

POTTSVILLE BEACH SPORTS

ABN 65 001 888 151

37th Annual Report & Financial Statements

2016 - 2017

Financial Report for the Year Ended 30 June 2017

Chairman's Report

It is my pleasure in presenting my annual report to highlight a number of innovations that have marked another year of trading by the Pottsville Beach Sports Club. The most significant innovation in many years is the establishment of "The Lawn" providing young families much improved access to the Club. This facility was opened on December 19th, capturing Christmas trade, and it was a pleasure to be able to welcome Troy Green, General Manager of Tweed Shire Council, to this event.

We also put in place plans to increase the visibility of the RSL Pottsville & District Sub Branch. You can now see their expanded presence in the foyer. I congratulate them on an outstanding display.

We have always regarded the PBSC as being closely engaged with our Pottsville community and evidence of this lies in our exceeding our obligations under the ClubGRANTS scheme. We made a number of contributions to worthy causes centred on Pottsville and have welcomed the Black Rock Boardriders Club on board. The Tweed Coast Tigers have tripled their number of teams and we remain the longest and largest contributor to the Tigers. Our Cricket Club has also expanded and participation by our touring golfers is only limited by their access to transport.

We have had a successful trading year marked by major investment in "The Lawn" which is being well and truly offset by increased patronage. Patrons of our gaming area will also have noticed our investment in improvements to payment procedures.

There has been a focus on entertainment and there were a number of promotions, Cruise into Summer, the potential \$100,000 giveaway, the Wednesday Combined Super draw which saw our club draw the lucky winner on two occasions; several Dinners and Shows were popular. The Fishing Classic was also a roaring success as was the Food Van event. I congratulate Michael and his team on their efforts in every aspect of making the Club such a popular and comfortable venue.

I thank those members who billeted evacuees during the floods arising from cyclone Debbie. The Club is a formally designated Emergency Evacuation Centre and we remain ever-ready to fulfil our obligations in this regard.

I congratulate all members of affiliates who met with success during the year, in particular our bowlers, and in closing I offer condolences to all the friends and families who lost members.

Bill Brodie
Chairman
Pottsville Beach Sports Club

General Managers Report – 2017

Dear Members

It gives me great pleasure in presenting to the members of the Pottsville Beach Sports Clubs our 37th Annual Report for the year ending 30th June 2017.

The past year has gone by so fast and it only feels like yesterday I was writing this report. The club has been trading very strong since the opening of the Lawn back in December 2016 with bar trading up by 140K year to date. The 2016/2017 financial accounts show a trading deficit of \$(21,300.00) after depreciation and this result is a combination of downturn in gaming income, a higher depreciation cost from the Lawn build and new systems and hardware installation for gaming. The Board of Directors and Management are now focused on debt reduction, continuing to improve our gaming technology and the commitment to the members and community for a well structure and clean inviting club through our repairs and maintenance programs.

As most members would have noticed with our Lawn Bar, we have a new format in draught beers with **Derick Lawson our Cellarman and Justin Lee Duty Manager have been changing things around to give members a chance to sample new creative craft beers from around our regions. All this is available to members at very reasonable prices too, I'm sure you will find one that is pleasing to your taste buds.**

It was most pleasing to see both our Men's and Ladies make the NSW state pennants Finals in August this year, it was unfortunate we didn't come away with the win but it was a damn good effort from all involved.

The Club would also not be the fantastic venue it is today without the hard work and dedication from our fantastic staff. Thank you to our frontline management team, led by Anna Boag and Justin Lee, bar Supervisors April Foster, Amelia Best and Peter Blake, who always do an amazing job. Thank you to Paul Earl our Head Greenkeeper and Darcy Earl our Apprentice Green Keeper, for their continued efforts in delivering premium quality greens and surrounds.

It is with great pleasure, that we have provided ongoing community sponsorship to the Tweed Coast Tigers AFL Club, Pottsville Cricket Club and Pottsville Hockey Club. We have also assisted many other local sportsmen and women to fulfil their sporting commitments. In addition to this, we were actively involved in ClubGRANTS sponsoring local organisations such as Kamilaroi, Pottsville Men's Shed, Tweed Coast Rural Fire Brigade and the Salvation Red Shield Appeal for a total amount of \$8,170.00

Coolamon Restaurant has had a wonderful year providing our members and guests with great quality meals, and this plays a pivotal role in maintaining a successful club. Mitch and Suzie will be looking for an even stronger 2018.

