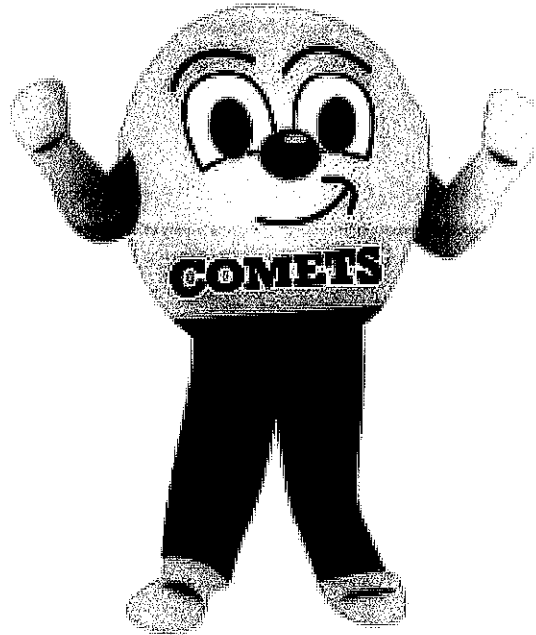


East Cessnock Bowling Club

ACN 000 835 923

Corporations Law

A Public Company limited by Guarantee and not having a Share Capital



Financial Statements for the Year ended 30th June 2019

To be presented at the Annual General Meeting

To be held in the premises of ECBC

On Sunday 24th November 2019 at 9am

EAST CESSNOCK BOWLING CLUB

Neath Street

CESSNOCK

EAST CESSNOCK BOWLING CLUB LTD
ABN 59 000 835 923

DIRECTORS' REPORT

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

Directors

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

Gary Jackson	Robert Hipwell
Michael Cronin	Peter Lomas
Norma Austin	Steve Fairfull

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

Principal Activities

The principal activities of the company during the financial year was that of a registered licensed bowling club.

There were no significant changes in the nature of the company's principal activities during the financial year.

Operating Results

The profit of the company after providing for income tax amounted to \$244,933 (2018 profit \$525,018).

Review of Operations

The company's result for the year fell compared to last year as a result of decreased trading from bar and poker machine operations. The result from the motel has also declined. In addition the depreciation expense has increased due to the substantial improvement made to the club and its facilities. Last year also included an insurance recovery and subsidies of \$50,024.

Significant Changes in State of Affairs

No significant changes in the state of affairs of the company occurred during the financial year.

After Balance Date Events

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

Likely developments in the operations of the company and the expected results of those operations in future financial years have not been included in this report.

EAST CESSNOCK BOWLING CLUB LTD
ABN 59 000 835 923

DIRECTORS' REPORT

Environmental Issues

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Information on Directors

Gary Jackson	—	Chairperson
Experience	—	Mr Jackson has been a director for the past 21 years and he has also held the position of director for the Shortland County Council Credit Union.
Robert Hipwell	—	Director
Experience	—	Mr Hipwell has been a director for the past 21 years.
Michael Cronin	—	Director
Experience	—	Mr Cronin has been a director since November 2015.
Norma Austin	—	Director
Experience	—	Mrs Austin for the past 27 years has held the position of Secretary and Delegate of the Womens Bowling. Mrs Austin has previously held the position of treasurer.
Peter Lomas	—	Director
Experience	—	Mr Lomas has been a member of the Club for 41 years. He has been active in the community in various areas of sport. Mr Lomas is the primary carer for his children.
Steve Fairfull	—	Director
Experience	—	Mr Fairfull has been a director since March 2018.

Members guarantee

East Cessnock Bowling Club Ltd 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 \$8.40, subject to the provisions of the Club's constitution.

At 30 June 2019 the number of members was 7,139 (2018: 6,530)

DIRECTORS' REPORT

Directors' and Executive Officers' Emoluments

Since the end of the previous financial year no director of the company has received or become entitled to receive a benefit, other than a benefit included in the aggregate amount of emoluments received or due and receivable by directors' shown in the accounts, or the fixed salary of a full time employee of the company or a related corporation, by reason of a contract made by the company or a related corporation with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

Meetings of Directors

During the financial year, 12 meetings of directors (including committees) were held. Attendances were:

BOARD OF DIRECTORS		
	Number eligible to attend	Number Attended
Robert Hipwell	12	12
Gary Jackson	12	10
Norma Austin	12	12
Peter Lomas	12	12
Steve Fairfull	12	10
Michael Cronin	12	9

Indemnifying Officers

The company has paid premiums to insure each of the directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the company, other than conduct involving a wilful breach of duty in relation to the company.

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.

DIRECTORS' REPORT

Short and Long Term Objectives

The company has established short and long term objectives which are reviewed on an annual basis. These objectives are both financial and non financial and are aimed towards providing a comfortable and secure environment to its members that continues to meet their needs. These objectives are measured through both financial and non financial key performance indicators that have been determined relevant to the club industry.

