

**PUTNEY TENNYSON BOWLING & COMMUNITY CLUB LIMITED**  
**A.C.N. 001 262 228**

**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2011**

BROOKS DEANE & POWNE  
CHARTERED ACCOUNTANTS  
LEVEL 11  
1 MARGARET STREET  
SYDNEY NSW 2000  
TELEPHONE: 9233 6111  
FACSIMILE: 9233 6006

**PUTNEY TENNYSON BOWLING & COMMUNITY CLUB LIMITED**  
**A.C.N. 001 262 228**

**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2011**

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# **PUTNEY TENNYSON BOWLING & COMMUNITY CLUB LIMITED**

## **DIRECTORS REPORT**

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Your directors present their report on the club for the financial year ended 30 June 2011.

### **DIRECTORS**

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

<b><u>Name of Director</u></b>	<b><u>Position Held</u></b>	<b><u>Meeting Attended</u></b>
McWilliam, John	Chairman (10/06 – present)	12
Rust, Ronald	Vice Chairman (07/02 – present)	10
Heyes, Andy	Director (10/09 – present)	12
Davidson, Graham	Director (10/05 – present)	12
Telfer, Ian	Treasurer (10/06 – 09/10)	2
Dunn, Russell	Director (5/10 – 02/11)	7
Papworth, Janine	Director (10/06 – 09/10)	2
Carabetta, Robert	Director (09/10 – present)	5
Aria, Tracey	Director (03/11 – present)	2
Jarvis, Alan	Director (04/11 – present)	3

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

### **OPERATING RESULT**

The operating result of the club for the financial year was a net profit of \$55,257 where as 2010 was a loss of \$32,581. No income tax has been charged or provided for.

### **REVIEW OF OPERATIONS**

The Club returned a profit of \$55,257 for the year representing an increase of \$87,838 over the previous financial year. Income derived from Bar Sales remained stable however a significant reduction in Bar Wages enabled the Bar Trading profit to increase by \$42,555 to \$114,300.

Gross Poker Machine revenue also increased significantly from \$188,185 in 2009 to \$235,889 in the current year.

Total expenditure for the year was remained relatively stable at \$367,338.

### **STATE OF AFFAIRS**

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

### **PRINCIPAL ACTIVITIES**

The principal activities of the club during the financial year were the promotion of the game of lawn bowls and other sporting and recreational activities. No significant change in the nature of this activity occurred during the year.

No significant change in the nature of these activities occurred during the year.

### **SUBSEQUENT EVENTS**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect:

- (i) the operations of the club,
- (ii) the results of those operations,
- (iii) the state of affairs of the club in future financial years.

### **LIKELY DEVELOPMENTS**

The Club will continue to operate in its current format endeavouring to restore the Club to profitability and develop improved facilities for its members.

# PUTNEY TENNYSON BOWLING & COMMUNITY CLUB LIMITED

## DIRECTORS REPORT (CONT'D)

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### NUMBER OF MEMBERS

The number of Members of each class as shown in the Register of Members at 30 June 2011 is:

Full Members - Male	56
Full Members – Female	24
Social Members	652
Total	732

### ENVIRONMENTAL REGULATIONS

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

### DIVIDEND

No dividends have been paid or declared since the start of the financial year.

### SIGNIFICANT CHANGES IN STATE OF AFFAIRS

No significant changes to the clubs state of affairs occurred during the financial year.

### AUDITORS INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out at page 14.

### DIRECTORS' BENEFITS

Since the end of the previous financial year, no director of the club has received or become entitled to receive any benefit, other than:-

- (i) A benefit included in the aggregate amount of emoluments received or due and receivable as shown in the accounts; or
- (ii) The fixed salary of a full-time employee of the club or a related corporation,

By reason of a contract made by the club or a related corporation with the director or with a firm of which he is a member, or with a club in which he has a substantial financial interest.

### INDEMNIFYING OFFICER OR AUDITOR

The club has not, during or since the financial year, in respect of any person who is or has been an officer or auditor of the club or of a related body corporate:

- (i) Indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer or auditor, including costs and expenses in successfully defending any legal proceedings; or
- (ii) Paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer or auditor for the costs or expenses to defend legal proceedings.