I would also like to thank our very dedicated Board of Directors who have all been very committed to the ongoing success of the Club during a very productive year. I am looking forward to 2018 in what I hope to be a very successful year.

Michael Judd
General Manager

The short term strategy for the Club is to continue to work towards reducing current debt levels within a reasonable time frame whilst maintaining facilities and amenities that service the needs of our diverse membership and local community. To improve our gaming facilities within the club. The Club will continue to promote and support local sporting organisations and social activities and ensure we continue to maximise the clubs exposure and involvement within our community.

POTTSVILLE DISTRICT BOWLS AND SPORTS CLUB LIMITED

ABN 65 001 888 151

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

DIRECTORS' REPORT

Your directors present this report on the entity for the financial year ended 30 June 2017.

Directors

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

William Brodie	Coral Withers
John R Morris	Lucille Downward
Philip Bennett	Andrew Browne
Heather Woodbridge	Narelle Tait (resigned 30/10/2016)
Debra Goyen	Catriona Moir (appointed 30/10/2016; resigned 06/06/2017)

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 are that of a Licensed Bowls and Sports Club.

Short-term and Long-term Objectives

The long term strategic objective of Pottsville Beach Sports Club is to conduct its business in a sound and responsible manner ensuring continued relevance to the membership and community and providing facilities and amenities that improve the financial and future viability of the Club. This commitment also includes a focus on becoming a pivotal part of the local community and continuing to offer first class bowling greens and facilities for our members.

Strategies

The primary strategies to achieve the Club's objectives are through sound financial management and the use of other business tools to ensure plans, budgets and cash flow projections are current and relevant. The business activities are managed in a pro-active manner to ensure that the goals, objectives and business strategies are achieved. The Board of Directors are actively involved in all aspects of planning for the Club and the Board of Directors and Management will continue to work together to ensure we create a solid position our Club for the future.

POTTSVILLE DISTRICT BOWLS AND SPORTS CLUB LIMITED**ABN 65 001 888 151****FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30 JUNE 2017****INFORMATION ON DIRECTORS**

NAME	OCCUPATION	QUALIFICATIONS AND EXPERIENCE	SPECIAL RESPONSIBILITY
William Brodie	Retired	Executive/Coles Myer Group 1990 Cert/Management Monash Uni	Finance/Entertainment /Gaming Committee
John Morris	Owner/Operator of Contract Mowing/Landscaping business	NSW Police Force; Owner/Operator of Hotel; Owner/Operator of Bottle Shop; Involved with the Pottsville Cricket Club for over 21 years	Finance/Building
Heather Woodbridge	Retired	Diploma of Education Kawana International Motor- Inn/Tour Director Woodbridge Tours	Gaming/Finance
Narelle Tait (resigned 30/10/16)	Retired	Trained Nursing Sister	Greens Liaison Officer
Lucille Downward	Physiotherapist	Physiotherapist practice 16 years. Treasurer Playtime Preschool. Treasurer Broken Hill Hockey	Building/Gaming/ Finance Committee
Debra Goyen	Admin/Manager Education Department	Department of Education Treasurer of SASSPA (School Support) Member Lions Club of Tweed Coast South	WH&S/Disciplinary/ Finance Committee
Catriona Moir (appointed 30/10/16; resigned 06/06/17)	Retired	Industrial catering as a restaurant manager; Instructor in the U.K.'s first call centre	Greens Liaison Officer
Andrew Browne	Retired	Dip. Teaching; Grad Dip Ed Studies; JP; Assistant Principal Primary; Past Director of Albion Park RSL Club	Disciplinary Committee, Sponsorship Liaison/ Finance
Coral Withers	Retired	Custom Credit; Branch Control Officer (Finance); held QLD Liquor Licence 1994-1999 (Hotel Charleville)	WH&S/Disciplinary Committee
Philip Bennett	Retired	Train driver; Past committee member Springwood Bowling Club	Building Committee/Greens Liaison Officer