Disclosure of Core and Non-Core Property

Pursuant to Section 41J(2) of the Registered Clubs Act 1976 and for the financial year ended 30 June 2019, the Directors have determined that the property of the company shall be classified as follows:

Address	Current usage	Classification
2 Neath Street, Cessnock	Club premises	Core
20 and 22 Koree Street, Cessnock	Residential investment	Non-core
1,3,5 and 7 Shalimah Street, Cessnock	Residential investment	Non-core
1 and 3 Victoria Street, Cessnock	Residential investment	Non-core
3 George Street, Cessnock	Residential investment	Non-core
6 Anstey Street, Cessnock.	Residential investment	Non-core
300 Maitland Road, Cessnock.	Motel	Non-core

Rounding of Amounts

The company is of a kind referred to in Class Order 98/100, issued by the Australian securities and Investments Commission, relating to the "rounding off" of amounts in the directors' report. Amounts in the directors' report have been rounded to the nearest dollar.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 5.

Auditor

Mark Walmsley continues in office in accordance with section 327 of the Corporations Act 2001.

Signed in accordance with a resolution of the Board of Directors



Director

Dated this 30th day of October 2019

MARK WALMSLEY *B Comm. CA*
CHARTERED ACCOUNTANT

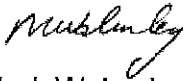
ABN: 91 918 334 370

Auditor's independence declaration

As lead auditor for the audit of East Cessnock Bowling Club Ltd for the year ended 30 June 2019, I declare that to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of East Cessnock Bowling Club Ltd and the entities it controlled during the period.



Mark Walmsley
Stockton

Date: 23rd October 2019

EAST CESSNOCK BOWLING CLUB LTD
ABN 59 000 835 923
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED
30 JUNE 2019

	Note	2019 \$	2018 \$
Revenue from contracts with customers	2	5,137,587	5,383,431
Other income	2	306,368	360,876
Changes in inventories		46,405	(2,147)
Employee benefits expense		(1,001,798)	(1,016,233)
Depreciation and amortisation expenses	3	(847,857)	(813,802)
Borrowing costs expense	3	(34,220)	(77,077)
Repairs and maintenance		(284,684)	(280,048)
Bar purchases		(522,609)	(537,209)
Poker machine duty		(570,023)	(593,355)
Entertainment and activities expenses		(722,133)	(755,380)
Cleaning		(141,326)	(152,165)
Electricity and gas		(147,516)	(148,860)
Other expenses		(973,261)	(843,013)
Profit/(loss) from operating activities before income tax	3	244,933	525,018
Income tax expense		-	-
Profit/(loss) from operating activities		<u>244,933</u>	<u>525,018</u>

The above income statement should be read in conjunction with the accompanying notes.

EAST CESSNOCK BOWLING CLUB LTD
ABN 59 000 835 923

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019

	Note	2019 \$	2018 \$
Cash and cash equivalents	5	924,582	1,168,824
Trade and other receivables	6	26,929	18,092
Inventories	7	96,267	49,862
Other current assets	8	194,988	103,304
TOTAL CURRENT ASSETS		<u>1,242,766</u>	<u>1,340,082</u>
NON-CURRENT ASSETS			
Property, plant and equipment	11	11,656,994	11,821,791
Available-for-sale financial assets	9	320,097	329,057
Investment property	10	2,237,094	2,257,109
Intangible assets	12	425,000	150,000
TOTAL NON-CURRENT ASSETS		<u>14,639,185</u>	<u>14,557,957</u>
TOTAL ASSETS		<u>15,881,951</u>	<u>15,898,039</u>
CURRENT LIABILITIES			
Payables	13	737,066	708,316
Borrowings	14	766,060	483,503
Provisions	15	55,390	40,996
TOTAL CURRENT LIABILITIES		<u>1,558,516</u>	<u>1,232,815</u>
NON-CURRENT LIABILITIES			
Borrowings	14	473,375	1,051,805
Provisions	15	15,674	15,005
TOTAL NON-CURRENT LIABILITIES		<u>489,049</u>	<u>1,066,810</u>
TOTAL LIABILITIES		<u>2,047,565</u>	<u>2,299,625</u>
NET ASSETS		<u>13,834,386</u>	<u>13,598,414</u>
EQUITY			
Reserves	16	298,189	307,150
Retained profits		13,536,197	13,291,264
TOTAL EQUITY		<u>13,834,386</u>	<u>13,598,414</u>

The above balance sheet should be read in conjunction with the accompanying notes.

