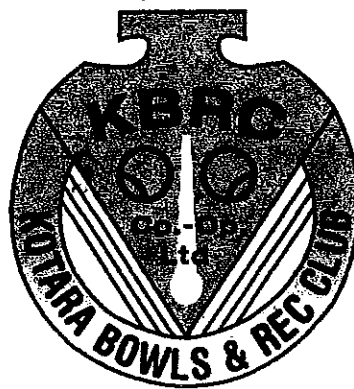


**Kotara Bowling and Recreation  
Club  
Co-operative Limited**



**61<sup>st</sup> Annual Report  
And  
Financial Statements**

**YEAR ENDING 30 JUNE 2010**

# Annexure 'A'

## Notice of Motion

### Change of Games Organiser's Status

#### Current

#### **NOMINATION OF BOARD MEMBERS AND OTHER POSITIONS**

47. (a) Nomination for the position of Patron(s) (if required), President, Vice Presidents (2), Treasurer, Assistant Secretary, Games Organiser and four (4) members of the Board shall be made in writing by a proposer and a seconder who must be Bowling, Pensioner, Senior or Life members. Such nomination shall be signed by the person so nominated as consenting to such nomination, provided that any such member holding office in another registered club with similar objectives shall not be eligible to hold office in this co-operative or be elected to any sub-committee. No absent member shall be considered for election to any position unless the nominee has given his or her written assent as such assent is in the hands of the secretary.

#### Proposed

#### **NOMINATION OF BOARD MEMBERS AND OTHER POSITIONS**

47. (a) Nomination for the position of Patron(s) (if required), President, Vice Presidents (2), and seven (7) members of the Board shall be made in writing by a proposer and a seconder who must be Bowling, Pensioner, Senior or Life members. Such nomination shall be signed by the person so nominated as consenting to such nomination, provided that any such member holding office in another registered club with similar objectives shall not be eligible to hold office in this co-operative or be elected to any sub-committee. No absent member shall be considered for election to any position unless the nominee has given his or her written assent as such assent is in the hands of the secretary.

This Notice of Motion is hereby submitted for consideration at the AGM to be held in September 2010.

Proposed By

Seconded By

Robert Muir

Ray Smith

# Annexure 'B'

## Notice of Motion

### Change of Board Positions

#### Current

#### **BOARD OF DIRECTORS**

44. (a) There shall be a board of 10 directors each of who shall be a natural person and at least 18 years old. The Board shall consist of:
- (i) a President;
  - (ii) 2 Vice Presidents;
  - (iii) DELETED
  - (iv) an Assistant Secretary/Recorder;
  - (v) a Games Director; and
  - (vi) 4 ordinary Board members.

#### Proposed

#### **BOARD OF DIRECTORS**

44. (a) There shall be a board of 10 directors each of who shall be a natural person and at least 18 years old. The Board shall consist of:
- (i) a President;
  - (ii) 2 Vice Presidents;
  - (iii) DELETED
  - (iv) DELETED;
  - (v) DELETED; and
  - (vi) 7 ordinary Board members.

This Notice of Motion is hereby submitted for consideration at the AGM to be held in September 2010.

Proposed By

Seconded By

.....  
Robert Muir

.....  
Ray Smith

**Annexure 'C'**  
**Notice of Motion**

Change of Quorum Numbers for Board Meetings

Current

**QUORUM FOR BOARD MEETINGS**

54. (a) The quorum for a meeting of the Board shall be six (6) directors, being 50% or more of the number of directors, in accordance with Section 209 (4) of the Act.

Proposed

**QUORUM FOR BOARD MEETINGS**

54. (a) The quorum for a meeting of the Board shall be five (5) directors, being 50% or more of the number of directors, in accordance with Section 209 (4) of the Act.

This Notice of Motion is hereby submitted for consideration at the AGM to be held in September 2010.

Proposed By

Seconded By

.....  
Robert Muir

.....  
Ray Smith

ANNEXURE 'D'

NOTICE OF MOTION

Change to Secretary

Current

SECRETARY

- 66A. (a) The Board shall appoint a secretary or secretary /manager as such salary and conditions as the board may, from time to time, determine. Such appointment may be terminated by one months notice in writing on either side, provided that the president or, in his or her absence a Vice President, may, for sufficient reason, suspend such secretary/manager from duty and report such suspension as soon as possible to the Board, which may take such action as it may deem proper.

Proposed

SECRETARY

- 66A. (a) The Board shall appoint a secretary or secretary/manager as such salary and conditions as the board may, from time to time, determine. Such appointment will require a formal agreement which includes a termination clause stating notice in writing on either side, provided that the President or, in his or her absence a Vice President, may for sufficient reason suspend such secretary/manager from duty and report such suspension as soon as possible to the Board, which may take such action as it may deem proper.

This Notice of Motion is hereby submitted for consideration at the AGM to be Held in September 2010.

Proposed By

Seconded By

Robert Muir

Ray Smith

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## **ANNUAL GENERAL MEETING**

Notice is hereby given that the Annual General Meeting of the Kotara Bowling and Recreation Club Co-operative Limited will be held in the Clubhouse at 9.00am on Sunday 12<sup>th</sup> September, 2010.

### **ORDER OF BUSINESS**

1. Confirmation of minutes of the last Annual General Meeting and any special meeting held during the year.
2. Consideration of Annual Report, Balance Sheet, Statement of Accounts and Auditors' Report.
3. Business with due notice.
4. To consider allowances and benefits for the office bearers.
5. Election of Life Members.
6. Declaration by the Returning Officer and Deputy Returning Officer of the ballot for the election of Officers and Members of the Board, Patron/s and the filling of vacant positions.
7. Election of Returning Officer and Deputy Returning Officer for the following year.
8. Election of Publicity officer.
9. Election of Greens Liaisons Officer or Greens Committee.
10. Election of Newcastle District Bowling Association Delegates.
11. The Auditors continue in accordance with the provisions of clause 15 of the Co-operatives Regulation 1977.
12. Investiture of Senior Members.
13. Determine method of selection of Selector/Selectors and election of Selector/Selectors.
14. Recommendations from the annual general meeting to be considered by the incoming Board.
15. General Business.