ABN 65 001 888 151**FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30 JUNE 2017**

Meeting of Directors

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

Name	ORDINARY MEETINGS		SPECIAL MEETINGS		FINANCE AND AUDIT COMMITTEE MEETINGS		SPECIAL FINANCE MEETINGS	
	Number Eligible to attend	Number attended	Number Eligible to attend	Number attended	Number Eligible to attend	Number attended	Number Eligible to attend	Number attended
William Brodie	12	12	3	3	12	12	3	3
John Morris	12	12	3	3	10	10	3	3
Heather Woodbridge	11	11	3	3	10	10	3	3
Catriona Moir(appointed 30/10/16; resigned 6/6/17)	6	6	2	2	1	1	2	2
Lucille Downward	11	11	2	2	10	10	2	2
Debra Goyen	11	11	3	3	7	7	3	3
Philip Bennett	10	10	2	2	2	2	2	2
Andrew Browne	11	11	3	3	11	11	3	3
Coral Withers	11	11	2	2	2	2	2	2

The Club is incorporated under the Corporations Act 2001 and is a Company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the entity. At 30 June 2017, the total amount that members of the company are liable to contribute if the company is wound up is \$71,480 (2016: \$58,580).

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2017 has been received and can be found on page 5 of the financial report.

Signed at Pottsville
this 27th day of September 2017
in accordance with a resolution
of the Board of Directors:

.....
William Brodie
Chairman

POTTSVILLE DISTRICT BOWLS AND SPORTS CLUB LIMITED**ABN 65 001 888 151****FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30 JUNE 2017****DIRECTORS' DECLARATION**

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 8 to 26, are in accordance with the Corporations' Act 2001 and:
 - (a) comply with Australian Accounting Standards – Reduced Disclosure Requirements; and
 - (b) give a true and fair view of the financial position as at 30 June 2017 and of the performance for the year ended on that date.

2. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Dated this 27th day
of September 2017 at
Pottsville

.....
William Brodie
Chairman

POTTSVILLE DISTRICT BOWLS AND SPORTS CLUB LIMITED**ABN 65 001 888 151****FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30 JUNE 2017****AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C
OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF
POTTSVILLE DISTRICT BOWLS AND SPORTS CLUB LTD**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2017 there have been:

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

21 September 2017

107-111 Main Street
MURWILLUMBAH NSW 2484

GRANT & BRADY

.....
Peter Rhys Grant
Partner
and Registered Company Auditor

ABN 65 001 888 151**FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30 JUNE 2017****INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS****Report on the Audit of the Financial Report****Opinion**

We have audited the financial report of Pottsville District Bowls and Sports Club Ltd (the company), which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of Pottsville District Bowls and Sports Club Ltd is in accordance with the Corporations Act 2001, including:

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

Basis for Opinion

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

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

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

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the company's annual report for the year ended 30 June 2017, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

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

POTTSVILLE DISTRICT BOWLS AND SPORTS CLUB LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS (cont.)

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the 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.

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

27th September 2017

107-111 Main Street
MURWILLUMBAH NSW 2484

GRANT & BRADY

.....
Peter Rhys Grant
Partner
and Registered Company Auditor

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME**FOR THE YEAR ENDED 30 JUNE 2017**

	2017	2016
	-----	-----
Sales revenue	1,212,105	1,081,754
Cost of sales	(527,271)	(447,791)
	-----	-----
Gross Profit	684,834	633,963
	-----	-----
Poker Machines – Net Revenue	1,310,335	1,339,077
Other income	392,115	344,429
Employee benefits expense	(970,267)	(880,322)
Other expenses	(1,222,690)	(1,214,616)
	-----	-----
Earnings before interest, tax, depreciation and amortisation (EBITDA)	194,327	222,531
	-----	-----
Interest	(38,030)	(35,479)
Taxes - Income tax expense/(benefit) (Note 4)	-	-
Depreciation & amortisation expense	(177,597)	(164,360)
	-----	-----
Profit/(Loss) for the year (Notes 2 & 3)	(\$21,300)	\$22,692
	=====	=====
Other Comprehensive Income after income tax		
	-----	-----
Other Comprehensive Income for the Year, net of tax	-	-
	-----	-----
Total Comprehensive Income/(Loss) for the Year (Note 20)	(\$21,300)	\$22,692
	=====	=====
Profit/(Loss) attributable to members of the company	(21,300)	22,692
Total comprehensive income/(loss) attributable to members of the company	(21,300)	22,692

The accompanying notes form part of these financial statements.