Signed in accordance with a resolution of the Board of Directors

.....  
Director - John McWilliam

.....  
Director – Ronald Rust

Signed:  
Sydney

2011

**PUTNEY TENNYSON BOWLING & COMMUNITY CLUB LIMITED**  
**INCOME STATEMENT - YEAR ENDED 30 JUNE 2011**

	Note	2011	2010
Revenue from ordinary activities		742,038	702,894
Depreciation & amortisation expenses	2	(48,382)	(47,295)
Other expenses from ordinary activities		<u>(638,399)</u>	<u>(688,180)</u>
Profit/(Loss) from ordinary activities before tax		55,257	(32,581)
Income Tax Expense Relating to ordinary activities	1(f)	<u>-</u>	<u>-</u>
Net Profit/ (Loss) from ordinary activities after income tax Attributable to member's profit		55,257	(32,581)
Total Changes in equity other than those resulting From transactions with owners as owners		<u>\$ 55,257</u>	<u>\$ (32,581)</u>

The accompanying Notes form part of these financial statements.

**PUTNEY TENNYSON BOWLING & COMMUNITY CLUB LIMITED**  
**STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2011**

	NOTE	2011	2010
<u>CURRENT ASSETS</u>			
Cash and cash equivalents	3	290,179	275,195
Trade and other receivables	4	7,310	11,090
Inventories	5	13,577	10,828
Other assets	6	<u>10,754</u>	<u>13,157</u>
Total Current Assets		<u>321,820</u>	<u>310,270</u>
<u>NON-CURRENT ASSETS</u>			
Property, Plant and Equipment	7	<u>399,879</u>	<u>325,903</u>
Total Non-Current Assets		<u>399,879</u>	<u>325,903</u>
<u>TOTAL ASSETS</u>		<u>721,699</u>	<u>636,173</u>
<u>CURRENT LIABILITIES</u>			
Trade and other payables	8	52,552	37,769
Other liabilities	9	<u>5,736</u>	<u>4,922</u>
Total Current Liabilities		<u>58,288</u>	<u>42,691</u>
<u>NON-CURRENT LIABILITIES</u>			
Trade and other payables	8	<u>14,672</u>	<u>-</u>
Total Non-Current Liabilities		<u>14,672</u>	<u>-</u>
<u>TOTAL LIABILITIES</u>		<u>72,960</u>	<u>42,691</u>
<u>NET ASSETS</u>		<u>648,739</u>	<u>593,482</u>
<u>EQUITY</u>			
Retained Earnings	10	<u>648,739</u>	<u>593,482</u>
<u>TOTAL EQUITY</u>		<u>\$ 648,739</u>	<u>\$ 593,482</u>

The accompanying Notes form part of these financial statements.

**PUTNEY TENNYSON BOWLING & COMMUNITY CLUB LIMITED**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2011**

	Retained Earnings	Asset Revaluation Reserves	Financial Asset Reserve	General Reserves	Total
	\$	\$	\$	\$	\$
<b>Balance at 1 July 2009</b>	626,063	-	-	-	626,063
Profit attributable to members	(32,581)	-	-	-	(32,581)
Transfer to & from reserves - General Reserves	-	-	-	-	-
Sub Total	(32,581)	-	-	-	(32,581)
Dividends paid or proposed for	-	-	-	-	-
<b>Balance at 30 June 2010</b>	593,482	-	-	-	593,482
Shares issued during the year	-	-	-	-	-
Profit attributable to members	55,257	-	-	-	55,257
Revaluation increment (decrement)	-	-	-	-	-
Share of associates revaluation increments	-	-	-	-	-
Sub-total	55,257	-	-	-	55,257
Dividend paid or proposed for	-	-	-	-	-
<b>Balance at 30 June 2011</b>	648,739	-	-	-	648,739