EAST CESSNOCK BOWLING CLUB LTD
ABN 59 000 835 923
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED
30 JUNE 2019

	Retained	Available	
	Earnings	For Sale	Total
	\$	\$	\$
2019			
Balance 1 July 2018	13,291,264	307,150	13,598,414
Profit attributable to entity	244,933	-	244,933
Revaluation increment/(decrement)	-	(8,961)	(8,961)
Balance 30 June 2019	<u>13,536,197</u>	<u>298,189</u>	<u>13,834,386</u>
2018			
Balance 1 July 2017	12,766,246	245,351	13,011,597
Profit attributable to entity	525,018	-	525,018
Revaluation increment/(decrement)	-	61,799	61,799
Balance 30 June 2018	<u>13,291,264</u>	<u>307,150</u>	<u>13,598,414</u>

The above statements of change in equity should be read in conjunction with the accompanying notes

EAST CESSNOCK BOWLING CLUB LTD
ABN 59 000 835 923
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from customers		5,959,027	6,302,141
Payments to suppliers and employees		(4,663,204)	(4,587,440)
Interest received		697	408
Dividends received		8,739	3,689
Borrowing costs		(34,220)	(77,077)
GST paid		(261,154)	(279,374)
Net cash provided by (used in) operating activities	19b	<u>1,009,885</u>	<u>1,362,347</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		49,460	98,949
Payment for intangible asset		(275,000)	-
Payment for property, plant and equipment		(732,713)	(1,154,839)
Net cash provided by (used in) investing activities		<u>(958,253)</u>	<u>(1,055,890)</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowings		137,312	468,337
Repayment of borrowings		(433,185)	(288,277)
Net cash provided by (used in) financing activities		<u>(295,873)</u>	<u>180,060</u>
Net increase/(decrease) in cash held		(244,242)	486,517
Cash at beginning of the financial year		1,168,824	682,307
Cash at end of the financial year	19a	<u>924,582</u>	<u>1,168,824</u>

The above cash flow statement should be read in conjunction with the accompanying notes

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

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

(b) Critical accounting estimates and judgments

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

Key estimates - impairment

The company assesses impairment at the end of the reporting year 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.

(c) Comparative figures

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

EAST CESSNOCK BOWLING CLUB LTD
ABN 59 000 835 923
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 JUNE 2019

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(d) Income tax

Income tax is brought to account on the basis of tax payable. The concepts of mutuality are applied.

(e) Cash and cash equivalents

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

(f) Investments and other financial assets

1) Classification

From 1 July 2018, the company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The classification depends on the company's business model for managing the financial assets and the contractual terms of the cash flows.

The company is using the measured at amortised cost method for all its financial assets, namely trade and other receivables. Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(f) **Investments and other financial assets (cont'd)**

ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on tradedate, the date on which the company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership.

iii) Measurement

Subsequent to initial recognition, financial assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income and impairment for expected credit losses are recognised in the profit or loss. Gain or loss on derecognition is recognised in profit or loss.

iv) Impairment

Impairment of financial assets is recognised on an expected credit loss (ECL) – forward looking – basis for all financial assets measured at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The company considers reasonable and supportable information that is relevant and available, including both quantitative and qualitative information and analysis based on the company's historical experience and informed credit assessment, including forward looking information.

Credit losses are measured as the present value of the difference between the cash flows due to the company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

EAST CESSNOCK BOWLING CLUB LTD
ABN 59 000 835 923
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 JUNE 2019

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(g) Financial liabilities

i) Classification

From 1 July 2018, the company classified its financial liabilities as those to be measured at amortised cost.

The company is using the measured at amortised cost method for all its financial liabilities. The financial liabilities of the company comprise trade payables and asset finance.

Liabilities measured at amortised cost are financial liabilities where the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) Recognition and derecognition

The company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The company derecognises financial liabilities when, and only when, the company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(h) Revenue and other income

The company recognises revenue when it transfers control over a product or service to a customer. Revenue is measured based on the amount of consideration expected to be received in exchange for the transfer of the good or service to the customer.

Revenue from contracts with customers

Revenue from the sale of goods is recognised at the point of delivery.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

Gaming machine revenue is recognised at the point of sale and represents the amounts earned through gaming wagers.

Revenue from membership subscriptions are recognised on a straight line basis over the financial year.

EAST CESSNOCK BOWLING CLUB LTD
ABN 59 000 835 923
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 JUNE 2019

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(h) Revenue and other income (cont'd)

Other revenue

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

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

(i) Trade and other receivables

Trade receivables are recognised and carried at original invoice amount less an allowance for any uncollectable amounts.

(j) Inventories

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

(k) Property, plant and equipment

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

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses. Cost includes expenditure that is directly attributable to the asset.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line and diminishing basis over the asset's useful life to the company commencing from the time the asset is held ready for use. Land is not depreciated.

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

Class of Fixed Asset	Depreciation Rate
Buildings	2.5%
Plant and Equipment	5 - 20%
Poker Machines	10%
Greens	2.5%
Motor Vehicles	22.5%

EAST CESSNOCK BOWLING CLUB LTD
ABN 59 000 835 923
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 JUNE 2019

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(k) Property, plant and equipment (cont'd)

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

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss and other comprehensive income.

