

Merimbula-Imlay Bowling Club Ltd
ABN 89 001 064 008



CLUB
Sapphire

MERIMBULA

2013-2014

**ANNUAL REPORT AND
BALANCE SHEET**

CHAIRMAN'S REPORT

This is my fifth year as Chairman of MIBC Ltd. and without a doubt one of the most challenging years for the Club.

The NSW Club Industry is facing very tough times due to the gradual but on going decline in consumer support for traditional club products, such as gaming. This is particularly evident in country and regional areas of the state. 350 NSW Clubs have either closed or amalgamated in the past 10 years and ClubsNSW predicts many more will close or amalgamate in coming years. The Bega Valley will not be exempt from this trend. KPMG advise that based on definitions recommended by IPART, 64% of the remaining NSW clubs are already showing signs of financial distress.



Consistent with these trends, MIBC's gaming revenue has decreased in real terms by approximately 30% in the last 10 years. CPI adjusted figures also show the decline in combined gaming revenue of the four local clubs (MIBC, MRSL, TBCC, PMGC) is approximately 28%, for the same period. For MIBC this means we are operating with \$2.3 million less in gaming revenue per year than we did 10 years ago (CPI adjusted).

Whilst our club is still strong today, it is the future that presents a worrying picture if these trends continue. If the viability of the club declines, unfortunately, so to does its capacity to continue to provide services and facilities as well as employment, at current levels.

Due to its own declining trends, in June 2013 the Merimbula RSL Club Limited published notices calling for Expressions of Interest for an amalgamation partner pursuant to the Registered Clubs Act. In July 2013 the Board of MIBC lodged an Expression of Interest in response to these notices. On 7th August 2013, the RSL Club advised it had selected MIBC as its preferred amalgamation partner and wished to negotiate toward that outcome.

After 12 months of negotiations, the Boards of the two clubs reached agreement on the arrangements that would apply if an amalgamation is to proceed. This agreement (or MoU) is in the format required by the Registered Clubs Act and was signed by the two respective Boards on 25th August, 2014. A copy of the MoU, along with information brochures, is available at the Club and on our website. Please take the time to review these documents. This is a vital matter for the long term future of your club.

As with all negotiations, there has to be give and take to achieve agreement. Both Boards approached the negotiations in good faith and in the best interests of their respective members. Your Board represented MIBC and it's members (bowling, social, etc.) to the best of its ability whilst seeking to strike a deal that will secure the future viability of the club, and therefore its capacity to continue to support its current services at current levels.

At this stage it is expected general meetings will be held at both clubs later this year for members to cast their vote. The Board wholeheartedly recommends the amalgamation to you.

During the year the Board continued work toward the development of our under utilised land assets, including further progress on our draft Masterplan. Whilst this is a long term and slow progressing project, the objective of this work is to ultimately reduce our reliance on gaming revenues.

The Board has performed diligently and continues to work together to achieve these essential outcomes for the future benefit of MIBC. I thank all directors for their contribution.

CHAIRMAN'S REPORT (continued)

I would also like to thank our CEO Damien Foley and Operations Manager Lerrel McDonald and their staff for their continued great work for Club Sapphire. Throughout the year the CEO has had a massive load to carry in seeking to implement the Board's policies and strategies. On behalf of the Board and Members I thank him very much for his vision and dedication.

On the bowling front, congratulations to all Club Champions, men and women, and particularly to our Mens Grade 2 pennant side in winning the Zone 7 Final on their way to the State Finals at Port Macquarie. As expected our boys were up against extremely strong competition at Port Macquarie. They played very well without winning the flag, but are now well positioned to be a force in coming years.

In closing I would like to thank members for their continued support and to particularly pass on my condolences to those members who lost loved ones during the year.

G.G. Hammond

Chairman

16th September, 2014

TREASURER'S REPORT

It is with pleasure that I submit my report on the financial performance of your Club for 2013-2014.

The full audited financial statements are contained within the pages of this Annual Report.

Results from the past reporting period highlight the increasingly challenging times our Club, like many others, is facing. Whilst the golden era for clubs is well and truly over, and the trends in gaming are not encouraging, your club is currently financially sound, generating acceptable cash profits, and with more than \$5 million in the bank.



I would like to highlight the following major points from this year's financial statements.

- The sale of Land Lot 1442 Tura Beach provided a one off "gain on sale" of \$318,587 which is included in the Operating Profit and EBITDA figures for 2013/14.
- Operating Profit for 2013/14 was \$73,953 before tax (previous year \$242,640).
- Operating Profit includes \$1,373,570 depreciation (previous year \$1,327,771).
- EBITDA for 2013/14 was \$1,447,523 (previous year \$1,570,411).
- Net Cash Flow from operating activities was \$1,171,124 (previous year \$1,592,374). The bulk of this decline was in poker machine revenue.
- Net Financial Assets as at 30 June 2014 were \$4,861,360 (\$4,407,035 at June 2013).
- Net Assets, as per the Balance Sheet, at 30 June 2014 was \$15,493,408 (\$15,417,946 on 30 June 2013).
- Members Discount on Bar, Food, and Bowls Shop purchases was \$180,875 (previous year \$182,005).

During the year the Club continued to be a major employer in the Bega Valley Shire and paid \$4,259,722 in employee related expenses. The Club provided \$307,846 (excluding depreciation) to reduce the cost of bowling facilities and activities for members and visitors in 2013/14 and also provided \$207,037 (excluding depreciation) to reduce the cost of catering services for members and visitors.

In closing I would like to thank the management team and staff for their dedication and diligence and also for their support throughout the year.

I. Martin

Treasurer

17th September, 2014

DIRECTORS' REPORT

1. Your Directors present their report on the Company for the financial year ended 30th June, 2014.
2. The names of the Directors in office at any time during or since the end of the year are:
Ian MARTIN
Gary John TELFORD
Gerald George HAMMOND
Terence Anthony KILLEN
Peter MOORE
Ronald James CHRISTIE
Brian John KENNEDY

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

3. **Principal Activities:** The principal activities of the Company during the financial year consisted of the operation and promotion of a licensed club for members of the Company. There were no significant changes to the nature of the activities during the year.
4. **Short Term and Long Term Objectives, Strategies and Reviews:** The primary object of the Company during the financial year was to encourage, foster and promote the game of bowls and other sports as made and determined by the Club from time to time. To support this objective, the Club has a further objective to be recognised as the leading provider of leisure and entertainment on the Sapphire Coast.

Strategies to achieve these objectives:

- Improve the services, facilities and environment so that we are the Club of choice.
- Promote a culture that embraces change, innovation, excellence and modern practices.
- Continue to provide events which are well run and are an enjoyable experience for all.
- Continue to foster strong relationships with all stakeholders to strengthen their support for the Club.
- Maintain a reputation for providing a modern, friendly, and safe experience.
- Foster a "customer first" culture amongst all our staff through the provision of outstanding customer service.
- Diversify our revenue base to reduce our reliance on gaming.

Principal Activities linked to objectives:

The principal activities provided the funding to support the primary objective.

Measurement of Performance:

The company monitors and measures its performance against several key performance indicators including:

- Gross revenues
- Gross profit margins
- Wages as a percentage of revenue
- Total costs
- Net operating profit
- EBITDA
- Capital expenditure to EBITDA
- Current ratio
- Membership trends

5. **Operating Results:** The net profit for the year amounted to \$73,953 before tax.
6. **Dividends Paid or Recommended:** Not applicable as company has no share capital.
7. **Review of Operations:** During the year the Company produced an EBITDA of \$1,447,523. Whilst this result is reasonably comparable to the previous year, a significant decrease in gaming revenue in 2013/14 was partially offset by the one-off proceeds of the sale of Land Lot 1442 Tura Beach.

DIRECTORS' REPORT (continued)

8. **Significant Changes in State of Affairs:** No significant changes in state of affairs of the Company occurred during the year.
9. **Matters Subsequent to the end of the Financial Year:** On 25th August, 2014, the Board of MIBC Ltd signed a Memorandum of Understanding for Amalgamation with the Merimbula RSL Club Ltd. Each company is currently undertaking a Due Diligence process on the other company, and following the successful completion of this process, each will then call a General Meeting of its members to vote on the proposed amalgamation.
10. **Environmental Issues:** The Company is subject to environmental regulations from various authorities. To the best of the directors' knowledge, all activities have been undertaken in compliance with all relevant regulations.
11. **Information on Directors:** The particulars of the qualifications (i), experience (ii), and special responsibilities (iii) of each Director are as follows:

Ronald James CHRISTIE

- (i) Master Butcher for 25 years. Certificate in Horticulture at Burnley College, Melbourne. Managed Surfside Holiday Apartments for 13 years. Retired.
- (ii) Committee member of Merimbula Tourism for 12 years. President for 3 years. Accredited Bowls Coach and Umpire for 16 years. Bowling Club Match Committee for 14 years and 5 years as Bowls Secretary.
- (iii) Elected to the Board in October 2007. Currently Deputy Chairman and Chair of Building and Land Development Committee and Bowls Membership Taskforce and member of Executive and Rules and Disciplinary Committee.