Chris McDougall  
Secretary Manager

**KOTARA BOWLING & RECREATION CLUB CO-OPERATIVE LIMITED**

**BOARD OF DIRECTORS AND OFFICIALS 2009/2010**

**Life Members**

K.Elkington\*, F. Sharman\*, R. Summers\*, J. Cumming\*, R. McGuigan\*, S.V. Cousins,  
R. Whalan\*, H. Long\*, L. Thorpe\*, A. Fairhall, F. Neat\*, K. Murphy\*, W. Jackson,  
J. Stevens\*, W.Roach, A.Christensen

**Patrons:**

G.Wright.

**President:**

W.Roach

**Vice-President:**

R. Smith

**Vice President:**

R.Muir

**Secretary Manager:**

C. McDougall

**Assistant Secretary:**

Vacant

**Publicity Officer:**

G. Wilks

**Directors:**

G. Wilks, I.Potts, D.Bendeich,

**Games Organiser:**

C.Thorpe

**Greens Liaison Officer:**

R. Smith

**Auditors:**

Crosbie Warren Sinclair

**N.D.B.A. Club Delegates**

L. Deverell

**Returning Officer: D. Wells / Deputy Returning Officer: W.Roach**

**\*Deceased**

## PRESIDENTS ADDRESS

It is my pleasure that I submit to you, the members my report on the club's activities for the year ending 30<sup>th</sup> June 2010.

Your club has made an operating profit after depreciation and abnormal expenses of \$29,116.00, (cash profit \$187,391.00), a fair result considering the money spent on improvements to the club, (lift shaft and entry foyer, signage etc, chair rails around the dining room, computer for the games office, architectural fees for plans of new men's and ladies toilets and extension to the Sports Lounge.

As you are aware your board is keen to continue renovations and improvements to the club building to provide better amenities improve control over activities within the club and uplift the clubs image for existing and future members.

One only needs to look around the club industry to see successful and progressive clubs regularly update and improve their premises, I request you support the Board in its endeavors and vision for the future.

I would like to thank all members of the bowls committee for the work in running the Prestige Tournaments with the help of KBRC members, No 2 Grade round robin finals, NDBA district major singles, Matara mixed pairs etc.

Our No.2 Grade Midweek Pennants team were successful in winning the flag, congratulations to all players that represented the club in all grades nominated, a great effort.

To all members and volunteers who gave their time and effort on the greens and surrounds- many thanks.

Congratulations to President Shirley on another successful year, the donations from the ladies club are very much appreciated. I'm sure your committee will continue to work with the men's board as you have done in the past.

Many thanks to the flying bowlers for your support.

To Robyn and all your staff, we thank you for your great efforts in the Bistro and the numerous functions you have catered for this year.

To The Secretary Manager Chris and all his staff, thank you for another successful year.

Thank you to Brad and Kieran for your efforts on the greens and surrounds.

To the families of those members who passed away during the year I extend condolences on behalf of all the members.

To all directors, I thank you for your commitment and support during the past 12 months.

I'm sure with the continued support of members and visitors; your club will continue to grow and prosper.

Warren Roach  
President

## SECRETARY MANAGERS ANNUAL REPORT

The 2010 financial year has seen a number of NSW Registered Clubs closing their doors forever, others showing significant decrease in profit, many showing hefty losses and many more forced to seek amalgamation partners to survive.

The decision of the board in June last year to sell 3 poker machine entitlements, partially to finance a Turbo Redemption System has been well and truly justified by the increase in poker machine revenue this financial year, if and when the club increases membership to a point where we require those machines back on the floor the club still retains the right to replace the machines.

The financial performance of the club has been very solid this year; discounting the income from the sale of poker machine entitlements the net trading profit improved more than \$50,000.00 from 2009. The end result for the year was a net profit after depreciation and interest of \$29,116.00, actual cash trading profit \$187,391.00.

The club has continued to move forward while controlling operating expenses; the Bowls Committee has worked tirelessly to ensure the greens are being used more than ever and the club has also secured district playoffs which have been instrumental in attracting a lot of spectators to the club and generated flow on business throughout the club.

The installation of the lift is a significant improvement to the club and has allowed access to a great number of people who could never have used the club's facilities in the past; this will continue to grow our patronage and membership base.

I would like to thank President Warren and the Board of Directors for their efforts, informed decision making and direction, being a board member can often be a difficult and thankless job.

Thank you to President Shirley and all the ladies in the Women's Bowling Club, it's great to see so many of you here outside of your bowls days for all your birthday's and other celebrations held in the bistro. Thanks once again to Barbara Lickiss, Melbourne Cup Day was another great success.

A huge thank you to Robyn, Shane and their staff, the quality of food and friendly, efficient service keeps people coming back to the club time and time again.

Brad has once again maintained greens and surrounds we can all be proud of; I'd like to thank Brad, Kieran and all the volunteers who have helped during the year for a job well done.

The bar staff and cleaning staff have done a great job during the year, thanks for your efforts and thank you Joan for your assistance with the administrative duties.

Last but certainly not least, thank you to the members, without your support the club couldn't continue to improve facilities and look towards a prosperous future.

Chris McDougall  
Secretary Manager

## GAMES DIRECTORS REPORT

Thank you to all bowlers for their co-operation throughout the year. To those umpires and markers who officiated at Club, Pennants & District Events, thank you for your time and effort.

Those who assisted with the running of the games during the year and players who made themselves available at short notice, your assistance is very much appreciated.

Also thank you to all that donated to the wrong bias tin.

Thanks to Gerry Gairns for his work on the surrounds and gardens, also for coaching lessons for all.

Club Champions for the year 2010 are:

Major Singles	K.Lott
Minor Singles	Incomplete
Pairs	C.Bush B.Unsted
Triples	Incomplete
Fours	S.Kerby – C.Bush – B.Unsted – T.Perkins
Mixed Pairs	Incomplete

Col Thorpe  
Games Director.

### FEES

Membership fees are due on 30<sup>th</sup> June and payable by 30<sup>th</sup> June, 2010.

Full Members	\$ 60.00
Full Members (Pensioners)	\$ 58.00
Senior Members	\$ 56.00
Social Members	\$ 5.50
Junior Members	\$ 5.50



### **OBITUARIES**

During the past year the club has had the sad loss of the following members.  
On behalf of President Warren, the Board of Directors, and Members of Kotara Bowling  
& Recreation Club, sincere condolences to their families and friends.

Garry Farthing, William Heslop, David Evans.