9		2017	2016
		-----	-----
CURRENT ASSETS			
Cash and cash equivalents	(Note 6)	203,415	267,726
Trade & other receivables	(Note 7)	10,279	2,686
Inventories	(Note 8)	38,993	39,179
Other current assets	(Note 9)	84,781	18,567
		-----	-----
TOTAL CURRENT ASSETS		337,468	328,158
		-----	-----
NON-CURRENT ASSETS			
Property, plant and equipment	(Note 10)	4,167,463	4,102,725
Intangible Assets	(Note 11)	247,298	247,298
		-----	-----
TOTAL NON-CURRENT ASSETS		4,414,761	4,350,023
		-----	-----
TOTAL ASSETS		4,752,229	4,678,181
		-----	-----

POTTSVILLE DISTRICT BOWLS AND SPORTS CLUB LIMITED

ABN 65 001 888 151

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2017

CURRENT LIABILITIES			
Trade and other payables	(Note 12)	303,212	292,500
Borrowings	(Note 13)	898,436	134,867
Short-term provisions	(Note 14)	-	-
Other current liabilities	(Note 15)	18,961	16,265
		-----	-----
TOTAL CURRENT LIABILITIES		1,220,609	443,632
		-----	-----
NON-CURRENT LIABILITIES			
Borrowings	(Note 13)	1,112	683,592
Long-term provisions	(Note 14)	6,889	6,038
		-----	-----
TOTAL NON-CURRENT LIABILITIES		8,001	689,630
		-----	-----
TOTAL LIABILITIES		1,228,610	1,133,262
		-----	-----
NET ASSETS		\$3,523,619	\$3,544,919
		=====	=====
EQUITY			
Retained earnings	(Note 20)	1,889,654	1,910,954
Reserves	(Note 16)	1,633,965	1,633,965
		-----	-----
TOTAL EQUITY		\$3,523,619	\$3,544,919
		=====	=====

The accompanying notes form part of these financial statements.

ABN 65 001 888 151**STATEMENT OF CHANGES IN EQUITY****FOR THE YEAR ENDED 30 JUNE 2017**

	Retained Earnings	Revaluation Surplus	Total
Balance at 1 July 2015	1,888,262	1,633,965	3,522,227
	-----	-----	-----
Comprehensive Income Profit for the year	22,692	-	22,692
Other comprehensive income for the year	-	-	-
	-----	-----	-----
Total comprehensive income for the year attributable to members of the Company	22,692	-	22,692
	-----	-----	-----
Balance at 30 June 2016	\$1,910,954	\$1,633,965	\$3,544,919
	=====	=====	=====
Comprehensive Income Profit/(Loss) for the year	(21,300)	-	(21,300)
Other comprehensive income for the year	-	-	-
	-----	-----	-----
Total comprehensive income/ (loss) for the year attributable to members of the Company	(21,300)	-	(21,300)
	-----	-----	-----
Balance at 30 June 2017	\$1,889,654	\$1,633,965	\$3,523,619
	=====	=====	=====

Asset Revaluation Reserve:

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

The accompanying notes form part of these financial statements.

