impact on the financial statements as a result of adopting this standard.

4 New Accounting Standards Issued and Not Yet Effective

AASB 16 - Leases

AASB 16 Leases will replace AASB 117 Leases and other related interpretations. The new lease standard will be effective from the annual reporting period commencing 1 July 2019. All leases should be recognised on the balance sheet at inception of the lease with the exception of short-term leases (less than 23 months) and leases of low-value assets. The lessee must recognise a right-of-use asset and a corresponding lease liability in the amount of the present value of the lease payments. Subsequent to this initial measurement, the right-of-use asset is depreciated over the lease term, whilst lease payments are separated into a principal and interest portion to wind up the lease liability over the lease term.

In addition AASB 1058 Income for Not-For-Profit entities and amendments to AASB 16 provide a temporary option permitting not-for-profit entities to initially recognise right-of-use assets arising from pepper-corn leases at cost or fair value.

The directors are currently investigating the valuation of the land the premises currently occupies.

The adoption of AASB 16 Leases will result in an increase in the value of the non-current assets of the Company and current and non-current liabilities the overall impact to the profit and loss is not expected to be material.

AASB 15 - Revenue from contracts with customers

The impact of adopting AASB 15 *Revenue from Contracts with Customers* would result in no significant impact to the financial statements.

5 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 estimates - impairment of property, plant and equipment

The Company assesses impairment at the end of each reporting period by evaluating conditions specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Notes to the Financial Statements
For the Year Ended 30 June 2019

5 Critical Accounting Estimates and Judgments

Key estimates - provisions

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

Notes to the Financial Statements

For the Year Ended 30 June 2019

6 Revenue and Other Income

	2019	2018
	\$	\$
Sales revenue		
- sale of goods	8,783,807	7,979,218
Finance income		
- interest	7	15
Other revenue		
- other	132,088	133,754
Total Revenue	8,915,902	8,112,987

7 Expenses

The result for the year includes the following specific expenses:

	2019	2018
	\$	\$
Cost of sales	1,902,765	1,709,513
Other expenses:		
Employee benefits expense	2,787,767	2,534,794
Depreciation and amortisation expense	534,348	451,985
Gaming Machine Taxes & Levies	662,044	655,752
Raffles, Promotions & Advertising	567,277	553,209
Entertainment & Other Activities	175,199	166,349
Members Expenses & Discounts	242,738	206,394
Loss on disposal of assets	17,914	5,245
Other expenses	1,876,027	1,613,842
Finance costs	124,252	43,465
Total expenses	8,890,331	7,940,548

8 Cash and Cash Equivalents

	2019	2018
	\$	\$
Cash at bank and in hand	220,225	212,278
	220,225	212,278

Reconciliation of cash

Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:

Cash and cash equivalents		220,225	212,278
Bank overdrafts	14	(116,168)	(103,463)
Balance as per statement of cash flows		104,057	108,815

Notes to the Financial Statements

For the Year Ended 30 June 2019

9 Inventories

	2019	2018
	\$	\$
CURRENT		
At cost:		
Raw Materials and Stores	105,003	83,564
TOTAL INVENTORIES	105,003	83,564

10 Trade and Other Receivables

	2019	2018
	\$	\$
CURRENT		
Trade receivables	74,960	3,027
Total current trade and other receivables	74,960	3,027

Impairment of receivables

The Company applies the simplified approach to providing for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. Notwithstanding adopting the simplified approach under AASB 9, there has been no material change in the loss allowance provisions as at 30 June 2019 incorporating forward looking information.

11 Other Assets

	2019	2018
	\$	\$
CURRENT		
Prepayments	50,909	62,857
Bonds receivable	3,400	-
	54,309	62,857

Notes to the Financial Statements

For the Year Ended 30 June 2019

12 Property, plant and equipment

Buildings		
At fair value	6,993,403	6,961,425
Accumulated depreciation	(3,163,932)	(2,989,979)
Total buildings	3,829,471	3,971,446
Total land and buildings	3,829,471	3,971,446
Plant and Equipment		
At cost	4,999,297	4,619,358
Accumulated depreciation	(3,114,613)	(2,995,130)
Total plant and equipment	1,884,684	1,624,228
Leasehold Improvements		
At cost	620,035	600,420
Accumulated amortisation	(175,388)	(157,189)
Total leasehold improvements	444,647	443,231
Capitalised Leased Assets		
Under lease	242,762	-
Accumulated amortisation	(28,263)	-
Total capitalised leased assets	214,499	-
Total plant and equipment	2,543,830	2,067,459
Total property, plant and equipment	6,373,301	6,038,905

(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	Improvements	Leased Assets	Total
	\$	\$	\$	\$	\$
Year ended 30 June 2019					
Balance at the beginning of year	3,971,446	1,624,227	443,231	-	6,038,904
Additions	149,753	474,529	19,615	242,762	886,659
Disposals	-	(17,914)	-	-	(17,914)
Depreciation expense	(173,953)	(313,935)	(18,199)	(28,261)	(534,348)
Balance at the end of the year	3,947,246	1,766,907	444,647	214,501	6,373,301