**KOTARA BOWLING AND RECREATION CLUB CO-OPERATIVE LIMITED**  
**(ABN 13 708 432 461)**

**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2010**

**CONTENTS**

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The financial report was authorised for issue by the directors on 17 August 2010. The Co-operative has the power to amend and re-issue the financial report.

**KOTARA BOWLING AND RECREATION CLUB CO-OPERATIVE LIMITED**  
**(ABN 13 708 432 461)**

**DIRECTORS' REPORT**

Your Directors presents their report for the financial year ended 30 June 2010.

1. The names of the Directors in office at the date of this report are:

Name	Occupation/ Qualifications	No. of years service as a Director of the Co-operative
Ray Smith	Retired	11
Darren Bendeich	Tradesman	2
Col Thorpe	Retired	6
Ian Potts	Retired	1
Geoff Wilks	Retired	6
Warren Roach	Retired	11
Robert Muir	Managing Director	3

\* Refer to page 4 for details of Directors' meeting attendances.

## **2. Activities**

The principal activities of the Co-operative in the course of the financial year ended 30 June 2010 were promotion of the game of bowls for the benefit of its members.

## **3. Results**

The net result of operations after income tax was a profit of \$29,116 (2009 profit \$33,636).

## **4. Review of Operations**

An increase in bar sales combined with a controlling of operating expenses has seen the Club maintain a profitable position in the current year. It is noted that \$54,191 was realised as income for the sale of three poker machine entitlements in the previous financial year.

## **5. Significant Changes**

There have been no significant changes in the activities conducted by the Club in the year under review.

## **6. Events Subsequent to Balance Date**

Since the end of the financial year the Directors are not aware of any matters or circumstances not otherwise dealt with in the report or accounts that has significantly or may significantly affect the operations of the Club, the results of those operations, or the state of affairs of the Club in subsequent financial years.

## **7. Likely Developments and Expected Results**

The Directors do not anticipate any major changes in the operations of the Club and expect the Club to maintain its profitable position.

**KOTARA BOWLING AND RECREATION CLUB CO-OPERATIVE LIMITED**  
**(ABN 13 708 432 461)**

**DIRECTORS' REPORT (Cont.)**

**8. Indemnifying Officer or Auditor**

The Club has, not during or since the end of the financial year, in respect of any person who is or has been an officer or auditor of the Co-operative:

\* indemnified or made any relevant agreements for indemnifying against a liability incurred as an officer, including costs expenses in successfully defending legal proceedings; or

\* paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the costs or expenses to defend legal proceedings;

with the exception of the following matters:

During the financial year, the Club has paid a premium in respect of a contract of insurance insuring Directors and Officers (including former and future Directors and Officers) against certain liabilities incurred in that capacity. Disclosure of the total amount of premiums and the nature of the liabilities in respect of such insurance is prohibited by the contract of the insurance.

**9. Directors Benefits**

Since the end of the previous financial year no Director has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due to be received by Directors shown in the accounts or received as the fixed salary of a full time employee of the Club) by reason of a contract made by the Club or by 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.

**10. Auditor's Independence Declaration**

The auditor's independence declaration for the year ended 30 June 2010 has been received and is set out on page 5 of the financial report. In addition, details of the non-audit services provided by the auditor Crosbie Warren Sinclair are contained in Note 15 of the financial report.

**11. Environmental Regulations**

The Club's operations are subject to various environmental regulations under both Commonwealth and State Legislations. The Directors are not aware of any breaches of the legislation during the financial year, which are material in nature.

**12. Dividends**

The Club is prohibited from paying dividends under its constitution.



Warren Roach - Director



Ray Smith - Director

Date: 17 August 2010

**KOTARA BOWLING AND RECREATION CLUB CO-OPERATIVE LIMITED**  
**(ABN 13 708 432 461)**

**DIRECTORS' MEETING ATTENDANCES**

The number of Board meetings held during the financial year ended 30 June 2010 was 12, being 12 normal monthly Board meetings. The details of each Directors attendances at those meetings is given below:

<u>Director</u>	<u>Normal</u>	<u>Held Whilst In Office</u>
Ray Smith	9	12
Russell Birt (did not stand at AGM 13/9/09)	1	2
Roger O'Mara (did not stand at AGM 13/9/09)	2	2
Col Thorpe	11	12
Ian Thompson (appointed AGM 13/9/09, resigned 9/1/10)	4	4
Robert Gearing (appointed AGM 13/9/09, resigned 2/3/10)	6	6
Ian Polts (appointed at AGM 13/9/09)	7	10
Geoff Wilks (appointed 27/10/09)	7	9
Darren Bendeich (appointed at AGM 13/9/09)	9	10
Barry Holmes (did not stand at AGM 13/9/09)	2	2
Warren Roach	11	12
Brian Hird (did not stand at AGM 13/9/09)	2	2
Robert Muir	12	12
Peter Walsh (did not stand at AGM 13/9/09)	1	2
Peter Greenwood (did not stand at AGM 13/9/09)	1	2

**PROPERTY REPORT**

The Directors have determined that all property of the Club shall be classified as follows in accordance with section 41J of the Registered Clubs Act 1976 :-

Core Property - Leasehold property situated at Howell Street, Kotara

Non-Core Property - Nil

**CROSBIE WARREN SINCLAIR**

ACCOUNTANTS &amp; BUSINESS ADVISERS

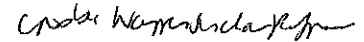
**AUDITOR'S INDEPENDENCE DECLARATION  
 UNDER SECTION 307C OF THE CORPORATIONS ACT 2001  
 TO THE DIRECTORS OF  
 KOTARA BOWLING AND RECREATION CLUB CO-OPERATIVE LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2010 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.



Kirsty Porteous - Partner


Crosbie Warren Sinclair Partners  
Certified Practising Accountants

Dated: 17 August 2010

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# CROSBIE WARREN SINCLAIR

ACCOUNTANTS & BUSINESS ADVISERS

## KOTARA BOWLING AND RECREATION CLUB CO-OPERATIVE LIMITED (ABN 13 708 432 461)

### INDEPENDENT AUDIT REPORT TO MEMBERS

#### Scope

##### *The Financial Report and Directors Responsibility*

We have audited the accompanying financial report of Kotara Bowling and Recreation Club Co-Operative Limited which comprises the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cashflows, notes to the financial statements and Directors' declaration for the year ended 30 June 2010.