(l) Impairment of non-financial assets

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

(m) Trade and other payables

Trade and other payables are carried at amortised cost and represent liabilities for goods and services provided to the company during the reporting period which remain unpaid at balance date. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(n) Employee benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured as the present value of expected future cash payments, taking into consideration expected future wage levels and experience of employees departures and periods of service. Government bond rates with terms that match, as closely as possible, the estimated future cash outflows were used in calculation.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(o) Gaming Machine Rebate

The company received a rebate to compensate the loss of gaming machine income due to the introduction of GST. The period which the rebate relates to is from 1 July 2017 to 31 August 2018.

(p) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(q) Adoption of new and revised accounting standards

During the current year, the company adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The company applies, for the first time, AASB 15 *Revenue from Contracts with Customers* and AASB 9 *Financial Instruments*. The application of these new accounting standards did not require current period or retrospective adjustments.

AASB 15: Revenue from Contracts with Customers

The company has adopted AASB 15 Revenue from Contracts with Customers, with a date of initial application of 1 July 2018. The application of AASB 15 replaces AASB 118 Revenue and it applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards.

Under AASB 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled for transferring goods or services to a customer. The majority of the company's revenue is derived from the sale of goods or service to a customer. This is consistent with the accounting policies applied in the comparative period, therefore no adjustment to the comparative figures was required.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(q) Adoption of new and revised accounting standards (Cont'd)

AASB 15: Revenue from Contracts with Customers

The company has updated its accounting policies to reflect the new accounting standard, as disclosed in Note 1(h). The company has also updated the presentation of revenue to reflect the new disclosure requirements of the standard, as disclosed in Note 2.

The adoption of AASB 15 has not materially impacted on the financial statements.

AASB 9: Financial instruments

The company has adopted AASB 9 Financial Instruments, with a date of initial application of 1 July 2018.

AASB 9 replaces the provisions of AASB 139 *Financial Instruments* that relate to the recognition, classification and measurement of financial assets and financial liabilities, including derecognition and impairment. AASB 9 also amends other standards dealing with financial instruments such as AASB 7 *Financial Instruments: Disclosures*.

The adoption of AASB 9 did not result in a significant change to the recognition or measurement of financial instruments for the company as presented in the financial report.

On adoption of AASB 9 East Cessnock Bowling Club Ltd has also reclassified its financial assets as subsequently measured at amortised cost or fair value depending on the business model for those assets and the contractual cash flow characteristics. There was no change in the classification or measurement of financial liabilities.

The principal impact on East Cessnock Bowling Club Ltd's financial assets at 1 July 2018 are:

- the reclassification of the trade receivables from 'loans and receivables' under AASB 139 to 'financial assets at amortised cost' under AASB 9. This did not change the balance of trade receivables recognised in the comparative year.

In relation to the reclassification of financial assets and liabilities, there was no impact on the statement of profit or loss and other comprehensive income, statement of financial position or, the statement of changes in equity on adoption of AASB 9.

See Note 1(f), (g), (i) and (m) for the detailed accounting policies

EAST CESSNOCK BOWLING CLUB LTD
ABN 59 000 835 923
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 JUNE 2019

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(r) Authorisation of Financial Statements

The financial statements were authorised for issue on 30 October 2019 by the Directors

	2019	2018
	\$	\$
NOTE 2: REVENUE		
From contracts with customers		
— Sale of goods	1,145,741	1,182,446
— Gaming revenue	3,392,720	3,506,966
— Motel takings	120,341	208,760
— Entertainment	449,326	452,283
— Bowling income	6,660	10,412
— Members subscriptions	22,799	22,564
	<u>5,137,587</u>	<u>5,383,431</u>
Other income from ordinary activities		
— Commissions	151,257	160,236
— Insurance recovery	-	38,951
— Rent received	48,912	45,076
— Interest	697	408
— Dividends	8,739	3,689
— Other	96,763	112,516
	<u>306,368</u>	<u>360,876</u>
	<u>5,443,955</u>	<u>5,744,307</u>

EAST CESSNOCK BOWLING CLUB LTD
ABN 59 000 835 923
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 JUNE 2019

2019 2018
 \$ \$

NOTE 3: EXPENSES

Profit before income tax expense includes the following specific expenses:

Cost of sales	525,124	538,604
Borrowing costs		
— other persons	34,220	77,077
Depreciation and amortisation of non-current assets		
— buildings	273,486	269,599
— motor vehicles	10,972	9,006
— plant and equipment	216,412	187,102
— motel building	12,067	12,067
— motel equipment	14,007	13,850
— poker machines	282,663	283,917
— greens plant	1,220	1,220
— greens	17,015	17,015
— investment property	20,015	20,026
	<u>847,857</u>	<u>813,802</u>
Loss on disposal of property, plant and equipment	20,208	47,814

**NOTE 4: KEY MANAGEMENT PERSONNEL
 COMPENSATION**

The totals of remuneration paid to key management personnel of the company during the year are as follows:

Key management personnel compensation	188,013	180,810
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NOTE 5: CURRENT ASSETS - CASH ASSETS