Gerald George HAMMOND

- (i) Proprietor of family business for 31 years. Fashion agencies and curtain manufacturing to the retail industry, including Special Interior Decorators.
- (ii) Member of MIBC Social Committee for 2 years and 50th Anniversary Celebrations Committee. Represented 1st Eleven Melbourne Cricket Club for eleven years. Assistant coach for 2 years and player for 24 years.
- (iii) Elected to the Board in September 2006. Currently Chairman of the Board and Executive Committee.

Brian John KENNEDY

- (i) Retired. 21 years with a major bank. Proprietor of successful family business before working with Australian Hosiery Company.
- (ii) Club member since 1998. Served on all Bowling Committees. President Men's Bowling Club for 3 years.
- (iii) Elected to the Board in September 2006. Currently member of Finance Committee and Building and Land Development Committee and Greens Director.

Terence Anthony KILLEN

- (i) Owned and operated Importing Clothing Company before retiring in 1992.
- (ii) President Vermont Cricket Club for 5 years, consisting of 6 senior and 6 junior sides. Served 3 years on Victoria's Father of the Year Council.
- (iii) Elected to the Board in January 2012. Currently Chairman of the Tournament Committee and member of Strategic Planning Committee, member of Rules and Disciplinary Committee and Tournament Director.

DIRECTORS' REPORT (continued)

Ian MARTIN

- (i) Leased public aquatic centre in Sydney for 28 years. Liaised with council on future and present budgets and financial planning.
- (ii) Life member of Ku-ring-gai Swimming Club, former head swimming coach and management committee member for 20 years. Past President of Men's Bowling Club.
- (iii) Elected to the Board in November 2012. Current committee member of Finance Committee and Chair of Rules and Disciplinary Committee.

Peter MOORE

- (i) Carpenter and joiner, licensed builder, Building Clerk of Works. Works Manager for Commonwealth War Graves Commission overseas for 20 years.
- (ii) Member of MIMBC Social Committee and Publicity Officer (2009/10). Secretary/Treasurer of MIMBC Management Committee (2011/12). Community Service Director of Rotary Club of Pambula since 2013 to current.
- (iii) Elected to the Board in November 2012. Current Chair of Strategic Planning Committee, member of Building and Land Development Committee.

Gary John TELFORD

- (i) Retired. Group menswear buyer for Myer, Victoria and Tasmania stores. National buyer for Venture stores. Taxi owner-operator Melbourne.
- (ii) Merimbula Marine Rescue for 18 years, held most positions. Secretary/Treasurer Social golf club 15 years. Secretary Cricket Club for 3 years. Bowls Secretary for 2 years.
- (iii) Elected to the Board in November 2012. Currently Sections Liaison Director and member of Strategic Planning Committee and Bowls Membership Taskforce.

Meetings of Directors: The number of meetings of Directors (including sub-committees) held during the financial year and the meetings attended by each Director were:

<i>Director</i>	Board Meetings		Committee Meetings
	<i>Number attended</i>	<i>Number eligible</i>	<i>Number attended</i>
Christie, R.J.	18	23	24
Hammond, G.G.	23	23	28
Kennedy, B.J.	21	23	21
Killen, T.	19	23	11
Martin, I.	22	23	21
Moore, P.J.	22	23	12
Telford, G.J.	23	23	15

- 12. **Directors' Benefits:** No Director has received, or become entitled to receive, during or since the financial year, a benefit because of a contract made by the Company controlled entity or a related body corporate with the Director, a firm of which a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the Company's accounts.
- 13. **Auditor's Independence Declaration:** The Auditor's independence declaration for the year ended 30th June, 2014 has been received.
- 14. **Members' Details and Guarantee:** The Company is Limited by Guarantee. If the Company is wound up, its Articles of Association state that each member is required to contribute a maximum of \$2.00 towards meeting any outstanding obligations of the Company. As at 30th June, 2014, the number of members was 7,676.

Signed in accordance with a resolution of the Board of Directors.

R.J. Christie

Deputy Chairman

17th September, 2014

DIRECTORS' REPORT (continued)

DECLARATION OF DIRECTORS

The Directors of the Company declare that:

1. The financial statements and notes for the year ended 30th June, 2014, are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Australian Accounting Standards; and
 - (b) give a true and fair view of the financial position of the Company as at 30th June, 2014, and its 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.

R.J. Christie

Deputy Chairman

17th September, 2014

BOARD OF DIRECTORS 2013/2014



Back (from left): Back row: Brian Kennedy, Terrence Killen, Ian Martin, Gary Telford, Damien Foley (CEO); Front row: Peter Moore (Treasurer), Gerry Hammond (Chairman), Ron Christie (Deputy Chairman)

CHIEF EXECUTIVE OFFICER'S REPORT

It is with pleasure I present this report on behalf of the management team.

The Club's financial performance in 2013/14 produced EBITDA of \$1.45million (\$1.57 million in 2012/13) and an Operating Profit of \$73,953 before tax (\$242,640 in 2012/13).

On face value these figures may appear to be fairly solid, however, they do include a gain on sale of \$318,587 from the sale of the vacant block of land at Tura Beach known as Lot 1442. When this one off income is excluded the figures reveal a less pleasing result. This decline in performance is mainly due to a 5.3% or \$300,524 reduction in poker machine revenue and a 3.6% or \$79,056 reduction in bar revenue.



2013/14 was a very challenging year and one which continues to emphasise concern regarding the declining popularity of gaming machines as a form of entertainment.

In last years Annual Report I advised of the 25% decline in the club industry gaming market in Merimbula over the previous 10 years. This decline did not slow during 2013/14 and has now grown to 28%. However, in addition to the overall market decline, MIBC's share of this declining market also slipped marginally in 2013/14 when compared to its main competitors.

Significant improvements were made to our gaming systems in June 2014 which are aimed at assisting the club to retain its market share of gaming revenue. These changes along with a new point of sale system will also improve our capacity to offer members' benefits through a new loyalty system called "Sapphire Rewards".

The Board and management team are very excited about the introduction of Sapphire Rewards. This program will be launched in October 2014. To facilitate this new system the members discount will be reduced to approximately 5% and in return members will earn additional loyalty benefits on all expenditure in the club, not just on food and beverage purchases as applies today. An enhanced members' birthday benefits scheme will also apply including great new monthly prizes. The total cost of this loyalty program will be greater than the cost of the 10% members' discount which applied in 2013/14. However, in the diminishing market we are operating in, member support has never been more important to the Club than now.

A number of minor renovation projects were undertaken during the year including; enlargement of the back of house facilities in Rockpool Café, demolition and removal of the residential building situated on 97 Main Street and improved drainage and conversion to a Tiff Dwarf grass surface on Green No. 2. The bulk of the Club's capital expenditure for the year was once again focused on gaming improvements.

The vote on the proposed amalgamation with the RSL, as outlined in the Chairman's Report, is expected to take place later in the year. Your club is still strong today, with no debt and \$5 million in the bank. However, given the ongoing downward trends in gaming, the club industry's main revenue source, this vote is possibly the most important vote ever undertaken by MIBC for the Club's long term financial sustainability.

Thank you to the Board for your vision and continued support and encouragement of the management team throughout 2013/14.

Thank you to the Club's wonderful team of staff, headed by our Operations Manager Lerrel McDonald, for your continued dedication and loyalty. Club Sapphire is so fortunate to have such a professional and caring team of individuals who are so committed to great customer service. Thank you one and all for your continued contribution.

Many thanks also to all club members for your ongoing support of the Club. Your patronage is vital for the success of the Club and is very much appreciated.