##### *Directors Responsibility for the Financial Report*

The Directors are responsible for the preparation and fair presentation of the financial report in accordance with Accounting Standards in Australia (including the Australian Accounting Interpretations) and with the Co-operatives Act 1992. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1 the Director's also state that, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, compliance with Australian Equivalents to the International Reporting Standards and notes, complies with International Reporting Standards.

##### *Auditor's Responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

##### *Matters relating to the electronic presentation of the audited financial report*

The auditor's report relates to the financial report of Kotara Bowling and Recreation Club Co-operative Limited (the Club) for the year ended 30 June 2010 included on the Club's web site. The Club's Directors are responsible for the integrity of the web site. We have not been engaged to report on the integrity of this web site. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.

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**CROSBIE WARREN SINCLAIR**  
ACCOUNTANTS & BUSINESS ADVISERS

**KOTARA BOWLING AND RECREATION CLUB CO-OPERATIVE LIMITED**  
**(ABN 13 708 432 461)**

**INDEPENDENT AUDIT REPORT TO MEMBERS**

**Independence**

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the Directors of Kotara Bowling and Recreation Club Co-Operative Limited on 17 August 2010 has the same date of this auditor's report.

**Audit Opinion**

In our opinion:

- (a) The financial report of Kotara Bowling and Recreation Club Co-Operative Limited is in accordance with the Co-operatives Act 1992, including:
- (i) giving a true and fair view of Kotara Bowling and Recreation Club Co-Operative Limited's financial position as at 30 June 2010 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Co-operatives Regulation 1995; and
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

*Kirsty Porteous*

Kirsty Porteous - Partner

*Crosbie Warren Sinclair Partners*

Crosbie Warren Sinclair Partners  
Certified Practising Accountants

Dated : 17 August 2010

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**KOTARA BOWLING AND RECREATION CLUB CO-OPERATIVE LIMITED**  
**(ABN 13 708 432 461)**


**DIRECTORS' DECLARATION**

The Directors of the Co-operative declare that:

- 1 The financial statements and notes, as set out on pages 9 to 20
  - (a) comply with Accounting Standards in Australia, the Co-operatives Act 1992 and other mandatory reporting requirements; and
  - (b) give a true and fair view of the financial position as at 30 June 2010 and of its performance, as represented by the results of its operations and cash flows for the year ended on that date.
- 2 At the date of this declaration there are reasonable grounds to believe that the Co-operative 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 and signed for on behalf of the Directors by:

  
Warren Roach - Director

  
Ray Smith - Director

Dated: 17 August 2010

**KOTARA BOWLING AND RECREATION CLUB CO-OPERATIVE LIMITED**  
**(ABN 13 708 432 461)**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2010**

	Note	2010 \$	2009 \$
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	5	184,935	185,461
Receivables	6	2,046	3,241
Inventories	7	19,258	21,258
Investments	8	8,093	12,139
Other Current Assets	9	10,036	12,818
<b>TOTAL CURRENT ASSETS</b>		<b>224,368</b>	<b>234,917</b>
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	10	1,056,000	1,002,467
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1,056,000</b>	<b>1,002,467</b>
<b>TOTAL ASSETS</b>		<b>1,280,368</b>	<b>1,237,384</b>
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	11	86,774	70,911
Borrowings	12	61,876	41,049
Provisions	13	75,482	65,001
Other Current Liabilities	14	12,640	11,793
<b>TOTAL CURRENT LIABILITIES</b>		<b>236,772</b>	<b>188,754</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	12	367,401	393,011
Provisions	13	8,190	16,730
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>375,591</b>	<b>409,741</b>
<b>TOTAL LIABILITIES</b>		<b>612,363</b>	<b>598,495</b>
<b>NET ASSETS</b>		<b>668,005</b>	<b>638,889</b>
<b>MEMBERS' FUNDS</b>			
Accumulated Profits/(Losses)		668,005	638,889

To be read in conjunction with the attached notes to the Financial Statements

**KOTARA BOWLING AND RECREATION CLUB CO-OPERATIVE LIMITED**  
**(ABN 13 708 432 461)**

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2010**

Note	2010 \$	2009 \$
Bar Sales	647,551	596,558
Cost of Goods Sold	290,836	288,771
Bar Gross Profit (\$)	356,715	307,787
Bar Gross Profit (%)	55.1%	51.6%
Poker Machine Net Revenue	718,810	714,730
Paper Gaming Commission	31,607	33,755
Raffle & Bingo Sales	38,201	42,725
Members Subscriptions	15,323	15,711
Commissions	6,073	3,821
Gala & Green Fees	32,488	27,112
Interest Received	803	506
Rebates	-	709
Sale of Poker Machine Entitlements	-	54,191
Sundry Income	5,636	17,831
<b>Total Trading and Other Income</b>	<b>1,205,656</b>	<b>1,218,878</b>
<b>Expenses</b>		
Bar Direct Expenses	183,999	190,149
Poker Machine Direct expenses	60,359	71,782
Paper Gaming Expenses	52,315	56,313
Raffle & Bingo Expenses	72,509	72,898
Members Amenities	85,962	81,779
Clubhouse Expenses	225,381	215,967
Greens & Bowling Activities	114,217	101,265
Administration Expenses (excluding Finance Costs)	342,982	349,779
Finance costs	38,816	45,310
<b>Total Expenses</b>	<b>1,176,540</b>	<b>1,185,242</b>
<b>Net Profit/(Loss) Before Income Tax</b>	<b>29,116</b>	<b>33,636</b>
Income Tax Expense	1	-
<b>Net Profit/(Loss) After Income Tax</b>	<b>29,116</b>	<b>33,636</b>
Other Comprehensive Income/Expenses	-	-
<b>Total Comprehensive Income/(Loss)</b>	<b>29,116</b>	<b>33,636</b>