Notes to the Financial Statements

For the Year Ended 30 June 2019

13 Trade and Other Payables

	Note	2019 \$	2018 \$
Current			
Trade payables		385,772	355,151
Amounts received in advance		53,381	38,677
GST payable		116,515	101,048
Sundry payables and accrued expenses		290,184	273,012
		<u>845,852</u>	<u>767,888</u>

14 Borrowings

		2019 \$	2018 \$
CURRENT			
Secured liabilities:			
Bank overdraft		116,168	103,463
Other loans		104,073	58,100
Silver chef residual values		146,629	-
Total current borrowings		<u>366,870</u>	<u>161,563</u>
		2019 \$	2018 \$
NON-CURRENT			
Secured liabilities:			
Equipment loan		98,897	54,672
Bank loans		389,627	269,000
Total non-current borrowings		<u>488,524</u>	<u>323,672</u>
Total borrowings		<u>855,394</u>	<u>485,235</u>

The following security has been offered in respect of interest bearing liabilities:

- Registered mortgage debenture over the assets and undertakings of Kingscliff Beach Bowls Club Ltd for bank overdraft, bank loan and equipment purchase loans.

15 Reserves

(a) Asset realisation reserve

The asset realisation reserve records revaluations of non-current assets.

(b) Capital profits reserve

The capital profits reserve is an accumulation of the capital profits derived by the Company.

Notes to the Financial Statements

For the Year Ended 30 June 2019

16 Employee Benefits

	2019	2018
	\$	\$
CURRENT		
Provision for employee benefits	260,017	312,416
	<u>260,017</u>	<u>312,416</u>
NON-CURRENT		
Provision for employee benefits	83,359	77,483
	<u>83,359</u>	<u>77,483</u>

17 Events after the end of the Reporting Period

The financial report was authorised for issue on 30 August 2019 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 Capital and Leasing Commitments

(a) Operating leases

Minimum lease payments under non-cancelable operating leases:

- between one year and five years	-	6,354
	<u>-</u>	<u>6,354</u>

Operating leases are in place for office equipment and normally have a term between 1 and 5 years. Lease payments are increased on an annual basis to reflect market rentals.

Land Lease and Car Park License

The company's business operates on leasehold land (Portion 468 being special lease 81432) with access to the club via Car Park (License S34A 497256).

Special lease 81432 is for a perpetual term for recreation (Bowling Green) and erection of Buildings (Clubhouse).

Future years rental are subject to market value review by the NSW Department of Lands less any adjustment/waivers provided to the company as a not for profit sporting organisation.

Special Lease Annual Rent	156,305	152,949
Car Park License Annual Rent	51,096	49,998
Total	<u>207,401</u>	<u>202,947</u>

Finance Leases

Silver Chef Residual Values	146,629	-
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Notes to the Financial Statements

For the Year Ended 30 June 2019

19 Key Management Personnel Remuneration

The total remuneration paid to key management personnel of the Company is \$ 438,970 (2018: \$ 418,249).

20 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 \$ 2 each towards meeting any outstanding obligations of the Company. At 30 June 2019 the number of members was 4,551 (2018: 4,560).

21 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2019 (30 June 2018:None).

22 Related Parties

From time to time the Directors of the Company, or director of related entities may purchase/supply goods or services from/to the Company these purchases/supplies are on the same terms and conditions as those entered into by other company employees, customers, members or suppliers.

23 Statutory Information

The registered office and principal place of business of the company is:

Kingscliff Bowls Club Limited
131 Marine Parade
KINGSCLIFF NSW 2487

24 Financial Risk Management

The Company's financial instruments consist mainly of deposits with banks, accounts receivable and payable, bank loans and overdrafts and leases.

The total 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:

	2019	2018
	\$	\$
Cash and cash equivalents	220,225	212,278
Trade and other receivables	74,960	3,027
Total financial assets	295,185	215,305
Trade and other payables	792,470	729,211
Borrowings	827,113	485,235

Kingscliff Bowls Club Limited

Directors' Declaration

The directors of the Company declare that:

- 1. The financial statements and notes, as set out on pages 7 to 22, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
 - b. give a true and fair view of the financial position as at 30 June 2019 and of the performance for the 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

Raymond Breen

Director

Phillip Perkiss

Dated 30 August 2019

Kingscliff Bowls Club Limited

Independent Audit Report to the members of Kingscliff Bowls Club Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Kingscliff Bowls Club Limited (the Company), which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss and other comprehensive income, 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 2019 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.

Kingscliff Bowls Club Limited

Independent Audit Report to the members of Kingscliff Bowls Club 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.

Graham Smith
Director

Dated this 30th day of August 2019