CHIEF EXECUTIVE OFFICER'S REPORT (continued)**EBITDA COMPARATIVE FIGURES:**

	MERIMBULA	TURA	COMPANY
2004/05 Operating Profit (Loss)	\$1,323,148	(\$27,290)	\$1,295,858
Depreciation	\$928,849	\$300,038	\$1,228,887
2004/05 EBITDA*	\$2,251,997	\$272,748	\$2,524,745
2005/06 Operating Profit (Loss)	\$761,875	(\$296,775)	\$465,100
Depreciation	\$926,291	\$366,973	\$1,293,264
2005/06 EBITDA	\$1,688,166	\$70,198	\$1,758,364
2006/07 Operating Profit (Loss)	\$868,582	(\$237,624)	\$630,958
Depreciation	\$931,320	\$371,182	\$1,302,502
2006/07 EBITDA	\$1,799,902	\$133,558	\$1,933,460
2007/08 Operating Profit (Loss)	\$210,250	(\$231,490)	(\$21,240)
Depreciation	\$916,577	\$324,911	\$1,241,488
2007/08 EBITDA	\$1,126,827	\$93,421	\$1,220,248
2008/09 Operating Profit (Loss)	(\$314,370)	(\$65,389)	(\$379,759)
Depreciation	\$969,723	\$301,017	\$1,270,740
2008/09 EBITDA	\$655,353	\$235,628	\$890,981
2009/10 Operating Profit (Loss)	(\$258,195)	(\$102,876)	(\$361,071)
Depreciation	\$1,384,808	\$267,229	\$1,652,037
2009/10 EBITDA	\$1,126,613	\$164,353	\$1,290,966
2010/11 Operating Profit (Loss)	\$227,282	(\$29,391)	\$197,891
Depreciation	\$1,376,884	\$261,246	\$1,638,130
2010/11 EBITDA	\$1,604,166	\$231,855	\$1,836,021
2011/12 Operating Profit (Loss)	(\$235,932)	(\$2,245,382)	(\$2,481,314)
Depreciation	\$1,408,876	\$154,073	\$1,562,949
2011/12 EBITDA	\$1,172,944	(\$2,091,309)	(\$918,365)
2012/13 Operating Profit	\$242,640	–	\$242,640
Depreciation	\$1,327,771	–	\$1,327,771
2012/13 EBITDA	\$1,570,411	–	\$1,570,411
2013/14 Operating Profit	\$73,953	–	\$73,953
Depreciation	\$1,373,570	–	\$1,373,570
2013/14 EBITDA	\$1,447,523	–	\$1,447,523

*(Earnings Before Interest Paid, Tax, Depreciation and Amortisation)

D.C. Foley

Chief Executive Officer

17th September, 2014

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MERIMBULA-IMLAY BOWLING CLUB LIMITED

Report of the Financial Report:

We have audited the accompanying financial report of Merimbula-Imlay Bowling Club Limited, which comprises the statement of financial position as at 30th June 2014, the statement of profit or loss and other 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.

Directors' Responsibility 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 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.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, 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 Company's preparation of the financial report that gives a true and fair view 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. However, our statutory audit does not cover all details of dissection of financial data.

Independence:

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Merimbula-Imlay Bowling Club Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Electronic Presentation of Audited Financial Report:

This auditor's report relates to the financial report of 2014 that may be included on the Company's website. The auditor's report refers only to that financial report and it does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report.

INDEPENDENT AUDITOR'S REPORT (continued)

Opinion:

In our opinion, the financial report of Merimbula-Imlay Bowling Club Limited is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Company's financial position as at 30th June, 2014 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Richard C. Parbery F.C.P.A.

Registered Company Auditor (1864)
101 Main Street Merimbula NSW 2548
17th September, 2014

AUDITOR'S INDEPENDENCE DECLARATION

Under Section 307C of the *Corporations Act 2001* to the Directors of Merimbula-Imlay Bowling Club Ltd.

I declare that, to the best of my knowledge and belief, during the year ended 30th June, 2014, 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.

Richard C. Parbery F.C.P.A.

Registered Company Auditor (1864)
101 Main Street Merimbula NSW 2548
17th September, 2014

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30th June, 2014

2012/13 \$		2013/14 \$
10,894,002	Revenue from Ordinary Activities (Note 1g)	10,498,643
358,160	Other Income (Note 1g)	384,316
2,762	Gain/(Loss) on Sale of Assets (Note 1g)	(14,903)
(1,740,664)	Cost of Sales	(1,740,947)
(4,100,859)	Employee Expenses	(4,259,722)
(1,327,771)	Depreciation and Amortisation Expenses	(1,373,572)
(420,735)	Repairs and Maintenance	(397,431)
(112,174)	Advertising and Promotions	(123,355)
(221,808)	Insurances	(198,451)
(83,140)	Council Rates and Land Taxes	(89,719)
(320,459)	Electricity and Gas	(293,181)
(14,814)	Printing, Postage and Stationery	(14,956)
(1,068,422)	Poker Machine Tax	(994,175)
(261,035)	Sections and Other Bowls Expenses	(258,459)
(1,340,403)	Other Operating Expenses	(1,368,722)
242,640	Operating Surplus/(Loss) before Sale of Property Lot 1442 Tura Beach	(244,634)
0	Gain on Sale of Lot 1442 Tura Beach (Note 23)	318,587
242,640	Operating Surplus before Income Tax	73,953
67,683	Tax Expense (Note 20 and 21)	1,509
310,323	Operating Surplus attributable to Members of the Company	75,462

STATEMENT OF CHANGES IN EQUITY

For the year ended 30th June, 2013

2012/13 \$		2013/14 \$
15,107,623	Total Equity at the beginning of the Financial Year	15,417,946
310,323	Operating Surplus	75,462
15,417,946	Total equity at the end of the Financial Year	15,493,408

STATEMENT OF FINANCIAL POSITION*As at 30th June, 2014*

2012/13			2013/14
\$	CURRENT ASSETS:		\$
4,833,673	Cash Assets	(Note 3)	5,749,710
124,237	Receivables	(Note 3a)	159,729
125,562	Inventories	(Note 4)	133,379
76,612	Other	(Note 5)	181,314
0	Loan Tura Beach Country Club Ltd	(Note 6b)	9,351
96,082	Deferred Tax Asset	(Note 20)	97,591
5,256,166	Total Current Assets		6,331,074
	NON-CURRENT ASSETS:		
112,205	Loan Tura Beach Country Club Ltd	(Note 6b)	102,855
11,814,494	Property, Plant and Equipment	(Note 6)	11,370,127
11,926,699	Total Non-Current Assets		11,472,982
17,182,865	Total Assets		17,804,056
	CURRENT LIABILITIES:		
749,129	Payables	(Note 7)	1,238,767
721,763	Provisions	(Note 8)	801,703
186,238	Other	(Note 9)	185,928
28,399	Provision for Tax	(Note 19)	0
1,685,529	Total Current Liabilities		2,226,398
	NON-CURRENT LIABILITIES:		
7,700	Security Deposits		7,700
71,690	Provisions	(Note 8)	76,550
79,390	Total Non Current Liabilities		84,250
1,764,919	Total Liabilities		2,310,648
15,417,946	Net Assets		15,493,408
	MEMBERS' EQUITY:		
15,417,946	Retained Profits		15,493,408
15,417,946	Total Members' Equity		15,493,408

STATEMENT OF CASH FLOWS*For the year ended 30th June, 2014*

2012/13		2013/14
\$		\$
	CASH FLOW FROM OPERATING ACTIVITIES:	
11,063,834	Receipts from Customers	10,578,084
(9,766,204)	Payments to Suppliers and Employees	(9,668,850)
164,290	Interest Received	165,875
130,454	Members' Subscriptions Received	96,015
1,592,374	Net Cash provided by Operating Activities (Note 15b)	1,171,124
	CASH FLOW FROM INVESTING ACTIVITIES:	
3,773	Proceeds from Sale of Property, Plant and Equipment	395,500
(943,301)	Payment for Property, Plant and Equipment	(650,586)
(939,528)	Net Cash used in Investing Activities	(255,086)
	CASH FLOW FROM FINANCING ACTIVITIES:	
–	Net cash provided by financing activities	–
652,846	Net increase in Cash Held	916,037
4,180,827	Cash at beginning of Financial Year	4,833,673
4,833,673	Cash at end of Financial Year (Note 15a)	5,749,710

NOTES TO AND FORMING PART OF THE ACCOUNTS*For the year ended 30th June, 2014*

The Financial statements cover Merimbula-Imlay Bowling Club Limited as an individual entity, incorporated and domiciled in Australia. Merimbula-Imlay Bowling Club Limited is a company limited by guarantee.

The financial statements were authorised for issue on 17th September, 2014, by the directors of the company.

NOTE 1 – Summary of Significant of Accounting Policies:**Basis of Preparation:**

These general purpose financial statements have been prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. 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 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.

Adoption of New and Revised Accounting Standards

In the current year, the Company has adopted all of the new and revised standards and interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods. The adoption of these new standards and interpretations has not resulted in any changes to the Companies accounting policies that have affected the amounts reported for the current or prior years.