To be read in conjunction with the attached notes to the Financial Statements

**KOTARA BOWLING AND RECREATION CLUB CO-OPERATIVE LIMITED**  
**(ABN 13 708 432 461)**

**STATEMENT OF CASHFLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2010**

	Note	2010 \$	2009 \$
<b>Cash Flows from Operating Activities</b>			
Receipts from Members and Guests		1,648,736	1,618,296
Payments to Suppliers and Employees		(1,456,552)	(1,457,453)
Interest Received		805	544
Interest Paid		(38,816)	(45,310)
<i>Net Cash Flows provided by (used in)</i> <i>Operating Activities</i>	21	<u>154,173</u>	<u>116,077</u>
<b>Cash Flows from Investing Activities</b>			
Proceeds from Plant and Equipment		545	-
Sale of Poker Machine Entitlements		-	54,191
Transfer from Investments		4,046	-
Payments for Building		-	(5,335)
Payments for Plant and Equipment		(154,507)	(58,630)
<i>Net Cash Flows provided by (used in) Investing</i> <i>Activities</i>		<u>(149,916)</u>	<u>(9,774)</u>
<b>Cash Flows from Financing Activities</b>			
Proceeds from borrowings		49,415	24,064
Repayment of borrowings		(50,018)	(61,854)
Repayment of hire purchase agreements		(4,180)	(3,813)
<i>Net Cash Flows provided by (used in)</i> <i>Financing Activities</i>		<u>(4,783)</u>	<u>(41,603)</u>
<b>Net Increase/(Decrease) in Cash Held</b>		<u>(526)</u>	<u>64,700</u>
<b>Cash at the Beginning of the Financial Year</b>		<u>185,461</u>	<u>120,761</u>
<b>Cash and Cash Equivalents at the End of the</b> <b>Financial Year</b>	21	<u>184,935</u>	<u>185,461</u>

**KOTARA BOWLING AND RECREATION CLUB CO-OPERATIVE LIMITED**  
**(ABN 13 708 432 461)**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2010**

Note	2010 \$	2009 \$
<b>Opening Balance 1 July 2009</b>		
Accumulated Profits/(Losses)	638,889	605,253
Comprehensive Profit/(Loss) for Year	29,116	33,636
<b>Closing Balance 30 June 2010</b>		
Accumulated Profits/(Losses)	<u>668,005</u>	<u>638,889</u>

To be read in conjunction with the attached notes to the Financial Statements

**KOTARA BOWLING AND RECREATION CLUB CO-OPERATIVE LIMITED**  
**(ABN 13 708 432 461)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2010**

**1 Statement of Significant Accounting Policies**

**Basis of Preparation**

This financial report is a general purpose financial report that has been prepared in accordance with applicable Australian Accounting Standards, other mandatory professional requirements and other authoritative pronouncements and the Co-operatives Act 1992.

The financial report has been prepared on the basis of historical costs. The financial report is presented in Australian Dollars.

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

**Statement of Compliance**

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standard (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

**Property, Plant and Equipment**

Each class of property, plant and equipment is carried at cost less any accumulated depreciation and any impairment in value.

Property, Plant and Equipment are depreciated so as to write off the assets over their estimated useful life to the Club. Depreciation rates used are as follows :

Buildings and Club Improvements	2.5% - 30%
Plant and Equipment	5% - 40%
Poker Machines	25%
Bowling Greens	7.5% - 20%
Keno Equipment	7.5% - 20%

**Impairment**

At each reporting date, the Club assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Club makes a formal estimate of the recoverable amount. Where the carrying amount of the asset exceeds the recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in the statement of comprehensive income in the administration expense line item.

**Recoverable Amount of Assets**

Recoverable amount is the greater of fair value less cost to sell and value in use. It is determined for an individual asset, unless the asset's value in use can not be estimated to be close to its fair value less cost to sell and it does not generate cash in flows that are largely independent of those of other assets, in which case, the recoverable amount is determined for the cash generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset.

**Income Tax**

The Co-operative is exempt from income tax under Section 50-45 of the Income Tax Assessment Act (1997).

**Inventories**

Inventories are measured at the lower of cost and current replacement value.

**Borrowing Costs**

Borrowing Costs are recognised as an expense when incurred.

**KOTARA BOWLING AND RECREATION CLUB CO-OPERATIVE LIMITED**  
**(ABN 13 708 432 461)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2010**

**Trade Debtors and Other Receivables**

Trade debtors are recognised initially at fair value and subsequently measured at amortised cost, less any impairment losses. Trade receivables are due within 30 days from the date of recognition. The recoverability of trade debtors is reviewed regularly, with any uncollectible debts written off.

**Cash and Cash Equivalents**

Cash and short-term deposits in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less. For the purpose of the statement of cashflows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

**Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Co-operative and the revenue can be reliably measured.

Sales revenue comprises the revenue earned from the provision of products or services to entities outside the Co-operative.

Interest income is recognised as it accrues.

The profit or loss on disposal of asset is brought to account at the date an unconditional contract is signed.

Other revenue is recognised as it accrues.

**Employee Benefits**

Provision is made for the Co-operative's liabilities for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year, together with benefits arising from wages and salaries, annual and sick leave, which would be settled after one year, have been measured at their nominal amount. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits, using appropriate estimation techniques.

**Accounts Payable**

Liabilities are recognised for amounts to be paid for goods and services received, whether or not billed to the Co-operative. Trade accounts payable are normally settled within 30 days.

**Goods and Services Tax**

Revenues, 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 Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of an asset or as part of an item of expense. Receivables and payables are stated with the amount of GST included. The amount of GST recoverable or payable to the ATO is included as a current asset or current liability in the statement of financial position. Cash flows are included in the statement of cashflows on a gross basis. The GST component of cash flows arising from investing and financing activities which are recoverable from or payable to the ATO are classified as operating cash flows.

**Hire Purchase**

Assets acquired under hire purchase agreements are brought to account at cost together with a corresponding hire purchase liability and unexpired terms charges and are depreciated on a straight line basis over their estimated useful life.

Terms charges are written off over the period of the agreements.

**Comparatives**

Comparative information has been adjusted to reflect current year disclosures.

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**Other Information**

The Club, being incorporated in New South Wales, Australia under the Co-Operatives Act 1992 has its registered office and principle place of business at Howell Street, Kotara.