Cash and cash equivalents	924,582	1,168,824
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EAST CESSNOCK BOWLING CLUB LTD
ABN 59 000 835 923
NOTES TO THE FINANCIAL STATEMENTS FOR
THE YEAR ENDED 30 JUNE 2019

NOTE 6: CURRENT ASSETS – TRADE AND OTHER RECEIVABLES	2019	2018
	\$	\$
Other debtors	20,175	18,092
GST refundable	6,754	-
	<u>26,929</u>	<u>18,092</u>

NOTE 7: CURRENT ASSETS - INVENTORIES		
Stock on hand at cost	<u>96,267</u>	<u>49,862</u>

NOTE 8: CURRENT ASSETS - OTHER ASSETS		
Prepayments	<u>194,988</u>	<u>103,304</u>

NOTE 9: NON-CURRENT ASSETS – AVAILABLE-FOR-SALE FINANCIAL ASSETS		
Listed investments, at fair value		
— Shares in listed corporations	<u>320,097</u>	<u>329,057</u>

NOTE 10: NON-CURRENT ASSETS – INVESTMENT PROPERTY		
Investment properties – at cost	2,155,723	2,155,723
Development costs	210,465	210,465
Less: Accumulated depreciation	129,094	109,079
	<u>2,237,094</u>	<u>2,257,109</u>

Development costs have been incurred in respect of the investment properties located in Koree and Shalimah Streets. The club is investigating developments to make the best use of the land.

EAST CESSNOCK BOWLING CLUB LTD
ABN 59 000 835 923
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 JUNE 2019

**NOTE 11: NON-CURRENT ASSETS – PROPERTY,
PLANT AND EQUIPMENT**

	Freehold land	Buildings	Plant & equipment	Motor vehicles	Poker machines	Greens plant
	\$	\$	\$	\$	\$	\$
At 1 July 2018						
- Cost	700,000	11,109,042	3,007,306	82,708	3,145,346	23,558
- Valuation	-	-	-	-	-	-
Accumulated depreciation	-	(4,020,614)	(1,658,100)	(34,649)	(1,420,774)	(19,424)
Net book value	700,000	7,088,428	1,349,206	48,059	1,724,572	4,134
Year ended 30 June 2019						
Opening net book value	700,000	7,088,428	1,349,206	48,059	1,724,572	4,134
Additions	-	195,542	206,212	-	328,423	-
Disposals/Adjustments	-	-	-	-	(69,668)	-
Depreciation charge	-	(273,486)	(216,412)	(10,972)	(282,663)	(1,220)
Closing net book value	700,000	7,010,484	1,339,006	37,086	1,700,664	2,914
At 30 June 2019						
- Cost	700,000	11,304,584	3,213,518	82,708	3,193,250	23,558
- Valuation	-	-	-	-	-	-
Accumulated depreciation	-	(4,294,100)	(1,874,512)	(45,622)	(1,492,586)	(20,644)
Net book value	700,000	7,010,484	1,339,006	37,086	1,700,664	2,914
	Greens	Motel Building	Motel Equipment			Total
	\$	\$	\$			\$
At 1 July 2018						
- Cost	680,591	482,673	138,488			19,369,712
- Valuation	-	-	-			-
Accumulated depreciation	(142,419)	(170,940)	(81,001)			(7,547,921)
Net book value	538,172	311,733	57,487			11,821,791
Year ended 30 June 2019						
Opening net book value	538,172	311,733	57,487			11,821,791
Additions	-	-	2,536			732,713
Disposals/Adjustments	-	-	-			(69,668)
Depreciation charge	(17,015)	(12,067)	(14,007)			(827,842)
Closing net book value	521,158	299,666	46,016			11,656,994
At 30 June 2019						
- Cost	680,591	482,673	141,024			19,821,906
- Valuation	-	-	-			-
Accumulated depreciation	(159,433)	(183,007)	(95,008)			(8,164,912)
Net book value	521,158	299,666	46,016			11,656,994

EAST CESSNOCK BOWLING CLUB LTD
ABN 59 000 835 923
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 JUNE 2019

NOTE 11: NON-CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT (cont'd)

- CORE AND NON-CORE PROPERTY

The licensed premises located at 2 Neath Street, Cessnock is the core property of the Club. The club also owns non-core property being residential investment properties at 20 and 22 Koree Street, Cessnock, 1,3,5 and 7 Shalimah Street, Cessnock and 1 and 3 Victoria Street, Cessnock and 3 George Street, Cessnock and 6 Anstey Street, Cessnock. The club also owns a motel at 300 Maitland Road, Cessnock.