NOTES TO AND FORMING PART OF THE ACCOUNTS (continued)**Accounting Policies**

- (a) **Property, Plant and Equipment:** Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Property: Freehold land and buildings are shown at cost less subsequent depreciation for buildings. It is the policy of the entity to have an independent valuation every three years by an external independent valuer, with annual appraisals being made by the directors.

Plant and Equipment: Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1k) for details of impairment.

Depreciation: The depreciable amount of all fixed assets, including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives 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 assets are:

Class of Fixed Asset	Depreciation Rate
Buildings	2.5-4%
Plant and Equipment	10-35%

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at 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 disposal 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. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

- (b) **Inventories:** Inventories are measured at the lower of cost and net realisable value.
- (c) **Income Tax:** Since Merimbula-Imlay Bowling Club Limited de-amalgamated from Tura Beach Country Club in the 2012 year, it has been determined that the main purpose of the club has changed to a dual activity for the promotion of sport and additional supplementary activities i.e. social activity such as food, beverage, gaming and entertainment.

The Club is now a multi-purpose Club, and as such, is not eligible for sporting Club income tax exemption.

The income tax expenses (revenue) for the year comprises current income tax expenses (income) and deferred tax expenses (income).

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses. Current and deferred income tax expenses (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

NOTES TO AND FORMING PART OF THE ACCOUNTS (continued)

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

(d) **Comparative Figures:** When required by accounting standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

(e) **Employee Provisions:**

Short Term employee provisions: 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 before 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.

Other Long-term employee provisions: Provision is made for employees' long service leave and annual leave entitlements 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. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as a part of employee benefits expense.

The company's obligations for long-term employee benefits are presented as non-current employee provisions 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 provisions.

(f) **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 or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(g) **Revenue Recognition:** Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of taxes, returns, trade allowances, rebates and amounts collected on behalf of third parties. The Company recognises revenue when the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below.

NOTES TO AND FORMING PART OF THE ACCOUNTS (continued)

Revenue is recognised for the major business activities as follows:

Sale of Goods: Revenue is taken to account when the control of the goods has passed to the buyer.

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

Rental Income: Revenue is taken to account in the period to which the rent relates.

Subscriptions: Subscriptions for annual membership are recognised in revenue over the membership year.

2013 \$	OPERATING ACTIVITIES:	2014 \$
2,166,279	Bar Sales	2,087,223
5,690,047	Poker Machine Revenue	5,389,523
2,568,545	Catering Sales	2,590,204
156,836	TAB/Keno Revenue	160,030
237,218	Bowls Income	207,512
75,077	Social Subscriptions Income	64,151
10,894,002		10,498,643
	NON-OPERATING ACTIVITIES:	
183,431	Interest Revenue	193,339
98,111	Rent Received	101,126
76,618	Other Revenue	89,851
358,160		384,316
2,762	Gain/(Loss) on Sale of Asset	(14,903)
11,254,924		10,868,056
	OTHER INCOME:	
0	Net Profit on disposal of Non-Current Asset	318,587
11,254,924		11,186,643

(h) **Critical Accounting Estimates and Judgements:** The directors evaluate estimates and judgements incorporated into the financial report 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.

(i) **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 (i.e. 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 expensed to profit or loss immediately.

Classification and subsequent measurement:

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost.

NOTES TO AND FORMING PART OF THE ACCOUNTS (continued)**Fair Value:**

Represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. 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 of 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.

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, transactions 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 value with a consequential recognition of an income or expense in profit or loss.

Financial Liabilities:

Non-derivative financial liabilities are subsequently measured at amortised cost.

- (j) **Goods and Services Tax:** Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority 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 taxation authority, are presented as operating cash flows.
- (k) **Impairment of Assets:** At each reporting date, the Company reviews the carrying values of its tangible and intangible assets to determine whether there are any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value to use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statements.

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

- (l) **Trade Receivables:** Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Trade receivables are due for settlement no more than 30 days from the date of recognition. Collectability of trade debtors is reviewed on an on-going basis. Debts which are known to be uncollectible are written off. A provision for doubtful receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the statement of comprehensive income.

NOTES TO AND FORMING PART OF THE ACCOUNTS (continued)

When a trade receivable for which an impairment allowance had been recognised becomes uncollectable in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

- (m) **Trade and Other Payables:** These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.
- (n) **Members' Subscriptions in Advance:** Subscriptions received in advance for the financial year have been carried forward as a current liability.

**NOTE 2 – CLASSIFICATION OF INCOME AND EXPENSES BY FUNCTION
FOR THE YEAR ENDED 30TH JUNE, 2014:**

BAR TRADING

2012/13 \$		2013/14 \$
2,166,278.89	Sales	2,087,222.48
2,166,278.89	Total Bar Sales	2,087,222.48
88,087.71	Opening Stock	80,518.66
783,789.59	Purchases	779,693.88
871,877.30		860,212.54
80,518.66	Less Stock on Hand	84,332.00
791,358.64	Cost of Goods Sold	775,880.54
1,374,920.25	Gross Profit	1,311,341.94
	LESS EXPENSES:	
40,014.89	Depreciation	39,874.61
19,737.31	Insurance	16,227.95
97,051.48	Members' Discount	92,593.88
31,470.83	Payroll Tax	29,725.51
33,178.96	Repairs and Maintenance	26,610.11
5,286.91	Requisites	4,842.34
11,715.99	Staff Amenities	9,954.08
11,903.52	Staff Training	12,420.73
59,229.47	Superannuation	57,428.62
6,530.09	Uniforms	4,347.72
650,024.89	Wages	637,872.00
11,244.80	Waste Disposal	12,642.28
977,389.14	Total Expenses	944,539.83
397,531.11	Net Profit	366,802.11

NOTES TO AND FORMING PART OF THE ACCOUNTS (continued)**NOTE 2 – CLASSIFICATION OF INCOME AND EXPENSES BY FUNCTION
FOR THE YEAR ENDED 30TH JUNE, 2014:****CATERING TRADING**

2012/13 \$		2013/14 \$
2,568,545.29	Sales	2,590,204.44
2,568,545.29	Total Sales	2,590,204.44
45,742.71	Opening Stock	28,090.81
930,746.05	Purchases	959,046.72
976,488.76		987,137.53
28,090.81	Less Stock on Hand	33,528.52
948,397.95	Cost of Goods Sold	953,609.01
1,620,147.34	Gross Profit	1,636,595.43
	LESS EXPENSES:	
9,675.40	Cleaning	9,805.17
124,870.07	Depreciation – Plant and Equipment	121,622.97
41,892.31	Depreciation – Furniture and Fittings	46,914.71
38,466.40	Gas	48,397.23
39,087.59	Insurance	29,514.12
4,802.83	Laundry	3,898.78
22,885.36	Materials not for Resale	20,757.65
83,169.64	Members' Discount	87,239.02
63,180.52	Payroll Tax	63,962.15
1,186.65	Printing and Stationery	1,454.94
61,954.04	Repairs and Maintenance	62,121.24
9,935.52	Staff Training	11,795.68
110,939.26	Superannuation	115,960.65
11,279.62	Uniforms	13,538.61
1,292,559.14	Wages	1,353,549.24
20,935.80	Waste Disposal	21,638.65
1,936,820.15	Total Expenses	2,012,170.81
(316,672.81)	Net Loss	(375,575.38)

NOTES TO AND FORMING PART OF THE ACCOUNTS (continued)

**NOTE 2 – CLASSIFICATION OF INCOME AND EXPENSES BY FUNCTION
FOR THE YEAR ENDED 30TH JUNE, 2013:**

GAMING MACHINE TRADING

2012/13		2013/14
\$		\$
5,690,047.07	Revenue after Payouts	5,389,522.65
	LESS EXPENSES:	
257,551.02	Depreciation	286,507.20
11,701.67	Insurance	8,126.46
(3,723.77)	Jackpot Provision	(917.88)
17,117.48	Payroll Tax	16,894.84
0.00	Member's Points	8,102.14
63,019.97	Promotions	65,391.78
128,531.69	Repairs and Maintenance	132,034.75
6,650.11	Requisites	4,618.38
3,655.51	Staff Amenities	3,103.71
3,503.50	Staff Training	4,557.85
37,645.95	Superannuation	35,811.24
1,068,422.34	Supplementary Tax	994,173.90
361,462.87	Wages	348,837.43
1,955,538.34	Total Expenses	1,907,241.80
3,734,508.73	Net Profit	3,482,280.85