**KOTARA BOWLING AND RECREATION CLUB CO-OPERATIVE LIMITED**  
**(ABN 13 708 432 461)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2010**

**3 Operating Revenue**

	<b>2010</b>	<b>2009</b>
Bar Sales	647,551	596,558
Poker Machine Net Revenue	718,810	714,730
Paper Gaming Commission	31,607	33,755
Raffle & Bingo Sales	38,201	42,725
Members Subscriptions	15,323	15,711
Commissions	6,073	3,821
Gala & Green Fees	32,488	27,112
Interest Received	803	506
Rebates	-	709
Sale of Poker Machine Entitlements	-	54,191
Sundry Income	5,636	17,831
<b>Total</b>	<b>1,496,492</b>	<b>1,507,649</b>

**4 Operating Profit/(Loss)**

The operating profit/(loss) before income tax is arrived at after crediting and charging the following specific items:-

	<b>2010</b>	<b>2009</b>
<b>Credits</b>		
Interest Received / Receivable	803	506
Profit on Sale of Entitlements	-	54,191
<b>Charges</b>		
Depreciation     Poker Machines	27,297	39,368
Paper Gaming	245	258
Clubhouse	55,346	55,124
Greens	3,689	3,945
Administration	32,882	28,416
	<b>119,459</b>	<b>127,111</b>
Loss on sale of assets	8,220	7,807
Interest Paid/Payable	38,816	45,310
Employee Benefits - Wages	402,793	423,854
- Superannuation	33,716	33,711
- Leave Provisions	1,941	1,560
	<b>438,450</b>	<b>459,125</b>

**KOTARA BOWLING AND RECREATION CLUB CO-OPERATIVE LIMITED**  
**(ABN 13 708 432 461)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2010**

	2010	2009
<b>5 Cash and Cash Equivalents</b>		
Cash & Cash Equivalents	184,935	185,461
	<u>184,935</u>	<u>185,461</u>
<b>6 Receivables</b>		
<b>Current</b>		
Debtors Trade	1,972	3,165
Interest Accrued	74	76
	<u>2,046</u>	<u>3,241</u>
<b>7 Inventories</b>		
Stock on Hand - Bar	19,258	21,258
	<u>19,258</u>	<u>21,258</u>
<b>8 Investments</b>		
Term Deposits (> 3 months)	8,093	12,139
	<u>8,093</u>	<u>12,139</u>
<b>9 Other Current Assets</b>		
Prepayments	10,036	12,818
	<u>10,036</u>	<u>12,818</u>
<b>10 Property, Plant and Equipment</b>		

	Plant & Equipment	Buildings	Bowling Greens	Poker Machines	Total
<b>Year ended 30 June 2010</b>					
At 1 July 2009,					
Net of Accumulated Depreciation/Amortisation	184,900	744,429	34,725	38,413	1,002,467
Additions	92,446	3,117	-	88,150	183,713
Less: Disposals	6,228	-	-	1,992	8,220
Less: Depreciation/Amortisation	33,128	55,346	3,689	29,797	121,960
At 30 June 2010					
Net of Accumulated Depreciation/Amortisation	<u>237,990</u>	<u>692,200</u>	<u>31,036</u>	<u>94,774</u>	<u>1,056,000</u>
<b>At 1 July 2009</b>					
Cost or Fair Value	822,143	1,362,191	124,082	322,829	2,631,245
Accumulated Depreciation/Amortisation	637,243	617,762	89,357	284,416	1,628,778
Net Carrying Amount	<u>184,900</u>	<u>744,429</u>	<u>34,725</u>	<u>38,413</u>	<u>1,002,467</u>
<b>At 30 June 2010</b>					
Cost or Fair Value	899,134	1,365,308	124,082	391,480	2,780,004
Accumulated Depreciation/Amortisation	661,144	673,108	93,046	296,706	1,724,004
Net Carrying Amount	<u>237,990</u>	<u>692,200</u>	<u>31,036</u>	<u>94,774</u>	<u>1,056,000</u>

**KOTARA BOWLING AND RECREATION CLUB CO-OPERATIVE LIMITED**  
**(ABN 13 708 432 461)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2010**

**10 Property, Plant and Equipment (cont'd)**

	Plant & Equipment	Buildings	Bowling Greens	Poker Machines	Total
<b>Year ended 30 June 2009</b>					
At 1 July 2008,					
Net of Accumulated Depreciation/Amortisation	203,469	789,354	38,669	66,646	1,098,138
Additions	10,948	10,199	-	18,100	39,247
Less: Consideration Received	843	-	-	6,964	7,807
Less: Disposals	28,674	55,124	3,944	39,369	127,111
Less: Depreciation/Amortisation					
At 30 June 2009	<u>184,900</u>	<u>744,429</u>	<u>34,725</u>	<u>38,413</u>	<u>1,002,467</u>
Net of Accumulated Depreciation/Amortisation					
<b>At 1 July 2008</b>	813,004	1,351,992	124,081	348,342	2,637,419
Cost or Fair Value	609,535	562,638	85,412	281,696	1,539,281
Accumulated Depreciation/Amortisation	<u>203,469</u>	<u>789,354</u>	<u>38,669</u>	<u>66,646</u>	<u>1,098,138</u>
Net Carrying Amount					
<b>At 30 June 2009</b>	822,143	1,362,191	124,082	322,829	2,631,245
Cost or Fair Value	637,243	617,762	89,357	284,416	1,628,778
Accumulated Depreciation/Amortisation	<u>184,900</u>	<u>744,429</u>	<u>34,725</u>	<u>38,413</u>	<u>1,002,467</u>
Net Carrying Amount					

	2010	2009
<b>11 Trade and Other Payables</b>		
Creditors - Trade	57,741	35,891
Other Creditors and Accruals	7,085	6,921
GST Payable	21,948	28,099
	<u>86,774</u>	<u>70,911</u>
<b>12 Borrowings</b>		
<b>Current</b>		
Hire Purchase - Westpac	4,583	4,180
Asset Purchase Liability	8,458	-
Loan - NAB (Secured)	48,835	36,869
	<u>61,876</u>	<u>41,049</u>
<b>Non-Current</b>		
Hire Purchase - Westpac	2,035	6,618
Asset Purchase Liability	37,658	-
Loan - NAB (Secured)	327,708	386,393
	<u>367,401</u>	<u>393,011</u>
For security details refer to Note 19.		
<b>13 Provisions</b>		
<b>Current</b>		
Provision for Annual Leave	44,892	49,081
Provision for Long Service Leave	30,590	15,920
	<u>75,482</u>	<u>65,001</u>
<b>Non-Current</b>		
Provision for Long Service Leave	8,190	16,730
	<u>8,190</u>	<u>16,730</u>
<b>14 Other Liabilities</b>		
<b>Current</b>		
Subscriptions in Advance	12,640	11,793
	<u>12,640</u>	<u>11,793</u>