11	2017	2016
	-----	-----
CASH FLOW FROM OPERATING ACTIVITIES		
Receipts from customers	3,173,756	3,041,452
Payments to suppliers, employees and patrons	(3,038,791)	(2,695,258)
Finance Costs	(38,030)	(35,479)
	-----	-----
Net cash generated from operating activities	96,935	310,715
	-----	-----
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from sale of plant & equipment	-	24,000
Purchase of property, plant and equipment	(369,639)	(226,247)
	-----	-----
Net cash flow used in investing activities	(369,639)	(202,247)
	-----	-----
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings	217,268	-
Repayment of borrowings	(8,875)	(79,759)
	-----	-----
Net cash generated from/(used in) financing activities	208,393	(79,759)
	-----	-----
Net increase (decrease) in cash held	(64,311)	28,709
Cash and cash equivalents at beginning of the financial year	267,726	239,017
	-----	-----
Cash and cash equivalents at the end of the financial year (Note 6)	\$203,415	\$267,726
	=====	=====

POTTSVILLE DISTRICT BOWLS AND SPORTS CLUB LIMITED

ABN 65 001 888 151

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2017

NOTES TO THE CASH FLOW STATEMENT

(a) Credit Standby Arrangements

The club has credit standby facilities in place as follows:-

1. A charge card facility of \$30,000.
2. A BetterBusiness loan facility of \$1,220,000. As at 30/6/17 \$368,106 remained unused.

(b) Non-cash financing and investing activities

Property, plant and equipment:

In the current and previous years the Club acquired plant & equipment by means of monthly payments. For the year ended 30 June 2017, the total amount of payments reflected in the cash flow statement totalled (\$8,875).

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS**FOR THE YEAR ENDED 30 JUNE 2017****NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****Basis of Preparation**

Pottsville District Bowls and Sports Club Ltd applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

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

The financial statements, except for the cash flow information, 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. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on 4 October 2017 by the directors of the company.

Accounting Policies**(a) Property, Plant & Equipment**

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

Property

Freehold land and buildings are shown at their fair value based on periodic, but at least triennial, valuations by external independent valuers, plus additions at cost, less subsequent depreciation for buildings.

In periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct directors' valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

NOTES TO THE FINANCIAL STATEMENTS**FOR THE YEAR ENDED 30 JUNE 2017 (CONT'D)****Property (cont.)**

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

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

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

Plant and Equipment

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

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

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets but excluding freehold land, is depreciated on either the straight-line or diminishing value basis over the asset's useful life to the company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Class of Fixed Asset	Depreciation Rate
Buildings	2.5 - 10%
Plant and equipment	2.5 - 40%
Leased plant and equipment	15%
Poker machines	20%
Motor Vehicles	18.75%

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

NOTES TO THE FINANCIAL STATEMENTS**FOR THE YEAR ENDED 30 JUNE 2017 (CONT'D)****Depreciation (cont.)**

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(b) Inventories

Inventories comprise stock for resale and are measured at the lower of cost and net realisable value.

(c) Employee Benefits**Short-term employee benefits**

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled. The company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

The company classifies employees' long service leave and annual leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. The provisions are calculated in accordance with the regulations of the Club Employees (State) Award and associated Acts. Australian Accounting Standard AASB 119 has not been applied in calculating the long service leave provision, as the financial statements are not affected materially by the difference in methods. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense. The company's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current liabilities.

Retirement benefit obligations**Defined contribution superannuation benefits**

All employees of the company receive defined contribution superannuation entitlements, for which the company pays the fixed superannuation guarantee contribution (currently 9.25% of the employee's average ordinary salary) to the employee's superannuation fund of choice. All contributions in respect of employees' defined contribution entitlements are recognised as an expense when they become payable. The company's obligation with respect to employees' defined contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the company's statement of financial position.

(d) Income Tax

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

NOTES TO THE FINANCIAL STATEMENTS**FOR THE YEAR ENDED 30 JUNE 2017 (CONT'D)****(e) Leases**

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

Finance leases are capitalised, recognising an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the company will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

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

(f) Impairment of Assets

At the end of each reporting period, the entity 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 amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116: Property, Plant and Equipment). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

(g) Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(h) Cash and Cash Equivalents

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

(i) Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

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

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

Donations and bequests are recognised as revenue when received.

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

ABN 65 001 888 151**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30 JUNE 2017 (CONT'D)****(j) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

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

(k) Comparative Figures

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

(l) Trade and Other Payables

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

(m) Intangibles**Poker Machine Entitlements**

Poker machine entitlements are recognised at cost. They have an indefinite life and no amortisation has been calculated.