NOTE 12: NON-CURRENT ASSETS - INTANGIBLE ASSETS

	2019	2018
	\$	\$
Poker Machine Licences at cost	425,000	150,000
	<u>425,000</u>	<u>150,000</u>

NOTE 13: CURRENT LIABILITIES – PAYABLES

Unsecured liabilities		
Trade creditors and accrued expenses	416,110	311,224
Subscriptions in advance	7,812	8,590
Employee entitlements	313,145	316,848
GST payable	-	71,654
	<u>737,067</u>	<u>708,316</u>

NOTE 14: LIABILITIES – BORROWINGS

CURRENT

Secured liabilities			
Bank loans	14(a)(b)(c)	548,496	278,695
Hire purchase liability	14(d), 17	121,667	162,223
Insurance funding - unsecured		95,897	42,585
		<u>766,060</u>	<u>483,503</u>

NON-CURRENT

Secured liabilities			
Bank loans	14(a)(b)(c)	473,375	930,138
Hire purchase liability	14(d), 17	-	121,667
		<u>473,375</u>	<u>1,051,805</u>

EAST CESSNOCK BOWLING CLUB LTD
ABN 59 000 835 923
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 JUNE 2019

NOTE 14: LIABILITIES – BORROWINGS (Cont'd)

	2019	2018
a) Total current and non-current secured liabilities:	\$	\$
Bank loans	1,021,871	1,208,832
Hire purchase liability	121,667	283,890
	<u>1,143,538</u>	<u>1,492,722</u>

b) The bank loans are secured by a first registered mortgage over the properties located at Neath Street, Cessnock, 300 Maitland Road, Cessnock and the residential investment properties as well as a floating charge over the present and future rights.

c) The covenants within the bank borrowings require borrowings costs not to fall below two times and within 123 days of the close of each financial year receive a copy of the audited annual report or balance sheet and profit and loss.

d) The hire purchase liabilities are secured over the assets financed.

NOTE 15: LIABILITIES – PROVISIONS

CURRENT

Members draw	7,900	7,700
Link jackpot	16,623	4,768
Redemption points	19,269	19,513
Provision for cash balances	11,598	9,015
	<u>55,390</u>	<u>40,996</u>

NON-CURRENT

Employee entitlements	<u>15,674</u>	<u>15,005</u>
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NOTE 16: RESERVES

Available-for-sale investments revaluation reserve	<u>298,189</u>	<u>307,150</u>
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Movements

Available-for-sale investments revaluation reserve		
Balance 1 July	307,150	245,351
Revaluations	(8,961)	61,799
Balance 30 June	<u>298,189</u>	<u>307,150</u>

EAST CESSNOCK BOWLING CLUB LTD
ABN 59 000 835 923
NOTES TO THE FINANCIAL STATEMENTS FOR
THE YEAR ENDED 30 JUNE 2019

NOTE 17: CAPTIAL AND LEASING COMMITMENTS	2019 \$	2018 \$
a) Hire Purchase Commntments		
Commitments payable:		
Not later than 1 year	127,674	170,231
Later than 1 year but not later than 5 Years	-	127,674
Minimum lease payments	<u>127,674</u>	<u>297,905</u>
Less: future finance charges	6,007	14,015
Total commitments	14 <u>121,667</u>	<u>283,890</u>

Hire purchase commitments:

Poker machines financed with National Australia Bank over a two year term.

(b) Operating Lease Commitments

Payable:

Not later than 1 year	22,853	30,742
Later than 1 year but not later than 5 Years	45,707	79,034
	<u>68,560</u>	<u>109,776</u>

Operating lease commitments:

Senor POS Terminals with PMFA for a four year term.

NOTE 18: SEGMENT REPORTING

The company operates as a licensed bowling club in the hospitality industry in NSW, Australia.

EAST CESSNOCK BOWLING CLUB LTD
ABN 59 000 835 923
NOTES TO THE FINANCIAL STATEMENTS FOR
THE YEAR ENDED 30 JUNE 2019

NOTE 19: CASH FLOW INFORMATION

2019 2018
 \$ \$

a. Reconciliation of Cash

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the statement of financial position as follows:

Cash and cash equivalents	924,582	1,168,824
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b. Reconciliation of Cash Flow from Operations with Profit from ordinary activities after income tax

Profit from ordinary activities after income tax	244,933	525,018
Non-cash flows in profit from ordinary activities:		
— Depreciation	847,857	813,802
— Loss/(Profit) on disposal of plant and equipment	20,208	47,814
Changes in assets and liabilities, net of the effects of purchase and disposals of subsidiaries		
Decrease/(Increase) in receivables	(8,837)	(5,026)
Decrease/(Increase) in prepayments	(91,684)	(6,160)
Decrease/(Increase) in inventories	(46,405)	2,147
(Decrease)/Increase in payables	28,750	(17,487)
(Decrease)/Increase in provisions	15,063	2,239
Cash flows from operations	<u>1,009,885</u>	<u>1,362,347</u>

c. Non-Cash Financing and Investing Activities

The company did not have any non-cash transactions during the year.

EAST CESSNOCK BOWLING CLUB LTD
ABN 59 000 835 923
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 JUNE 2019

NOTE 20: RELATED PARTY TRANSACTIONS

The company's main related parties are as follows:

a. Key Management Personnel of the Club

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including any Director (whether executive or otherwise) of the company, is considered key management personnel. Refer to Note 4.

b. Other Related Parties of the Company

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

Transactions and Outstanding Balances with Related Parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. There were no related party transactions during the year.