**KOTARA BOWLING AND RECREATION CLUB CO-OPERATIVE LIMITED**  
**(ABN 13 708 432 461)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2010**

**15 Auditor's Remuneration**

Amounts received, or due to be receivable by the Auditor of the Co-operative for:-

	2010	2009
Audit Services	9,000	8,605
Accountancy and Other Services	12,100	11,705
	21,100	20,310
	21,100	20,310

**16 Commitments for Expenditure**

**(a) Capital Commitments**

As at the date of this report the Club had made the following capital commitments to be expended within one year :

- \$5,000 in fees for possible future building works
- \$10,450 for external signage to the Club

**(b) Rental Agreements**

	2010	2009
Total commitments in respect of rental agreements are as follows:-		
Payable not later than one year	21,271	20,245
Later than one year but not later than five years	26,184	36,217
	47,455	56,462
	47,455	56,462

**(c) Hire Purchase Commitments**

Total commitments in relation to hire purchase agreements are as follows:-

Payable not later than one year	5,004	5,004
Later than one year but not later than five years	2,085	7,088
Minimum Payments	7,089	12,092
Less : Future Finance Charges	(471)	(1,294)
Provided for in Accounts	6,618	10,798
	6,618	10,798

**17 Related Parties**

The names of the persons who were Directors of the Co-operative at any time during the year are as they appear in the attached schedule of Directors' meeting attendances following the Directors Report.

**18 Directors' Remuneration**

	2010	2009
Income paid or payable to Directors of the Co-operative and any related parties	7,655	7,792

Number of Directors whose income from the Co-operative and any other related party was within the following bands:

\$0 - \$9,999	10	10
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**KOTARA BOWLING AND RECREATION CLUB CO-OPERATIVE LIMITED**  
**(ABN 13 708 432 461)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2010**

**19 Additional Financial Instrument Disclosure**

**a) Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The financial assets and liabilities subject to interest rate risk are:

*Bank Accounts*

The Co-operative's bank accounts earn interest at the market variable rate.

The Club held term deposits with more than three months to maturity of \$8,093, with the applicable interest rate at balance date being 2.5%.

*Loan - National Australia Bank*

The loan with the National Australia Bank is for a 10 year term with a variable interest rate and the current rate is 9.38%. The loan is repayable monthly with principal and interest payments totalling \$6,841 per month. The Club's liability is secured by way of:

- i) Registered mortgage debenture over the whole of the assets and undertakings of Kotara Bowling and Recreation Club Co-operative Ltd;
- ii) Registered mortgage over lease given by Kotara Bowling and Recreation Club Co-operative Limited over premises known as Kotara Bowling Club situated at Kotara Park, Kotara NSW 2289.

*Hire Purchase Liabilities*

Interest on the liability is fixed for the term of the hire purchase. As at 30 June 2010 the Club had one hire purchase agreement with an interest rate of 9.2%.

*Asset Purchase Liabilities*

Interest on the liability is fixed for the term of the agreement. As at 30 June 2010 the Club had one asset purchase agreement with an interest rate of 9.3%.

All other financial assets and liabilities are not subject to interest rate risk as they are non-interest bearing.

**b) Credit Risk**

Credit risk arises from cash and cash equivalents held with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables. The Directors regularly monitor interest rate returns and deal with well established and recognised financial institutions. Credit is not generally extended to customers.

The maximum credit risk in financial asset of the Club which have been recognised on the Statement of Financial Position, is carrying amount net of any provision for doubtful debts.

The Club has reviewed the credit quality of its financial assets and expects all receivables to be recovered within due collection periods. No collateral or security is held in respect of any receivables.

**c) Net Fair Value of Financial Assets**

The Club's financial assets and liabilities included in the statement of financial position are carried at amounts that approximate net fair value.

**d) Liquidity Risk**

The risk that the Club will encounter difficulties in meeting its obligations associated with its financial liabilities is managed by ensuring sufficient funds are available at all times to cover its financial liabilities.

**20 Contingent Liabilities**

A contingent liability exists for a bank guarantee in favour of Tabcorp of \$5,000 which is secured by a charge over a term deposit held by the Club.

**KOTARA BOWLING AND RECREATION CLUB CO-OPERATIVE LIMITED**  
**(ABN 13 708 432 461)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2010**

**21 Notes to Cashflow Statement**

1. Reconciliation of Cash

For the purpose of the Cashflow statement, cash includes cash on hand and at call deposits with a bank or financial institution, net of bank overdrafts if any, and excludes investments with a maturity of greater than three months

	<b>2010</b>	<b>2009</b>
Cash & Cash Equivalents	184,935	185,461
	184,935	185,461
2. Reconciliation from the net profit/(loss) after tax to the net cashflows from operations.		
<b>Profit/(Loss) after Income Tax</b>	29,116	33,636
<u>Non-Cashflow in Operating Profit/(Loss)</u>		
Depreciation	119,459	127,111
Sale of Poker Machine Entitlements	-	(54,191)
Loss on Sale of Assets	8,220	7,807
Net Change in Leave Provisions	1,941	1,560
	158,736	115,923
<u>Changes in Assets and Liabilities</u>		
Decrease/(Increase) in Debtors	1,195	(1,125)
Decrease/(Increase) in Inventories	2,000	(3,036)
Decrease/(Increase) in Prepayments	2,782	(4,857)
Increase/(Decrease) in Trade Creditors and Accruals	(5,236)	(1,878)
Increase/(Decrease) in Income in Advance	847	(1,170)
Increase/(Decrease) in GST Liability	(6,151)	12,220
<b>Net Cash From Operating Activities</b>	154,173	116,077

3. As at 30 June 2010, the Co-operative has an unused asset financing (leasing) facility of \$154,247.

**22 New Accounting Standards and Interpretation**

Title of Standard	Issue Date	Application Date **
Revised AASB 3 Business Combinations	March 2008	1 July 2009
AASB 2008-3 Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127	Jan 2008	1 July 2009
AASB 2008-3 Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127	March 2008	1 July 2009
AASB 2008-6 Further amendments to Australian Accounting Standards arising from the Annual Improvements Project	July 2008	1 July 2009
AASB 2009-4 Amendments to Australian Accounting Standards arising from the Annual Improvements Project	May 2009	1 July 2009
** Applicable to reporting periods commencing on or after the given dates.		