(n) Financial Instruments**Initial recognition and measurement**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (ie trade date accounting is adopted). Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified "at fair value through profit or loss" in which case transaction costs are recognised immediately as expenses in profit or loss.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- (i) the amount at which the financial asset or financial liability is measured at initial recognition;
- (ii) less principal repayments;
- (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and
- (iv) less any reduction for impairment.

ABN 65 001 888 151**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30 JUNE 2017 (CONT'D)****Financial Instruments (cont)**

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

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

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

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iv) Available-for-sale financial assets

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any remeasurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

ABN 65 001 888 151**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30 JUNE 2017 (CONT'D)****Financial Instruments (cont)****(v) Financial liabilities**

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance accounts.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition

Financial assets are derecognised when the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged or cancelled, or have expired. The difference between the carrying amount of the financial liability, which is extinguished or transferred to another party, and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS**FOR THE YEAR ENDED 30 JUNE 2017 (CONT'D)****(o) 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 Clubs real property at Pottsville is shown at a valuation completed in 2014 and adopted by the Board on 30 June 2014.

(p) Special Interest Groups (SIG's)

The net profit or loss from the operations of the Pottsville Pirates and Men's & Women's Bowls Clubs have been included in the profit for the year.

(q) Fair Value of Assets and Liabilities

The company measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

"Fair value" is the price the company would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data

To the extent possible, market information is extracted from the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability). In the absence of such a market, market information is extracted from the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (if any) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

ABN 65 001 888 151NOTES TO THE FINANCIAL STATEMENTSFOR THE YEAR ENDED 30 JUNE 2017 (CONT'D)

	2017	2016
	-----	-----
2. REVENUE AND OTHER INCOME		
Revenue		
Sales Revenue		
- Catering & Beverages	1,212,105	1,081,754
	-----	-----
Total Sales Revenue	1,212,105	1,081,754
Other Revenue		
- Poker Machine Net Revenue	1,310,335	1,339,077
- Bingo	19,639	19,017
- Sub-Clubs - Green fees	33,220	31,981
- Subscriptions	12,031	10,609
- Commissions - Keno	44,918	43,248
- Other	51,743	47,841
- Raffle income	62,861	58,517
- Sundry	167,703	133,216
	-----	-----
Total revenue and other income	\$2,914,555	\$2,765,260
	=====	=====

3. PROFIT FOR THE YEAR

Significant Revenue and Expenses:-

Cleaning & waste removal	68,359	64,675
Electricity & gas	92,480	92,852
Entertaining expenses	96,446	104,664
Repairs & maintenance	102,247	111,450
Sub-Club Expenses	91,793	94,532
Bad Debts	-	8,175

4. INCOME TAX EXPENSE

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

5. SECURED LOANS

At balance date the Commonwealth Bank held security by way of a registered first mortgage over the Club land and buildings. This secures a loan of \$851,894 (refer Note 13). This loan is for a term of 3 years ending on 5 January 2018 and is on an interest only basis. Interest is paid monthly. Principal repayments are made at the Board's discretion.

ABN 65 001 888 151NOTES TO THE FINANCIAL STATEMENTSFOR THE YEAR ENDED 30 JUNE 2017 (CONT'D)

	2017 -----	2016 -----
6. CASH AND CASH EQUIVALENTS		
Cash at bank and on hand	198,415	262,726
Cash Deposit – TAB	5,000	5,000
	-----	-----
Total Cash and Cash Equivalents	\$203,415 =====	\$267,726 =====
7. TRADE AND OTHER RECEIVABLES		
Trade Receivables	10,279	2,686
Less: Provision for impairment	-	-
	-----	-----
Total Trade Receivables	\$10,279 =====	\$2,686 =====
(i) Provision for Impairment of Receivables		
Current trade receivables are generally on 30-day terms. These receivables are assessed for recoverability and a provision for impairment is recognised when there is objective evidence that an individual trade receivable is impaired.		
8. INVENTORIES		
	2017 -----	2016 -----
Finished goods – bar stock, food, prizes and sundry items	\$38,993	\$39,179
	=====	=====
9. OTHER CURRENT ASSETS		
Prepayments	67,084	16,147
Other Debtors	976	170
Accrued Income	16,721	2,250
	-----	-----
Total other current assets	\$84,781 =====	\$18,567 =====