NOTE 21: COMPANY DETAILS

The registered office of the company is: Neath Street Cessnock NSW

The principal place of business is: Neath Street Cessnock NSW

The principal activities of the company are a registered licensed bowling club.

NOTE 22: LEASEHOLD PROPERTY

The company has a perpetual lease arrangement with the Department of Land and Water Conservation for the land occupied by the club building and the bowling greens. The land occupied by the adjoining carpark is owned freehold by the company. During the year the company paid rent to the Department of Land and Water Conservation of \$29,936.

NOTE 23: FUTURE DEVELOPMENTS

The company is currently in negotiations for the sale of the Motel.

DIRECTORS' DECLARATION

The directors of the company declare that:

1. the financial statements and notes, as set out on pages 6 to 26 are in accordance with the Corporations Act 2001:
 - (a) Comply with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Regulations 2001; 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



Dated this 30th Day of October 2019

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF EAST CESSNOCK BOWLING CLUB LTD

Opinion

I have audited the financial report of East Cessnock Bowling Club Ltd, which comprises the statement of financial position as at 30th June 2019 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors declaration.

In my opinion, the financial report of East Cessnock Bowling Club Ltd has been prepared in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the company's financial position as at 30th June, 2019, and of its financial performance for the year then ended; and
- (b) complying with the Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Regulations 2001.

Basis for Opinion

I have conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial Reports section of my report. I am independent of the registered entity in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my 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 East Cessnock Bowling Club Ltd, would be in the same terms if given to the directors as at the time of this audit report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF EAST CESSNOCK BOWLING CLUB LTD

Responsibilities of Directors and Those Charged with Governance for the Financial Report

Directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, and the Corporations Act 2001, and for such internal control as Directors determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, where due to fraud or error.

In preparing the financial report, 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 Directors either intends to liquidate the company or cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

My objectives are to obtain reasonable assurance that 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 my 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.

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

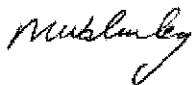
- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF EAST CESSNOCK BOWLING CLUB LTD

Auditor's Responsibilities for the Audit of the Financial Report (cont'd)

- Obtaining an understanding of internal control relevant to the audit in order to design and audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by directors.
- Conclude on the appropriateness of the directors entity's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast a significant doubt on the company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



MARK WALMSLEY

Mark Walmsley

Date 30th October 2019
16 Dunbar Street
STOCKTON NSW 2295

EAST CESSNOCK BOWLING CLUB LTD
ABN 59 000 835 923

COMPILATION REPORT TO EAST CESSNOCK BOWLING CLUB LTD

On the basis of the information provided by the directors of East Cessnock Bowling Club Ltd, we have compiled, in accordance with APS 9: Statement of Compilation of Financial Reports the special purpose financial report consisting of the profit and loss account, bar trading account, poker machine trading account and motel trading account for year ended 30 June 2019.

The specific purpose for which the special purpose financial report has been prepared is to provide private information to the directors. The extent to which Accounting Standards and other mandatory professional reporting requirements have not been adopted in the preparation of the special purpose financial report is set out in Note 1.

The company's directors are solely responsible for the information contained in the special purpose financial report and have determined that the accounting policies used are consistent and are appropriate to meet the needs of the directors.

Our procedures use accounting expertise to collect, classify and summarise the financial information which the directors provided into a financial report. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

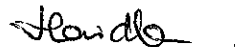
To the extent permitted by law, we do not accept liability for any loss or damage which any person other than the entity may suffer arising from any negligence on our part. No person should rely on the special purpose financial report without having an audit or review conducted.

The special purpose financial report was prepared exclusively for the benefit of the company. We do not accept responsibility to any other person for the contents of the special purpose financial report.

PO Box 379
CESSNOCK NSW 2325

Dated 30th October 2019

LIDLAW & ASSOCIATES



Joanne Laidlaw

EAST CESSNOCK BOWLING CLUB LTD
ABN 59 000 835 923

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
INCOME		
Gross profit on trading	2,330,232	2,510,856
TAB commission	43,265	40,515
Commission received	59,393	57,290
Keno commission	107,992	119,721
Interest received	697	408
Rent received	48,912	45,076
Green fees	5,234	9,147
Sundry income	13,690	19,528
GST rebate	17,180	17,180
Membership fees	22,799	22,564
Raffle and housie	449,326	452,283
Wage subsidy	6,500	17,573
Sponsorship income	-	945
Sale of bowls equipment	1,426	1,265
Dividends received	8,739	3,689
Insurance recovery	-	38,951
Total Income	3,115,385	3,356,991
LESS: EXPENSES		
Accountancy and auditing fees	36,500	31,000
Bank charges	4,770	5,205
Bowls expenses	57,420	38,032
Cleaning	137,438	135,516
Concerts, dances and entertainment	119,553	125,171
Directors out of pocket expenses	17,487	17,414
Depreciation	539,120	503,968
Donations and sponsorship	14,306	4,039
Electricity and gas	135,027	135,964
General expenses	3,855	28,718
Green maintenance	1,337	7,073
Insurance	156,346	108,343
Interest and borrowing costs	34,220	29,148
Keno maintenance and stationery	10,729	13,442

This Revenue Account does not form part of the audited financial report and should be read
 In conjunction with the attached compilation report.