KENO/TAB TRADING

2012/13		2013/14
\$		\$
156,836.40	Revenue	160,029.79
	LESS EXPENSES:	
23,494.88	Depreciation	20,812.53
2,472.64	Insurance	1,985.06
4,099.78	Payroll Tax	4,630.18
15,549.83	Repairs and Maintenance	18,991.11
4,141.82	Requisites	3,426.88
8,498.08	Promotions	8,410.08
27,306.19	Sky Channel Subscriptions	27,921.00
2,018.59	Staff Training	1,788.57
7,472.63	Superannuation	8,567.74
89,078.57	Wages	95,039.20
184,133.01	Total Expenses	191,572.35
(27,296.61)	Net Loss	(31,542.56)

NOTES TO AND FORMING PART OF THE ACCOUNTS (continued)

**NOTE 2 – CLASSIFICATION OF INCOME AND EXPENSES BY FUNCTION
FOR THE YEAR ENDED 30TH JUNE, 2014:**

GYMNASIUM

2012/13		2013/14
\$		\$
84,001.20	Gymnasium Fees	86,355.08
	LESS EXPENSES:	
7,583.09	Depreciation	7,583.09
2,236.14	Repairs and Maintenance	1,383.76
9,819.23	Total Expenses	8,966.85
74,181.97	Net Profit	77,388.23

BOWLING SECTIONS

2012/13		2013/14
\$		\$
188,383.97	Competition/Green Fees/Other Bowls	169,221.58
25,889.29	Subscriptions	22,925.33
9,191.27	Bowls Shop Net Profit	2,865.88
223,464.53	Total Revenue	195,012.79
	LESS EXPENSES:	
3,241.64	Advertising and Promotions	1,255.04
13,805.39	Association Fees	15,916.93
56,780.19	Depreciation – Plant Greens	66,071.83
58,599.65	Greens and Surrounds Maintenance	56,832.69
6,988.41	Insurance	5,577.72
5,922.86	Motor Vehicles and Equipment	7,778.15
10,849.97	Payroll Tax	9,737.74
110,482.57	Sections and Other Bowls	99,314.24
1,968.44	Staff Training	362.68
16,904.91	Superannuation	17,991.58
70,092.81	Tournament Expenses	75,122.99
4,907.63	Uniforms and Staff Amenities	4,021.50
202,007.19	Wages	208,946.85
562,551.66	Total Expenses	568,929.94
(339,087.13)	Net Loss	(373,912.15)

NOTES TO AND FORMING PART OF THE ACCOUNTS (continued)**NOTE 2 – CLASSIFICATION OF INCOME AND EXPENSES BY FUNCTION
FOR THE YEAR ENDED 30TH JUNE, 2014:****INCOME SUMMARY**

2012/13		2013/14
\$		\$
397,531.11	Bar Net Profit	366,802.11
(316,672.81)	Catering Net Loss	(375,575.38)
3,734,508.73	Poker Machine Net Profit	3,482,280.85
(27,296.61)	Keno/TAB Net Loss	(31,542.56)
(339,087.13)	Bowling Net Loss	(373,917.15)
183,430.95	Interest Received	193,338.74
14,110.00	Rent Received	14,771.00
74,181.97	Gymnasium Net Profit	77,388.23
75,077.14	Subscriptions – Social and Junior Gym Members	64,150.93
76,618.32	Other Income	89,851.24
2,762.47	Profit on Disposal of Asset	303,683.25
3,875,164.14	Total Gross Income	3,811,231.26
	LESS EXPENSES:	
108,931.84	Advertising	122,100.01
0	Accounting Fees – Taxation Preparation	4,500.00
46,200.00	Audit Fees	46,200.00
13,521.97	Bank Fees	15,319.87
2,640.36	Car Park/Surrounds Repairs/Maintenance	7,458.97
204,287.55	Cleaning Contract/In House	206,197.35
8,433.20	Courtesy Bus Expenses	11,431.43
605,939.46	Depreciation – Building	604,708.68
6,162.53	Depreciation – Courtesy Bus	4,030.15
66,670.32	Depreciation – Furniture and Fittings	57,752.52
96,812.63	Depreciation – Plant Clubhouse	117,692.22
6,945.08	Directors' Expenses	4,445.54
0.00	Dishonoured Cheques	2,866.50
82,874.52	Donations	86,569.74
281,992.36	Electricity	244,783.86
265,261.57	Entertainment	267,847.35
3,369.34	Fringe Benefits	14,052.62
36,000.00	Honoraria	36,000.00
146,577.31	House Repairs and Maintenance	112,102.76
32,707.33	Office Equipment Repairs/Maintenance	36,728.35
141,820.27	Insurance	137,019.07
17,162.21	Land Tax	15,920.58
10,547.95	Legal Fees	3,528.27
0.00	Amalgamation Legal and Other Expenses	53,517.78
13,583.16	Licence Fees – Other	14,385.21
121,643.48	Members' Direct Expenses	111,714.52
10,587.09	Motor Vehicle Expenses	10,058.81
44,409.54	Payroll Tax	47,404.29

NOTES TO AND FORMING PART OF THE ACCOUNTS (continued)**NOTE 2 – CLASSIFICATION OF INCOME AND EXPENSES BY FUNCTION
FOR THE YEAR ENDED 30TH JUNE, 2014:**

2012/13		2013/14
\$	LESS EXPENSES: (continued)	\$
13,627.61	Postage and Stationery	13,501.36
42,087.11	Professional Services	15,109.32
5,383.17	Public Relations	1,449.09
65,977.91	Rates – Council	73,797.67
14,301.37	Residential	12,266.68
4,218.64	Security Services	2,953.35
3,007.75	Shortages	(450.23)
18,767.09	Staff and Directors' Training	24,867.29
18,097.79	Subscriptions	19,836.01
3,675.85	Sundry	568.94
81,145.71	Superannuation	100,495.23
32,332.92	Telephone	33,333.38
31,735.72	Uniform and Staff Amenities	38,759.94
205,822.08	Wages – Receptions	273,929.30
151,775.93	Wages – Creche, Bus, Maintenance	150,696.34
565,486.18	Wages – Administration	579,828.80
3,632,523.90	Total Expenses	3,737,278.92
242,640.24	Net Profit	73,952.34

NOTES TO AND FORMING PART OF THE ACCOUNTS (continued)

2012/13		2013/14
\$		\$
NOTE 3 – CASH:		
27,885.00	Cash on Hand	0.00
195,000.00	Change – Cash Float	195,000.00
194,532.99	Westpac Banking Corporation – Secured	308,285.77
8,525.64	Westpac Banking Corporation – Keno	6,668.67
13,213.29	Westpac Banking Corporation – TAB	12,756.62
2,703.25	Indoor Carpet Bowls Club Bank Account	1,716.20
7,466.17	Section – Womens Bowls Club Bank Acc.	0
4,384,346.50	Short Term Investments	5,225,282.98
4,833,672.84		5,749,710.24
NOTE 3a – RECEIVABLES:		
39,244.84	Trade Debtors	21,578.64
84,992.29	Debtors – Other	138,150.52
124,237.13		159,729.16
NOTE 4 – INVENTORIES:		
80,518.66	Stock on Hand at Cost – Bar	84,332.00
28,090.81	Stock on Hand at Cost – Catering	33,528.52
16,952.82	Stock on Hand at Cost – Bowls Shop	15,518.82
125,562.29		133,379.34
NOTE 5 – OTHER:		
76,612.42	Prepayments	181,313.56
76,612.42		181,313.56
NOTE 6 – PROPERTY, PLANT AND EQUIPMENT – FIXED ASSETS:		
236,540.97	Greens – Plant and Equipment	238,737.55
(129,939.59)	Less: Provision for Depreciation	(144,351.81)
106,601.38		94,385.74
37,410.28	Kitchen – Plant and Equipment	37,410.28
238,052.37	Rockpool Café – Plant and Equipment	248,596.79
(176,168.12)	Less: Provision for Depreciation	(207,853.95)
99,294.53		78,153.12
3,790.91	Kitchen – Furniture and Fittings	3,790.91
90,580.56	Rockpool Café – Furniture and Fittings	160,518.47
(78,661.44)	Less: Provision for Depreciation	(91,615.36)
15,710.03		72,694.02