ABN 65 001 888 151NOTES TO THE FINANCIAL STATEMENTSFOR THE YEAR ENDED 30 JUNE 2017 (CONT'D)

10. PROPERTY, PLANT AND EQUIPMENT	2017	2016
	-----	-----
Land and buildings at fair value:		
- at independent valuation 30/6/2014	3,324,000	3,324,000
- additions since valuation – at cost	166,766	25,430
Less: accumulated depreciation	80,241	52,776
	-----	-----
Total land and buildings	3,410,525	3,296,654
	-----	-----
Plant and equipment:		
- at cost	1,814,436	1,713,430
Less: accumulated depreciation	1,089,572	946,835
	-----	-----
Total plant and equipment	724,864	766,595
	-----	-----
Motor vehicles:		
- at cost	85,562	85,562
Less: accumulated depreciation	53,488	46,086
	-----	-----
Total Motor vehicles	32,074	39,476
	-----	-----
Total property, plant and equipment	\$4,167,463	\$4,102,725
	=====	=====

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment at the beginning and the end of the current financial year:

	Land & Buildings	Plant and Equipment	Motor Vehicle
2017			
Balance at the beginning of the year	3,296,654	766,595	39,476
Additions at cost	141,337	100,998	-
Additions at fair value	-	-	-
Revaluations	-	-	-
Disposals	-	-	-
Depreciation expense	(27,466)	(142,729)	(7,402)
	-----	-----	-----
Carrying amount at the end of the year	3,410,525	724,864	32,074
	=====	=====	=====

An independent valuation of the land and buildings was conducted on 22 January 2014 by Terry O'Rourke who is a certified practising valuer. The valuation at that date was \$3,324,000 and the directors adopted that valuation as at 30 June 2014

ABN 65 001 888 151NOTES TO THE FINANCIAL STATEMENTSFOR THE YEAR ENDED 30 JUNE 2017 (CONT'D)

	2017	2016
	-----	-----
11. INTANGIBLE ASSETS		
Poker Machine Entitlements – at cost	247,298	247,298
	-----	-----
Total Intangible Assets	\$247,298	\$247,298
	=====	=====
	Poker Machine Entitlements	
2017		
Balance at the beginning of the year	247,298	
Additions at cost	-	
Disposals	-	
Amortisation charge	-	

Carrying amount at the end of the year	\$247,298	
	=====	
Gaming Machine Entitlements		
The Gaming Machine Act 2001 has created gaming entitlements for the Club that have a tradeable value. The Club has 47 gaming entitlements. The carrying value of intangible assets represents 10 entitlements which were acquired for consideration. The remaining 37 entitlements had no cost and have not been brought to account. The total 47 poker machine entitlements have a market value of \$376,000 as at 22 January 2014 as per an independent valuation prepared by Terry O'Rourke.		
12. TRADE AND OTHER PAYABLES		
Current Liabilities		
Trade creditors	53,997	100,497
Employee entitlements – annual leave	55,189	48,542
Accrued expenses	163,196	91,244
GST Payable	30,830	52,217
	-----	-----
Total Current Payables	\$303,212	\$292,500
	=====	=====
a) Financial liabilities at amortised cost classified as trade and other payables		
Trade and other payables		
- Total current	303,212	292,500
- Total non-current	-	-
	-----	-----
	303,212	292,500
Less deferred income	-	-
Less employee entitlements – annual and sick leave	55,189	48,542
	-----	-----
Financial liabilities as trade and other payables	\$248,023	\$243,958
	=====	=====

POTTSVILLE DISTRICT BOWLS AND SPORTS CLUB LIMITED

ABN 65 001 888 151

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017 (CONT'D)