EAST CESSNOCK BOWLING CLUB LTD
ABN 59 000 835 923

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
LESS: EXPENSES (Cont'd)	\$	\$
Land tax	16,234	14,574
Legal expenses	5,726	-
Loss on disposal of assets	20,208	47,814
Members amenities and promotions	96,646	81,346
Motor vehicle expenses	7,463	8,303
Payroll tax	6,322	9,956
Printing, stationery and advertising	111,937	106,341
Provision for employee leave	(3,033)	34,058
Provision for members draws	200	1,100
Raffles and housie	505,934	548,863
Rates and taxes	74,011	57,230
Reception contractor	43,880	46,090
Rent	29,936	29,641
Repairs and maintenance	185,109	182,211
Security costs	9,716	10,970
Staff training and uniforms	15,808	10,681
Subscriptions and licences	33,541	28,332
Superannuation fund contributions	85,193	88,088
TAB expenses	13,641	13,093
Telephone	24,028	34,725
Wages – administration	176,052	151,559
Wages – greens	30,908	19,709
Wages – building	57,402	54,293
Wages – trainee	35,737	43,186
Wages – reception	19,745	26,777
Total Expenses	<u>2,870,452</u>	<u>2,831,973</u>
OPERATING PROFIT FOR YEAR	<u>244,933</u>	<u>525,018</u>

This Revenue Account does not form part of the audited financial report and should be read
 In conjunction with the attached compilation report.

EAST CESSNOCK BOWLING CLUB LTD
ABN 59 000 835 923
BAR TRADING ACCOUNT FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
Sales	1,042,260	1,088,984
Sales – coffee shop	103,481	93,462
	<u>1,145,741</u>	<u>1,182,446</u>
 Less: Cost of Goods Sold		
Opening stock	42,302	35,586
Purchases	485,119	495,915
Purchases – coffee shop	37,490	41,294
Freight	7,779	8,111
	<u>572,690</u>	<u>580,906</u>
Closing stock	47,566	42,302
	<u>525,124</u>	<u>538,604</u>
Cost of goods sold		
Gross Profit	620,617	643,842
Gross Profit Percentage	54.2%	54.5%
 Less: Direct costs		
Wages	267,380	264,742
Wages – coffee shop	48,389	46,394
Stocktaking expenses	5,091	6,109
Bar maintenance	-	2,762
	<u>320,860</u>	<u>320,007</u>
 Net Profit	<u>299,757</u>	<u>323,835</u>

This Revenue Account does not form part of the audited financial report and should be read in conjunction with the attached compilation report.

EAST CESSNOCK BOWLING CLUB LTD
ABN 59 000 835 923

POKER MACHINE TRADING ACCOUNT FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
Gross poker machine takings	13,843,783	14,309,328
Less: Poker machine payouts	10,111,390	10,451,370
Less: GST on poker machines	339,673	350,992
Net poker machine takings	<u>3,392,720</u>	<u>3,506,966</u>
Less: Direct Costs		
Poker machine maintenance	90,532	85,252
Poker machine community contribution	41,385	67,564
Poker machine tax	570,023	593,355
Provision for DA Com system	(244)	5,024
Provision for link jackpot	11,855	(8,533)
Depreciation – poker machines	282,663	283,917
Data monitoring service	42,726	55,838
State wide link contribution	59,365	18,297
Wages	225,247	224,443
	<u>1,323,552</u>	<u>1,325,157</u>
Net Profit	<u>2,069,168</u>	<u>2,181,809</u>

This Revenue Account does not form part of the audited financial report and should be read
In conjunction with the attached compilation report.

EAST CESSNOCK BOWLING CLUB LTD
ABN 59 000 835 923

MOTEL TRADING ACCOUNT FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
Sales	120,341	208,760
Less: Direct Costs		
Advertising	7,441	12,307
Bank fees	81	553
Cleaning	3,888	16,649
Depreciation	26,074	25,917
Electricity and gas	12,489	12,896
Interest	38,579	47,929
Rates	2,915	13,449
Repairs and maintenance	7,705	9,823
Supplies	-	149
Telephone	1,083	892
Wages	58,778	62,984
	<u>159,035</u>	<u>203,548</u>
Net Profit/(Loss)	<u>(38,693)</u>	<u>5,212</u>

This Revenue Account does not form part of the audited financial report and should be read
In conjunction with the attached compilation report.