NOTES TO AND FORMING PART OF THE ACCOUNTS (continued)**NOTE 6 – PROPERTY, PLANT AND EQUIPMENT – FIXED ASSETS:**

2012/13			2013/14
\$			\$
625,301.55	New Bistro – Plant and Equipment	642,379.09	
(353,440.86)	Less: Provision for Depreciation	(443,378.00)	
271,860.69			199,001.09
91,839.03	New Bistro – Furniture and Fittings	91,839.03	
(68,233.97)	Less: Provision for Depreciation	(86,620.41)	
23,605.06			5,218.62
138,430.14	Bistro Enhancement	138,430.14	
(7,913.76)	Less: Provision for Depreciation	(23,488.11)	
130,516.38			114,942.03
2,815,956.53	Poker Machines	2,883,072.29	
(1,865,211.20)	Less: Provision for Depreciation	(1,882,854.71)	
950,745.33			1,000,217.58
177,365.44	Loyalty System	378,749.52	
(154,119.15)	Less: Provision for Depreciation	0.00	
23,246.29			378,749.52
135,328.90	Alfresco Gaming	135,328.90	
(25,048.31)	Less: Provision for Depreciation	(30,519.79)	
110,280.59			104,809.11
1,634.55	Keno – Plant and Equipment	1,634.55	
(1,183.88)	Less: Provision for Depreciation	(1,510.68)	
450.67			123.87
158,780.04	TAB/Sky – Plant and Equipment	158,780.04	
(109,768.07)	Less: Provision for Depreciation	(130,253.80)	
49,011.97			28,526.24
297,709.47	Car Park Extension – At cost	297,709.47	
297,709.47			297,709.47
1,403,841.41	95/97 Main Street, Merimbula	1,425,629.55	
(149,026.68)	Less: Provision for Depreciation	(157,304.42)	
1,254,814.73			1,268,325.13
9,158,349.03	Club House – at Cost	9,158,349.03	
(7,200,533.19)	Less: Provision for Depreciation	(7,560,889.83)	
1,957,815.84			1,597,459.20

NOTES TO AND FORMING PART OF THE ACCOUNTS (continued)**NOTE 6 – PROPERTY, PLANT AND EQUIPMENT – FIXED ASSETS:**

2012/13 \$		2013/14 \$
54,225.35	Land Lot 1442 Tura Beach	0.00
54,225.35		0.00
128,302.50	Poker Machine Licences Shortland	128,302.50
128,302.50		128,302.50
5,626,652.94	Club Extension	5,626,652.94
4,369.00	Retail Area	0.00
39,227.50	Land Development	136,946.59
(936,423.44)	Less: Provision for Depreciation	(1,168,128.74)
4,733,826.00		4,595,470.79
1,526,036.13	Club – Plant and Equipment	1,533,854.88
(804,995.65)	Less: Provision for Depreciation	(882,560.87)
721,040.48		651,294.01
336,465.81	Bar – Plant and Equipment	339,369.11
(197,611.61)	Less: Provision for Depreciation	(237,486.22)
138,854.20		101,882.89
563,451.62	Club Furniture and Fittings	579,649.80
(317,412.04)	Less: Provision for Depreciation	(375,164.56)
246,039.58		204,485.24
184,776.61	Gymnasium	184,776.61
(36,308.80)	Less: Provision for Depreciation	(43,891.89)
148,467.81		140,884.72
1,927,717.56	Bowling Greens – at Cost	1,927,717.56
(1,575,642.27)	Less: Provision for Depreciation	(1,620,225.05)
352,075.29		307,492.51
11,814,494.17	Total Property, Plant and Equipment	11,370,127.40

NOTE 6a:

An independent revaluation of land and buildings was undertaken on 30th June, 2012, by Registered Valuer. The revaluation was undertaken as part of a policy to revalue land and buildings every three years and was based on fair value as part of an ongoing concern basis. The valuation revealed a current market value of \$17,885,000.

NOTES TO AND FORMING PART OF THE ACCOUNTS (continued)

NOTE 6b – TURA BEACH COUNTRY CLUB LOAN INTEREST FREE:

Pursuant to the terms of the Deed:

The debt to MIBC of \$112,205.42 will be payable to MIBC by TBCC over seven years from the De-amalgamation Date provided that:

1. No payment will have to be made within the first three years from the De-amalgamation Date; and
2. The minimum payment for each year after the third anniversary of the De-amalgamation Date until the seventh anniversary of the De-amalgamation Date will be 25% of the total due to MIBC payable by monthly instalments.

NOTE 6c – MOVEMENT IN CARRYING AMOUNTS:

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

2013/14:	<i>Balance at the beginning of the Year</i>	<i>Additions</i>	<i>Disposals</i>	<i>Depreciation</i>	<i>Carrying Amount at the end of the Year</i>
<i>Economic entity:</i>					
Freehold land	1,376,625	36,456	68,892	491	1,343,698
Greens and Car Park	649,785	–	–	44,583	605,202
Buildings	6,991,361	97,719	–	632,847	6,456,233
Licenses	128,303	–	–	–	128,303
Plant and Equipment	2,646,461	896,853	32,933	695,650	2,814,731
Non Core Vacant Land	21,960	–	–	–	21,960
Total	11,814,495	1,031,028	101,825	1,373,571	11,370,127

2012/13:	<i>Balance at the beginning of the Year</i>	<i>Additions</i>	<i>Disposals</i>	<i>Depreciation</i>	<i>Carrying Amount at the end of the Year</i>
<i>Economic entity:</i>					
Freehold land	1,372,474	4,151	–	–	1,376,625
Greens and Car Park	694,227	–	–	44,442	649,785
Buildings	7,462,571	155,698	–	626,908	6,991,361
Licenses	128,303	–	–	–	128,303
Plant and Equipment	2,520,440	791,984	329,484	336,479	2,646,461
Non Core Vacant Land	21,960	–	–	–	21,960
Total	12,199,975	951,833	329,484	1,007,829	11,814,495

NOTE 7 – PAYABLES:

550,874.58	Trade Creditors	1,048,079.36
198,254.41	Accrued Charges	190,687.35
749,128.99		1,238,766.71

NOTE 8 – PROVISIONS:

801,483.93	Opening Balance at 1 July, 2013	793,454.37
387,604.87	Additional Provisions raised during year	459,523.70
(395,634.43)	Amounts Used	(374,725.16)
793,454.37	Closing Balance at 30th June, 2014	878,252.91

NOTES TO AND FORMING PART OF THE ACCOUNTS (continued)

2012/13 \$	Analysis of Employee Provisions:	2013/14 \$
	Current:	
598,844.99	– Annual and Sick Leave Entitlements	646,711.07
122,918.52	– Long Service Leave Entitlements	154,992.25
721,763.51	Total Current Entitlements	801,703.32
	Non-current:	
71,690.86	– Long Service Leave Entitlements	76,549.59
71,690.86	Total Non-Current Entitlements	76,549.59
793,454.37	Total Entitlements	878,252.91

Employee Provisions: Employee provisions represent amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

NOTE 9 – OTHER:

98,277.26	Subscriptions in Advance	107,216.02
86,499.97	Income in Advance	70,067.80
1,460.40	Provisions for Poker Machine Jackpots	542.52
0.00	Members Points Liability	8,102.14
186,237.63		185,928.48

NOTE 10 – SERVICE AGREEMENT COMMITMENTS:

Non Cancellable Service Agreements contracted for but not capitalised in the financial statements:

– not later than 12 months Nil

NOTE 11 – AUDITOR’S REMUNERATION:

Amounts due and receivable for audit services total \$46,200 plus non audit services of \$4,636.

NOTE 12 – MEMBERS’ GUARANTEE:

The Company is limited by guarantee. If the Company is wound up, the Articles of Association state that each member is required to contribute a maximum of \$2.00 each towards meeting any outstanding obligations of the Company.

At 30th June, 2014, the number of members were 7,676 (30th June, 2013 – 7,546).

NOTES TO AND FORMING PART OF THE ACCOUNTS (continued)**NOTE 13 – RELATED PARTY TRANSACTIONS:**

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

(a) Directors

The names of persons who were Directors of the Company at any time during the year are as follows:

Ian MARTIN	Peter MOORE
Gary John TELFORD	Ronald James CHRISTIE
Gerald George HAMMOND	Brian John KENNEDY
Terence Anthony KILLEN	

(b) Directors' Remuneration

The Directors did not receive any remuneration from the Company during the year other than Honorariums and reasonable costs which have been approved at the Annual Meeting.

(c) Transactions with Directors and Director related Entities

There were no transactions with Directors, other than those at normal commercial terms and conditions.

NOTE 14 – FINANCIAL RISK MANAGEMENT:**(a) Financial Risk Management**

The entity's financial instruments consist mainly of deposits with the bank accounts receivable and payables. The entity relies on this working capital as its source of funds. 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:

2012/13			2013/14
\$	Financial Assets		\$
226,441.34	Cash at Bank	Note 3	329,427.26
4,384,346.50	Short Term Investments	Note 3	5,225,282.98
222,885.00	Cash on Hand	Note 3	195,000.00
124,237.13	Receivables	Note 3a	159,729.16
4,957,909.97			5,909,439.40
	Financial Liabilities		
550,874.58	Trade Creditors	Note 7	1,048,079.36
550,874.58			1,048,079.36
4,407,035.39	Net Financial Assets		4,861,360.04

NOTES TO AND FORMING PART OF THE ACCOUNTS (continued)**(b) Financial Risk Management Policies**

The Board of Directors overall risk management strategy seeks to assist the Company in meeting its financial targets, whilst minimising potential adverse effects on financial performance; informal risk management policies are discussed by the Board of Directors on a regular basis. These include consideration of performance, credit risk and future cash flow requirements. The Board of Directors manage risk by spreading the Club's short term investments to a variety of institutions, generally over a rolling period of six (6) months.