**PUTNEY TENNYSON BOWLING & COMMUNITY CLUB LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2011**

		2011 \$ Inflows (Outflows)	2010 \$ Inflows (Outflows)
<b>Cash Flows from operating activities</b>			
Receipts from customer		1,245,343	1,137,010
Interest Received		11,676	11,687
Payments to Suppliers & Employees		<u>(1,119,676)</u>	<u>(1,167,272)</u>
Net cash provided by (used in) operating activities	12(b)	<u>137,343</u>	<u>(18,575)</u>
<b>Cash Flows from investing activities</b>			
Proceeds from disposal of Property, Plant & Equipment		-	-
Payment for/ (Receipt from) Property, Plant & Equipment		<u>(122,359)</u>	<u>(27,294)</u>
Net cash provided by (used in) operating activities		<u>(122,359)</u>	<u>(27,294)</u>
Net increase/ (decrease) in cash held		14,984	(45,869)
Cash at the beginning of the financial year		<u>275,195</u>	<u>321,064</u>
Cash at the end of the financial year	12(a)	<u>\$ 290,179</u>	<u>\$ 275,195</u>

The accompanying Notes form part of these financial statements.

# PUTNEY TENNYSON BOWLING & COMMUNITY CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

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### 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Putney Tennyson Bowling & Community Club Limited is a club limited by guarantee, incorporated and domiciled in Australia.

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Basis of preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Act 2001.

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

#### Historical Cost Convention

The financial report has been prepared on an accrual basis and is based on historical cost, modified, where applicable, by the measure at fair value of selected non-current assets, financial assets and financial liabilities.

#### Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

##### (a) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on first-in first-out principle, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.

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

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

###### Property

Freehold land and buildings are measured on the fair value basis, being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction.

###### Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure, it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the assets carrying amount or recognised as a separate assets, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the club and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are occurred.

**PUTNEY TENNYSON BOWLING & COMMUNITY CLUB LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011**  
**(CON'T)**

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, are depreciated over their useful lives to the club commencing from the time the asset is held ready for use. Properties held for investment purpose are not subject to depreciation charge. Leasehold improvements are depreciated over the shorter of the 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
Leasehold Improvement	4% - 20%
Plant & Equipment	5% - 50%
Poker Machines	14% - 30%

(c) Employee Benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in provisions with respect to employees services up to the reporting date and are measured at the amounts expected to be paid when liabilities are settled. The provision for Long Service Leave which is not expected to be utilised within next twelve months is shown as a Non-Current Liability. Contributions are made by the company to employee superannuation funds and are charges as expenses when incurred.

(d) Subscription by members

Subscriptions are brought to account when received. The proportion applicable to ensuing year is carried forward as Subscriptions in Advance.

(e) Auditors Remuneration

Has been included in the amounts in the respect of:

	2011	2010
(i) The auditing of the accounts	7,200	7,200
(ii) Other services (Monthly & yearend accounting, taxation services, Secretarial requirements of Corporations Act & other Advisory Services)	<u>800</u>	<u>800</u>
	<u>\$8,000</u>	<u>\$8,000</u>

(f) Income Tax

Putney Tennyson Bowling & Community Club Limited is exempt from income tax under Section 50-45 of the Income Tax Assessment Act 1997 while it operates under its present Constitution.

(g) Investment

Investments brought to account are at cost or at valuation. The carrying amount of investments is reviewed annually to ensure it is not in excess of the recoverable amount of the investment.

(h) Core and Non Core Property

The directors have determined that the Leasehold Improvement including buildings of the Club shall be classified as Core Property in accordance with section 41J of the Registered Clubs Act 1976.

(i) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks with original maturities of three months or less.

**PUTNEY TENNYSON BOWLING & COMMUNITY CLUB LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011**  
**(CON'T)**

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(j) Revenue

Revenue from the rendering of services or the sale of goods is recognised upon the delivery of the service or goods to members or other persons. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial asset. Dividends received are accounted for in accordance with the equity method of accounting.

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

(k) Goods and Services Tax

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. 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.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as a current asset or liability in the statement of financial position.

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

(l) Trade and Other Receivables

Trade debtors and other receivables represent the principal amount due at balance date plus accrued interest and less, where applicable, any unearned income and provisions for doubtful accounts.