Application of the above standards is not expected to affect any of the amounts recognised in the financial statements, but will result in changes to the additional information disclosed in the financial statements. No standards have been early adopted.

**KOTARA BOWLING AND RECREATION CLUB CO-OPERATIVE LIMITED**  
**(ABN 13 708 432 461)**

**DETAILED PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2010**

	2010	2009
<b>TRADING ACCOUNT</b>		
<b>STATEMENT OF BAR TRADING</b>		
Sales	647,551	596,558
<b>LESS COST OF SALES</b>		
Opening Stock	21,257	18,222
Purchases	288,836	291,807
	<hr/>	<hr/>
Closing Stock	310,093	310,029
	19,257	21,258
	<hr/>	<hr/>
<b>GROSS PROFIT</b>	290,836	288,771
	356,715	307,787
<b>DIRECT EXPENSES</b>		
Promotions	17,273	8,256
Repairs & Maintenance	8,015	11,404
Replacements	1,522	2,638
Wages	157,189	167,851
	<hr/>	<hr/>
	183,999	190,149
<b>NET PROFIT</b>	172,716	117,638
<b>STATEMENT OF POKER MACHINE OPERATIONS</b>		
Net Revenue	718,810	714,730
<b>DIRECT EXPENSES</b>		
Analysis Reports	2,872	3,327
Data Monitoring	11,387	12,376
Depreciation	27,297	39,368
Gaming Tax Rebate	(17,180)	(17,180)
Promotions	3,171	62
Rental of Poker Machines	-	-
Repairs and Maintenance	12,821	13,041
Wages	19,991	20,788
	<hr/>	<hr/>
	60,359	71,782
<b>NET PROFIT</b>	658,451	642,948

**KOTARA BOWLING AND RECREATION CLUB CO-OPERATIVE LIMITED**  
**(ABN 13 708 432 461)**

**DETAILED PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2010**

	2010	2009
<b>STATEMENT OF PAPER GAMING</b>		
Keno Commission	21,198	21,349
TAB Commission	10,409	12,406
	<u>31,607</u>	<u>33,755</u>
<b>DIRECT EXPENSES</b>		
Depreciation	245	258
Keno Expenses	4,995	1,815
Promotions	4,596	6,045
Repairs and Maintenance	7,411	2,108
Sky Channel	675	16,448
TAB Expenses	16,206	9,386
Wages	18,187	20,253
	<u>52,315</u>	<u>56,313</u>
<b>NET PROFIT/LOSS</b>	<u>(20,708)</u>	<u>(22,558)</u>
<b>STATEMENT OF RAFFLE &amp; BINGO</b>		
Sales	38,201	42,725
Purchases	72,509	72,898
	<u>72,509</u>	<u>72,898</u>
<b>NET PROFIT/LOSS</b>	<u>(34,308)</u>	<u>(30,173)</u>
<b>TOTAL TRADING PROFIT</b>	<u>776,151</u>	<u>707,855</u>
<b>INCOME</b>		
Gross Profit Trading	776,151	707,855
ATM Commission	5,717	2,676
Cigarette Commission	356	1,145
Hiring Charges - Room	3,048	10,842
Gala & Green Fees	32,488	27,112
Insurance Recoveries	-	570
Interest Received	803	506
Members Subscriptions	15,323	15,711
Rebates	-	709
Sale of Poker Machine Entitlements	-	54,191
Sponsorship	180	3,636
Sundry Income	1,863	2,148
Telephone Receipts	545	635
<b>TOTAL INCOME</b>	<u>836,474</u>	<u>827,736</u>

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	2010	2009
<b>LESS EXPENSES</b>		
<b>MEMBERS AMENITIES</b>		
AGM Expenses	701	370
Discount Meals	-	4,808
Entertainment	20,805	17,635
Membership Promotions	51,872	19,742
Other Promotions and Prizes	<u>12,584</u>	<u>39,224</u>
	85,962	81,779
<b>CLUBHOUSE</b>		
Cleaning Materials	8,341	9,860
Cleaning Wages	37,920	40,940
Depreciation	55,346	55,124
Electricity, Gas and Heating	52,673	54,393
Rates - Council	4,322	4,140
Rates - Water	6,715	6,107
Rent - Land	16,067	15,644
Repairs and Maintenance	36,601	24,384
Security	<u>7,396</u>	<u>5,375</u>
	225,381	215,967
<b>GREENS &amp; BOWLING ACTIVITIES</b>		
Catering	945	2,474
Depreciation	3,689	3,945
Promotions & Prizes	27,892	20,334
Pennant Costs	5,127	1,654
Repairs & Maintenance	27,329	24,421
Wages	<u>49,235</u>	<u>48,437</u>
	114,217	101,265

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	2010	2009
<b>ADMINISTRATION</b>		
Advertising	8,557	20,805
Audit & Accountancy	21,100	20,310
Bank Charges	5,116	4,490
Cash Variances	2,221	1,184
Club Representative Costs	183	240
Computer Maintenance	5,696	10,003
Depreciation	32,882	28,416
Directors Honorariums	7,655	7,792
Donations	1,352	1,669
General Expenses	3,357	874
Insurance	34,490	42,782
Interest	38,816	45,310
Loss on Sale of Assets	8,220	7,807
Postage, Printing & Stationery	10,179	5,445
Provision for Long Service Leave	6,130	3,589
Rental of Plant	15,822	15,338
Sponsorship	2,495	542
Staff Amenities	90	3,263
Staff Training	-	-
Subscriptions & Licenses	15,418	14,900
Superannuation	33,716	33,711
Telephone	10,209	9,808
Uniforms	188	807
Wages	117,906	116,004
	<u>381,798</u>	<u>395,089</u>
<b>TOTAL EXPENSES</b>	<u>807,358</u>	<u>794,100</u>
<b>OPERATING PROFIT/(LOSS)</b>	<u>29,116</u>	<u>33,636</u>
<b>RETAINED PROFITS AT THE BEGINNING OF THE FINANCIAL YEAR</b>	<u>638,889</u>	<u>605,253</u>
<b>RETAINED PROFITS AT THE END OF THE FINANCIAL YEAR</b>	<u>668,005</u>	<u>638,889</u>