(c) Specific Financial Risks and Management

The main risks the entity is exposed to through its financial instruments are interest rates risk, liquidity risk and credit risk.

(d) Interest Rate Risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at reporting date whereby a future change in interest rates will affect cash flows or the fair value of fixed rate financial instruments. The Company is also exposed to earning volatility on floating instruments.

(e) Foreign Currency Risk

The entity is not exposed to fluctuations in foreign currencies.

(f) Credit Risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counter parties of contract obligations that could lead to a financial loss to the Company. The Company does not have any material credit risk exposure as the major source of revenue is the cash receipts.

(g) Credit Risk Exposure

The maximum exposure to credit risk by class of recognised financial assets at balance date is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the Statement of Financial Position. Credit risk related to balances with banks and other financial institutions is managed by the Board of Directors in requiring that surplus funds are only invested with reputable financial institutions.

(h) Price Risk

The entity is not exposed to any material commodity price risk.

(i) Liquidity Risk

Liquidity risk arises from the possibility that the Company might encounter difficulty in settling its debts or otherwise meeting its obligations in relation to financial liabilities. The Company manages this risk through the following mechanisms:

- Preparing forward looking cash flow analysis in relation to its operational, investing and financing activities;
- Maintaining a reputable credit profile;
- Managing credit risk related to financial assets;
- Only investing surplus cash with reputable financial institutions; and
- Comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

NOTES TO AND FORMING PART OF THE ACCOUNTS (continued)**(j) Financial Instruments Maturity Analysis**

The tables below reflect an undiscounted contractual maturity analysis for financial assets and liabilities. Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

2014	<i>Less than One Year \$</i>	<i>One to Five Years \$</i>	<i>Total Contractual Cash Flows \$</i>
Financial Assets – Cash Flows realisable			
Cash at Bank	329,427.26	–	329,427.26
Short Term Deposits	5,225,282.98	–	5,225,282.98
Cash on Hand	195,000.00	–	195,000.00
Receivables	159,729.16	–	159,729.16
Total anticipated Inflows	5,909,439.40	–	5,909,439.40
Financial Liabilities Due For Payment			
Trade Creditors	1,048,079.36	–	1,048,079.36
Total expected Outflows	1,048,079.36	–	1,048,079.36
Net (Outflow)/Inflow on Financial Instruments	4,861,360.04		4,861,360.04

2013	<i>Less than One Year \$</i>	<i>One to Five Years \$</i>	<i>Total Contractual Cash Flows \$</i>
Financial Assets – Cash Flows realisable			
Cash at Bank	226,441.34	–	226,441.34
Short Term Deposits	4,384,346.50	–	4,384,346.50
Cash on Hand	222,885.00	–	222,885.00
Receivables	124,237.13	–	124,237.13
Total anticipated Inflows	4,957,909.97	–	4,957,909.97
Financial Liabilities Due For Payment			
Trade Creditors	550,874.58	–	550,874.58
Total expected Outflows	550,874.58	–	550,874.58
Net (Outflow)/Inflow on Financial Instruments	4,407,035.39		4,407,035.39

NOTES TO AND FORMING PART OF THE ACCOUNTS (continued)**(k) Sensitivity Analysis – Interest rate risk**

The entity has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on current year results and equity which could result from a change in this risk. As at 30th June, 2014, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant, would be as follows:

30/06/2013		30/06/2014
\$		\$
	Increase (Decrease) in interest rate by 2%	
+/-4,529	Variable Discount	+/-6,500
+/-87,687	Fixed accounts	+/-104,000
+/-92,216		+/-110,500
	Increase (Decrease) in interest rate by 2%	
+/-92,216	Equity	+/-110,500
+/-92,216		+/-110,500

This sensitivity analysis has been performed on the assumption that all other variables remain unchanged. No sensitivity analysis has been performed for foreign exchange risk, as the entity is not exposed to fluctuations in foreign exchange.

NOTE 15 – NOTES TO STATEMENT OF CASH FLOWS:

(a) Reconciliation of Cash: For the purpose of this statement of cash flows, cash includes:

- (i) cash on hand and at-call deposits with banks or financial institutions, net of bank overdrafts; and
- ii) investments in money market instruments with less than 259 days to maturity .

Cash at the end of the year is shown in the balance sheet as:

2012/13		2013/14
\$		\$
222,885	Cash on Hand	195,000
226,441	At-call Deposits with Financial Institutions	329,427
4,384,347	Short term Investments	5,225,283
4,833,673	Cash at End of Financial Year	5,749,710

NOTES TO AND FORMING PART OF THE ACCOUNTS (continued)**(b) Reconciliation of Cash Flow from Operations with Profit (Loss) from Ordinary Activities:**

2012/13		2013/14
\$		\$
310,323	Profit from Ordinary Activities after Income Tax	75,461
	Non-cash Flows from Ordinary Activities:	
1,327,771	Depreciation	1,373,570
(8,030)	Changes to Provisions	83,881
(2,762)	Profit (Loss) on Sale Non-Current Assets	(303,683)
	Changes in Assets and Liabilities:	
21,552	(Increase) Decrease in Receivables	(35,492)
(5,759)	Decrease (Increase) in Prepayments	(104,701)
13,413	Increase in Inventories	(7,817)
(96,082)	Decrease (Increase) Other Assets	(1,509)
(49,060)	(Decrease) in Trade Creditors	126,771
(28,530)	(Decrease) Increase in Accrued Charges	(7,567)
84,863	(Decrease) Increase in Income in Advance	(16,432)
24,675	(Decrease) Increase – Other Liabilities	(11,358)
1,592,374	Cash Flows from Operations	1,171,124

NOTE 16– KEY MANAGEMENT PERSONNEL:

The Company is run by the Board of Directors. All major business decisions are made by the Board. The day-to-day business of the Company is run by the employees of the Company. As all major business decisions are made by the Board no key management personnel disclosures are deemed appropriate.

NOTE 17– CAPITAL MANAGEMENT:

Management controls the capital of the Company to ensure that adequate cash flows are generated to fund its operations and that returns from investments are maximised. Management ensures all the overall risk management strategy is in line with this objective. Management operates under policies approved by the Board of Directors. Informal risk management policies are discussed by the Board on a regular basis. These include credit risk and future cash flow requirements. The Company's capital consists of financial liabilities, supported by financial assets. Management effectively manages the Company's capital by assessing the Company's financial risks and responding to changes in these risks and in the market. These responses may include the consideration of debt levels. There have been no changes to the strategy adopted by management to control the capital of the entity since the previous year.

NOTE 18 – STATEMENT OF OPERATIONS BY SEGMENTS:

The Company operates in the Licensed Registered Clubs Sector within New South Wales.

NOTES TO AND FORMING PART OF THE ACCOUNTS (continued)**NOTE 19 – INCOME TAX EXPENSE:**

2013		2014
\$		\$
242,640	Operating Profit before Tax	73,953
(100,966)	Less: Member's Subscriptions	(87,076)
(199,270)	Direct Member's Income	(199,498)
(323,807)	Non apportionable	(647,490)
1,004,727	Add: Non allowable, non apportionable and part apportionable expenses	758,869
623,324		(101,242)
249,330	Portion Attributable to Non-members	(37,763)
316,961	Add: Non apportionable items	492,341
(471,629)	Less: Non and part apportionable items	(470,695)
94,662	Taxable Income	(16,117)
28,399	Tax on taxable income x (30%)	0.00

NOTE 20 – DEFERRED TAX ASSETS AND LIABILITIES FOR EACH TYPE OF TEMPORARY DIFFERENCE:

Deferred Tax Assets		
598,845	Provision for Annual Leave and Sick Pay	646,711
194,609	Provisions for Long Service Leave	231,542
46,200	Audit Provision	46,200
27,951	Superannuation	34,274
867,605		958,727
520,563	Adjustment for Member Component	575,236
347,042		383,491
Deferred Tax Liabilities		
59,138	Debtor – Other	86,603
7,787	Property, Plant and Equipment	0.00
66,925		86,603
40,155	Adjustment for Member Component	51,962
26,770		34,641