(m) Trade and Other Payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 60 days of recognition.

(n) Leases

Leases of assets where substantially all the risk and benefits identical to ownership of the asset, but not legal ownership, are transferred to the entity are classified as finance lease.

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

Lease assets are depreciated on a straight line basis over the shorter of their estimated useful lives of the lease term.

Lease payments for operating leases, where substantially all the risk and benefits remain with the lessor, are charged and as expenses in the periods in which they are incurred. Lease incentives under operating leases are recognised as a liability and amortised on a straight line basis over the life of the lease term.

(o) New standards and Interpretations

AASB 9 Financial Instruments which becomes mandatory for the company's 2013 financial statements could change the classification and measurement of financial assets; and AASB 1053 Application of Tiers of Australian Accounting Standards and Amendments to 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements, which become mandatory for the company's 2014 financial statements, the amendments only affect presentation aspects of the financial statement. The company does not plan to adopt these standards early and the extent of the impact has not been determined.

**PUTNEY TENNYSON BOWLING & COMMUNITY CLUB LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011**  
**(CON'T)**

	2011	2010
<b>2. PROFIT FROM ORDINARY ACTIVITIES</b>		
Profit from ordinary activities before income tax expense has been determined after:		
(a) Expenses:		
Amortisation of leasehold improvements	21,267	19,440
Depreciation of property, plant & equipment	27,115	27,855
Remuneration of auditor	<u>8,000</u>	<u>8,000</u>
<b>3. CASH AND CASH EQUIVALENT</b>		
Cash on hand	10,000	10,000
Cash at bank	53,232	11,730
Keno Clearing Account	-	113
Petty Cash	1,000	-
Keno Cash Float	1,967	2,000
Deposit	<u>223,980</u>	<u>251,352</u>
	<u>290,179</u>	<u>275,195</u>
<b>4. TRADE AND OTHER RECEIVABLES</b>		
Sundry Receivables	<u>7,310</u>	<u>11,090</u>
	<u>7,310</u>	<u>11,090</u>
<b>5. INVENTORIES</b>		
Stock on Hand	<u>13,577</u>	<u>17,175</u>
<b>6. OTHER ASSETS</b>		
Prepayments	<u>10,754</u>	<u>8,690</u>
<b>7. PROPERTY, PLANT &amp; EQUIPMENT</b>		
Leasehold Improvements, at cost	862,067	788,421
Accumulated Depreciation	<u>(556,456)</u>	<u>(535,188)</u>
	<u>305,611</u>	<u>253,233</u>
Plant and Equipment, at cost	228,090	201,802
Accumulated Depreciation	<u>(163,445)</u>	<u>(148,663)</u>
	<u>64,645</u>	<u>53,139</u>
Poker Machines, at cost	279,788	257,362
Accumulated Depreciation	<u>(250,165)</u>	<u>(237,831)</u>
	<u>29,623</u>	<u>19,531</u>
Total Property, plant & equipment	<u>399,879</u>	<u>325,903</u>

**PUTNEY TENNYSON BOWLING & COMMUNITY CLUB LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011**  
**(CON'T)**

	NOTE	2011	2010
<b>8. TRADE AND OTHER PAYABLES</b>			
CURRENT			
GST Payable		1,276	4,633
Sundry Payables		13,665	12,157
Lease Liability	11	14,268	1,874
Provision – Annual Leave		4,382	2,582
Trade Payables		<u>18,961</u>	<u>16,523</u>
		<u>52,552</u>	<u>37,769</u>
NON-CURRENT			
Lease Liability Long Term	11	<u>14,672</u>	<u>-</u>
<b>9. OTHER LIABILITIES</b>			
Subscriptions Paid in Advance		<u>5,736</u>	<u>4,922</u>
<b>10. RETAINED EARNINGS</b>			
Retained earnings at the beginning of the financial year		593,482	626,063
Movement in Retained Earnings		-	-
Net profit/ (loss) attributable to members Of the club		<u>55,257</u>	<u>(32,581)</u>
Retained earnings at the end of the Financial year		<u>\$ 648,739</u>	<u>\$ 593,482</u>
<b>11. CAPITAL AND LEASING COMMITMENTS</b>			
At the end of the financial year the company had the following Outstanding capital commitments:			
Poker Machine			
Current: Within One Year		8,223	-
Non-Current: One year or later and within five years		<u>11,649</u>	<u>-</u>
		<u>19,872</u>	<u>-</u>
Cash Register			
Current: Within One Year		6,045	-
Non-Current: One year or later and within five years		<u>3,023</u>	<u>-</u>
		<u>9,068</u>	<u>-</u>
Equipment			
Current: Within One Year		-	1,874
Non-Current: One year or later and within five years		<u>-</u>	<u>-</u>
		<u>-</u>	<u>1,874</u>