		2017 -----	2016 -----
13.	BORROWINGS		
	Current Liabilities		
	Term payment facilities – unsecured	46,542	134,867
	Short-term borrowings - Loan secured (Note 5)	851,894	-
	Total Short-term borrowings	898,436 =====	134,867 =====
	Non-Current Liabilities		
	Long-term borrowings		
	- Term payment facilities - unsecured	1,112	48,966
	- Loan secured (Note 5)	-	634,626
	Total Long-term borrowings	1,112 -----	683,592 -----
	Total Borrowings	\$899,548 =====	\$818,459 =====
	Total secured liabilities (Note 5)	\$851,894 =====	\$634,626 =====
14.	PROVISIONS		
		Long-term Employee Benefits	Total
	Opening balance as at 1 July 2016	6,038	6,038
	Additional provisions raised during the year	851	851
	Amounts used	-	-
	Balance at 30 June 2017	\$6,889 =====	\$6,889 =====
	Analysis of Total Provisions	2017 -----	2016 -----
	Current	-	-
	Non-Current	6,889 -----	6,038 -----
		\$6,889 =====	\$6,038 =====
	Provision for Long-term Employee Benefits		
	A provision has been recognised for employee entitlements relating to long service leave. The measurement and recognition criteria relating to employee benefits have been included in Note 1 to this report.		
15.	OTHER CURRENT LIABILITIES	2017 -----	2016 -----
	Subscription received in advance	18,961 -----	16,265 -----
		\$18,961 =====	\$16,265 =====

POTTSVILLE DISTRICT BOWLS AND SPORTS CLUB LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017 (CONT'D)

	2017	2016
	-----	-----
16. RESERVES		
Revaluation Surplus		
Opening balance	1,633,965	1,633,965
Revaluation increases/(decreases)	-	-
	-----	-----
Closing Balance	\$1,633,965	\$1,633,965
	=====	=====
The revaluation surplus records the revaluations of non-current assets.		
	=====	=====
TOTAL RESERVES	\$1,633,965	\$1,633,965
	=====	=====

17. KEY MANAGEMENT PERSONNEL

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

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

Key management personnel compensation	\$129,827	\$131,570
	=====	=====

18. RELATED PARTY TRANSACTIONS

Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel individually or collectively with their close family members.

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

Transactions with related parties were as follows:

Shane Morris, a sibling of a director, provided maintenance services on the courtesy bus and general manager's vehicle during the year.	875	1,990
	-----	-----
Total Related Party Transactions	\$875	\$1,990
	=====	=====

All transactions made by the directors with the Club are under the same terms and conditions applying to members and other patrons generally.

POTTSVILLE DISTRICT BOWLS AND SPORTS CLUB LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017 (CONT'D)

19. FINANCIAL RISK MANAGEMENT

The company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable and leases.

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

	Note	2017 -----	2016 -----
FINANCIAL ASSETS			
Cash and cash equivalents	6	203,415	267,726
Trade and other receivables	7	10,279	2,686
		-----	-----
Total Financial Assets		213,694	270,412
		=====	=====
FINANCIAL LIABILITIES			
Trade and other payables	12	248,023	243,958
Borrowings	13	899,548	818,459
		-----	-----
Total Financial Liabilities		1,147,571	1,062,417
		=====	=====

20. SPECIAL INTEREST GROUPS (SIG's)

The results achieved by each Club are as follows:

	2017 -----	2016 -----
Net profit/(loss)		
- Men's Bowls Club	3,275	(5,014)
- Women's Bowls Club	(5,180)	(6,411)
- Pottsville Pirates	2,507	(2,255)
	-----	-----
Total profit/(loss) from SIG's	602	(13,680)
	=====	=====

In accordance with Section 41J(2) of the Registered Clubs Act 1976 the core property and non-core property as at 30 June 2017 is provided below. This information does not form part of the audited financial accounts.

Core and Non-Core Property

The Directors consider the Club's defined premises and all of its sporting facilities to be Core Property.

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

1. the defined premises of the club, or
2. any facility provided by the club for the use of its members and their guests, or
3. any other property declared, by resolution passed by a majority of the members present at a general meeting of the ordinary members of the club, to be core property of the club.

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

POTTSVILLE DISTRICT BOWLS AND SPORTS CLUB LIMITED

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CORE AND NON-CORE PROPERTY