NOTES TO AND FORMING PART OF THE ACCOUNTS (continued)

2013		2014
\$	Deferred Tax Amounts recognised in Income Tax Expense:	\$
	Deferred Tax Assets	
179,653	Provision for Annual Leave and Sick Pay	194,013
58,383	Provisions for Long Service Leave	69,463
13,860	Audit Provision	13,860
8,385	Superannuation	10,282
<hr/>		
260,281		287,618
156,169	Adjustment for Member Component	180,336
<hr/>		
104,112	Total Deferred Tax Asset	107,282
	Deferred Tax Liabilities	
17,741	Debtor – Other	25,981
2,336	Property, Plant and Equipment	0.00
<hr/>		
20,077		25,981
12,047	Adjustment for Member Component	16,290
<hr/>		
8,030	Total Deferred Tax Liabilities	9,691
<hr/>		
96,082	Net Deferred Tax Expense	97,591
	Opening Balance at 1st July, 2013	96,082
	Closing Balance at 30th June, 2014	97,591
		<hr/>
	Movement in Deferred Tax for the financial year	1,509
		<hr/>
NOTE 21 – TAX EXPENSE:		
	The Components of tax (expense)/income comprise:	
(28,399)	Cur’rent Tax	0.00
96 082	Deferred Tax	1,509
<hr/>		
67,683		1,509
		<hr/>

NOTE 22 – ASSOCIATED ENTITIES:

There are two associated sports bodies (as recognised under Article 45 of the Constitution of the Company), managed and controlled by separate committees’ set up under the conditions inherent in those articles. The income and expenditure of the committees has not been consolidated in the books of account of the company nor have they been part of the company’s audit process. These bodies hold in various bank accounts the following amounts as at 30th June, 2014.

Merimbula-Imlay Womens’ Bowling Club	\$18,665
Merimbula-Imlay Mens’ Bowling Club	\$24,908

NOTE 23 – LOT 1442 TURA BEACH:

Lot 1442 Tura Beach was retained after the De-amalgamation of Tura Beach Country Club from Merimbula Imlay Bowling Club with the intention of being sold to partly offset the expenses incurred from the De-amalgamation process.

NOTE 24 – COMPANY DETAILS:

The registered office of the company is: Merimbula-Imlay Bowling Club Limited,
119 Main Street, Merimbula NSW 2548

The principal place of business is: Merimbula-Imlay Bowling Club Limited,
119 Main Street, Merimbula NSW 2548

Limited by capital guarantee unlisted.

CORE AND NON-CORE PROPERTIES

Pursuant to Section 41J (2) of the Registered Clubs Act for the financial year ended 2014:

- (m) The following properties are core property of the Club:
- (i) The club house, bowling greens and car park currently forming part of Lot 912 Deposited Plan 855433 Parish of Pambula, County of Auckland, Shire of Bega, with the exception of the small car park situated to the east of the main car park and north of Lot 2 of Deposited Plan 543333.
- (n) The following are non-core properties:
- (i) The residential property situated at 95 Main Street, Merimbula, being Lot 1 on Deposited Plan 521571 Parish of Pambula, County of Auckland, Shire of Bega.
 - (ii) The vacant land situated at 97 Main Street, Merimbula, being Lot 2 on Deposited Plan 521571 Parish of Pambula, County of Auckland, Shire of Bega.
 - (iii) The vacant land situated between the Merimbula Creek and the Club's car park and extending behind a number of properties in Main Street, Merimbula, currently forming part of Lot 912 Deposited Plan 855433 Parish of Pambula, County of Auckland, Shire of Bega.
 - (iv) The small car park situated to the east of the main car park and to the north of Lot 2 of Deposited Plan 543333.

NOTES TO MEMBERS:

1. Section 41J(2) of the Registered Clubs Act requires the annual report to specify the core property and non-core property of the Club as at the end of the financial year to which the report relates.
2. Core property is any real property owned or occupied by the Club that comprises:
 - (a) the defined premises of the Club; or
 - (b) any facility provided by the Club for use of its members and their guests; or
 - (c) any other property declared by a resolution passed by a majority of the members present at a general meeting of Ordinary members of the Club to be core property of the Club.
3. Non-core property is any other property other than that referred to above as core property and any property which is declared by the members at a general meeting of ordinary members of the Club not to be core property.
4. The significance of the distinction between core property and non-core property is that the Club cannot dispose of any core property unless:
 - (a) the property has been valued by a registered valuer within the meaning of the Valuers Act 2003; and
 - (b) the disposal has been approved at a general meeting of the Ordinary members of the Club at which the majority of the votes cast support the approval; and
 - (c) any sale is by way of public auction or open tender conducted by an independent real estate agent or auctioneer.
5. These disposal provisions are to some extent modified by regulations made under the Registered Clubs Act and by Section 41J itself.

CURRENT LIFE MEMBERS

J. Lockyer – 1999, I. Stroud – 2003 and R. Caterson – 2012

CLUB PATRON

R. Caterson

DONATIONS FOR 2013/14

Organisations supported throughout the year included:

Alliance Franciase
Alzheimer's Australia NSW
Andrew MacNamara
Animal Welfare League
Appco Group Sports Inc
Art in the Garage Tulgeen Group
Auswide Projects – OHSC
Autism Australia
Bandara Children's Services
Bega Country Women's ASS.
Bega District Volunteer Rescue
Bega High School
Bega Men's Shed
Bega Rifle Club Ltd
Bega Valley Genealogy Society
Bega Valley Community Transport
Bega Valley Meals on Wheels
Bega Valley Parkinson's Support Group
Bega Valley Community Drug Action
Bemboka Public School
Bermagui and District Lions Club Ltd
Bermagui P & C
Bermagui Senior Citizens Welfare Club
Black Dog Institute
Bridge Water Bowling Club
Cancer Patients Foundation
Candelo Village Festival
Car Rally
Catholic Church Development
Cobargo Public School P & C
Council of Heritage Motor Clubs
Cystic Fibrosis
Charles Dadd
Down South Jazz Club
Easter Bush Council Historic Vehicles
Eden Child Care Centre
Eden Marine High School
Eden Pre School
Eden Local Aboriginal Land Council
Eden Service & Social Group
Edge FM Community Radio
Footprint Theatre
George Bass Surf Boat Marathon
Girl Guides of Australia
Golden Gig
Heartkids NSW
Kidney Kar Rally
Imlay District Nursing Home
Innquizative Pty Ltd
Legacy
Lumen Christi Catholic College
McGrath Foundation
Marine Rescue NSW Merimbula Unit
Men of League Foundation
Mental Health and Well-Being Working
Merimbula Basketball Assoc Inc
Merimbula Chamber of Commerce Inc
Merimbula Fishing Club
Merimbula Grasshoppers SFC Inc
Merimbula-Imlay Historical Society
Merimbula Jazz Festival

Merimbula Knights Cricket Club
Merimbula Lake Combined Probus Club
Merimbula Men's Shed
Merimbula Pambula Bulldogs
Merimbula Pambula Junior Rugby
Merimbula Public School
Merimbula Tennis Club
Merimbula Tourism Inc.
Movember
Nethercote Bushfire Brigade
Pambula A & H Society
Pambula Merimbula Lions Club
Pambula Pre-School
Pambula Community Swimming Club
Pambula Hospital Auxiliary
Pambula Public School
Pambula Surf Lifesaving Club
Pambula Tennis Club
Playability Inc.
Pig & Whistle Fleet Club Inc.
Probus
Prostate Cancer Foundation of Australia
Quaama Volunteer Bushfire Brigade
Quaama Men's Shed
Respite Care Bega Valley
Robin Hoods
Rotary Club of Merimbula Inc
Sapphire Water Dragons
Sapphire Coast Tourism
Sapphire Coast Turf Club
Sapphire Mobile Preschool Eden
Sapphire Rock n Roll Club
SERAS
Short & Sweet Play Festival
Skills Training Employment Program
South Coast Area School Lawn Bowls
South Eastern BEC
Southern Women's Group Inc.
St. Vincent de Paul
St Peters Catholic Parish, Pambula
Stroke Recovery Association NSW
Tathra Surf Lifesaving Club
Tathra Wharf to Waves
The Sapphires
The Salvation Army
Teen World Flight
Towamba Acoustic Sessions
Twofold Aboriginal Corporation
Typhoons Softball
Under 13s FSC Soccer Association
U3A
Wolumla Public School
Workability – Disability Trusr
Wallaga Lake Bermagui Men's Shed
Wallagoot Lake Boat Club
Writers of the Far South Coast
Youth Off the Streets Ltd.
Zen Dragon Boats
Zone NGO3 View Club
Zone 21 RSL Bowls