**PUTNEY TENNYSON BOWLING & COMMUNITY CLUB LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011**  
**(CON'T)**

	2011	2010
<b>12. CASH FLOW INFORMATION</b>		
<b>(a) Reconciliation of cash</b>		
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 on Hand	10,000	10,000
Petty Cash	1,000	-
Cash at Bank	55,199	13,843
Funds on deposit	<u>223,980</u>	<u>251,352</u>
	<u>\$ 290,179</u>	<u>\$ 275,195</u>
<b>(b) Reconciliation of cash flow from operations with profit from ordinary activities after income tax</b>		
Profit/ (Loss) from ordinary activities after income tax	55,257	(32,581)
Non-Cash flows in profit from Ordinary activities:		
Amortisation	21,267	19,440
Depreciation	27,115	27,855
(Profit)/Loss on Disposal of Asset	-	-
Prior Year Provision Adjustment	-	-
Changes in Assets & Liabilities		
Decrease / (Increase) in inventories	(2,748)	6,345
Decrease / (Increase) in receivables	1,941	(11,532)
Decrease / (Increase) in prepayments	4,240	4,357
Increase / (Decrease) in creditors	591	(15,289)
Increase / (Decrease) in lease liabilities	27,065	(6,980)
Increase / (Decrease) in provisions	1,800	(8,328)
Increase / (Decrease) in advance subscriptions	<u>815</u>	<u>(1,862)</u>
Cash flow from operations	<u>\$ 137,343</u>	<u>\$ (18,575)</u>

**12. Club Details**

The registered office of the club is:

Putney Tennyson Bowling & Community Club Limited  
68 Frances Road  
Putney NSW 2112

The principal place of business is:

Putney Tennyson Bowling & Community Club Limited  
68 Frances Road  
Putney NSW 2112



**PUTNEY TENNYSON BOWLING & COMMUNITY CLUB LIMITED  
AUDITOR'S INDEPENDENCE DECLARATION**

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I declare that, to the best of my knowledge and belief, during the year ended 30 June 2011 there has been:

- (i) No contraventions of the auditor independence requirement 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.

Signed at Sydney

this day of

2011

**BROOKS, DEANE & POWNE**

Chartered Accountants

.....  
Carl Gilmore– Partner

**PUTNEY TENNYSON BOWLING & COMMUNITY CLUB LIMITED  
INDEPENDENT AUDIT REPORT TO THE MEMBERS OF PUTNEY TENNYSON  
BOWLING & COMMUNITY CLUB**

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**Scope**

We have audited the accompanying financial report of Putney Tennyson Bowling & Community Club Limited, which comprises of the statement of financial position as at 30 June 2011, and the statement of income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant policies and other explanatory notes and the directors declaration.

**Directors Responsibility for the Financial Report**

The directors of the Putney Tennyson Bowling & Community Club Limited are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

**Audit Approach**

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

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

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

**Independence**

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. Auditor Independence Declaration may be found on page 14 of the financial report.

The audit opinion expressed in this report has been formed on the above basis.





**PUTNEY TENNYSON BOWLING & COMMUNITY CLUB LIMITED**  
**INCOME STATEMENT FOR BAR - YEAR ENDED 30 JUNE 2011**

DEPARTMENTAL TRADING, INCOME STATEMENT

<b><u>BAR SALES</u></b>	2011	2010
Bar Sales	422,736	417,307
Less: Cost of Goods Sold		
Opening Stock	10,828	17,175
Bar Purchases	<u>195,287</u>	<u>187,411</u>
	206,115	204,586
Closing Stock	<u>13,577</u>	<u>10,828</u>
	<u>192,538</u>	<u>193,758</u>
Less: Direct Costs		
Bar Expenses	2,707	2,051
Direct Wages	<u>113,191</u>	<u>150,023</u>
	<u>115,898</u>	<u>152,074</u>
GROSS PROFIT/ (LOSS) FROM TRADING	<u>\$ 114,300</u>	<u>\$ 71,745</u>

These financial statements should be read in conjunction with the attached  
 Audit Report of Brooks Deane & Powne - Chartered Accountants

**PUTNEY TENNYSON BOWLING & COMMUNITY CLUB LIMITED**  
**INCOME STATEMENT FOR POKER MACHINES - YEAR ENDED 30 JUNE 2011**

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DEPARTMENTAL TRADING, INCOME STATEMENT

<b><u>POKER MACHINES</u></b>	2011	2010
Poker Machines Receipts	235,889	188,185
Less: Direct Costs		
Interest & Other Charges BOQ Equipment Finance	37	665
Poker Machine Analysis	6,111	6,013
Poker Machines Maintenance	<u>4,859</u>	<u>6,061</u>
	<u>11,007</u>	<u>12,739</u>
<b>GROSS PROFIT/ (LOSS) FROM TRADING</b>	<b><u>\$ 224,882</u></b>	<b><u>\$ 175,446</u></b>

These financial statements should be read in conjunction with the attached  
Audit Report of Brooks Deane & Powne - Chartered Accountants

**PUTNEY TENNYSON BOWLING & COMMUNITY CLUB LIMITED**  
**DETAILED INCOME STATEMENT - YEAR ENDED 30 JUNE 2011**

<u>INCOME</u>	2011	2010
DEPARTMENTAL TRADING PROFIT		
Gross Profit/ (Loss) from Bar Trading	114,300	71,475
Gross Profit/ (Loss) from Poker Machines	224,882	175,446
OTHER INCOME		
Bowls Income	(4,302)	(3,300)
Green Fees	17,886	18,346
Keno Income	6,471	7,729
Interest Received	11,676	11,687
Raffle Income	10,765	23,374
Subscriptions Received	9,455	9,791
Sundry Revenue	<u>31,462</u>	<u>29,775</u>
Total Income	<u>422,595</u>	<u>344,323</u>
EXPENSES		
Advertising	7,187	7,750
Affiliation Fees	4,855	5,679
Amenities	2,510	2,654
Amortisation	21,267	19,440
Auditor Remuneration	8,000	8,000
Bank Charges	3,060	2,308
Cleaning	14,060	24,739
Computer & Administration Expenses	18,206	17,099
Depreciation	27,115	27,855
Donations	79	-
Electricity & Gas	26,064	24,887
Entertainment & Meeting Expenses	4,256	8,429
Foxsports Rental	16,876	16,385
Freight & Cartage	3,732	3,515
General Expenses	2,374	-
Greens Expenses – Contractor	52,000	52,000
Hire of Plant & Equipment	-	399
Insurance	21,437	23,022
Interest Paid	1,398	664
Legal Fees	-	245
Leave – Annual	1,800	(8,328)
Postage & Stationary	5,120	4,262
Promotions	20,709	27,693
Rates & Taxes	11,015	14,827
Rent	17,542	8,706
Repairs & Maintenance	20,182	29,891
Security Costs	777	1,241
Sponsorship	3,521	5,058
Staff Training & Welfare	743	1,691
Subscriptions	2,702	1,433
Superannuation Contributions	10,658	12,382
Telephone	4,666	4,639
Trade Waste	7,657	7,272
Wages – Admin	<u>25,770</u>	<u>20,987</u>
Total Expenses	<u>367,338</u>	<u>376,904</u>
OPERATING PROFIT/(LOSS) BEFORE INCOME TAX	<u>\$ 55,257</u>	<u>\$ (32,581)</u>

These financial statements should be read in conjunction with the attached  
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