



New South Wales Bridge Association

ABN 61 000 438 648

ANNUAL REPORT

2016

NEW SOUTH WALES BRIDGE
ASSOCIATION LIMITED
A.B.N. 61 000 438 648

FINANCIAL REPORT
FOR THE YEAR ENDED
30 SEPTEMBER 2016

NEW SOUTH WALES BRIDGE ASSOCIATION LIMITED

A.B.N. 61 000 438 648

DIRECTORS REPORT

Your directors present their report on the company for the financial year ended 30 September 2016.

DIRECTORS

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

| | |
|---------------------------|-----------------------------|
| Julian Roberts Foster | |
| Richard Douglas | |
| Helena Frances Dawson | |
| Bruce Graham Neill | (resigned 9 December 2015) |
| Samuel Warren Lazer | |
| Louis-Marie Joseph Koolen | (resigned 9 December 2015) |
| John Anthony Scudder | |
| Graeme Payne | (resigned 9 December 2015) |
| David Michael Reddel | (resigned 9 December 2015) |
| Catherine Susan Whiddon | |
| Wing Han Lee Roberts | (resigned 1 July 2016) |
| Michael Robert Wilkinson | (resigned 9 December 2015) |
| Bruce Tier | (appointed 9 December 2015) |
| Kaye Patricia Hart | (appointed 9 December 2015) |
| Helen Marie Milward | (appointed 9 December 2015) |
| Sophie Ashton | (appointed 9 December 2015) |
| Rakesh Kamal Kumar | (appointed 13 July 2016) |

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

PRINCIPAL ACTIVITIES

The principal activity of the New South Wales Bridge Association (NSWBA) during the period was to run, support and develop bridge in NSW by operating bridge tournaments, teaching bridge, supporting affiliated clubs, and participating in Interstate competition.

The company's short-term objectives are to:

- conduct successful national, state and local tournaments in its own premises and at other venues.
- attract new players, teach bridge and assist with the teaching of bridge throughout the state.
- provide promotional support to affiliated clubs across NSW.
- facilitate programmes to train and improve the competence of directors throughout the state.
- select and support NSW representative teams for Interstate competition.
- work with the Australian Bridge Federation to ensure a consistent and successful approach to bridge across Australia.

The company's long-term objectives are to:

- continue the short term objectives over a five-year time frame to ensure continuous improvement.
- explore and implement strategies to assist successful growth of bridge locally and across the state in a changing environment.
- provide a framework for bridge in NSW which ensures within the rules of the game a pleasant and ethical experience for players at all levels in all affiliated clubs.

To achieve these objectives, the company has adopted the following strategies:

- offer a high quality playing calendar of State and other events throughout the year.
- employ high quality teachers and play supervisors to attract and retain new players.
- institute a network of representatives from clubs across all areas of NSW to provide a means of two-directional communication and support between the NSWBA and affiliated clubs.

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DIRECTORS REPORT

PRINCIPAL ACTIVITIES (CONTINUED)

The company's key performance measures are:

- the number of members of the company.
- the number of affiliated bridge clubs within NSW.
- the total number of members of affiliated bridge clubs throughout NSW.
- the level of attendance at beginners lessons and supervised sessions.
- a continuing stream of new players progressing from beginners lessons through supervised sessions and joining regular duplicate bridge sessions both with the NSWBA and at other affiliated clubs.
- continuing acknowledgement within the NSW bridge community that the Monday night championship events represent the highest standard of club bridge available within NSW.
- the performance of NSW bridge players in National tournaments.

INFORMATION ON DIRECTORS

Julian Foster

Julian has been Chairman of the NSWBA Council since December 2012 and has served as a director since 2000. He was previously Treasurer from 2005 to 2010. Julian is one of two representatives of NSW nominated as a delegate to the ABF Council.

Having been active in bridge administration in the UK, Julian relocated to Sydney from the UK in 1998. He is an accountant by training, having most recently worked in developing taxation software.

Julian is a regular on the tournament scene. He won the Dick Cummings Pairs in 2001, has represented NSW in the Australian National Championships (ANC) open teams, and been runner-up in numerous national events.

Richard Douglas

Richard is the NSWBA Secretary. He joined Council in December 2012 following his retirement from the business world. For most of his career he worked in investment management, during which he gained considerable experience as a company director.

Richard learned his bridge in Canberra, where he was active in bridge administration in the 1970s and 1980s and was a member of the first two ACT teams to win the ANC open teams. Following an 18-year break from the game he began playing again in Sydney. He has since represented NSW several times in the Seniors team at the ANC, winning in 2015, and most recently won the Bobbie Evans Seniors Teams at the 2016 Spring Nationals.

Helena Dawson

Helena has been the NSWBA Treasurer since 2010 and is a Certified Practising Accountant. She is the management accountant for Kincoppal Rose Bay school and is passionate about encouraging young players to learn and enjoy playing bridge. Her ultimate goal would be to see bridge being played as a regular activity at schools throughout Australia.

Helena is the winner of several national bridge championships.

Bruce Neill

Bruce retired from Council in December 2015. He had been a Councillor since 2006 and was Chairman of the NSWBA for five years until 2012. A retired financial services executive, Bruce has been President of the ABF since May 2014 and is a nominated delegate of NSW on the ABF Council.

At the table, Bruce has represented Australia numerous times at both Open and Senior level and has won a number of Australian national titles.

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DIRECTORS REPORT

INFORMATION ON DIRECTORS (CONTINUED)

Samuel (Warren) Lazer

Warren was a Councillor for 14 years from the 1980s and rejoined for his current stint in 2007. He currently chairs the NSWBA Tournament Committee and has organised many of its events, including the State Wide Pairs and the Under 100 Masterpoints State Championship.

Warren recently retired following a high-level administrative career in the School of Chemistry at the University of Sydney. Warren was President of the Federation of Affiliated Bridge Clubs (FABC) in 2007 and member of many ABF Committees before then.

Warren has had a distinguished bridge career, having represented Australia on five occasions, and reached the quarter-finals of the Bermuda Bowl in 2007. He has represented NSW at the ANC on nine occasions, winning the event four times. He is twice a winner of the National Open teams. Most recently he represented Australia in the Mixed Teams at the 2016 world championships.

Louis Koolen

Louis, a retired IT consultant, became a member of Council in 2009. Louis was a Special Councillor representing the Outer Metropolitan zone until his retirement from Council in December 2015.

Louis has been a convenor of the Country Teams, the Central Coast regional organiser for the Grand National Open Teams (GNOT) and was a long-time convenor of congresses run by Brisbane Water Bridge Club. He is a congress director and member of the Australian Bridge Directors Association (ABDA).

John Scudder

John's current stint as a Councillor began in 2009. He currently chairs the Club Operations Committee of Council. A retired manager of an industrial control spare parts organisation, John has served as a Councillor for two earlier periods and was instrumental in securing the Association's current premises.

John was a member of the ABF Management Committee for a period in the 1980s and 1990s, serving as ABF Secretary for much of that time. He was the assistant convenor of the World Championships held in Perth in 1989 and from 1996 to 2005 was convenor of the Summer Festival of Bridge.

Graeme Payne

Graeme joined Council in December 2011 as Special Councillor representing the Northern zone. He retired from Council in December 2015.

Graeme retired to cattle and sheep grazing at Glen Innes after an academic and public service career. He is a social bridge player who enjoys attending regional congresses. He is a former secretary of Glen Bridge Club, a club director and member of the ABDA.

David Reddel

David joined Council in June 2013 as a Special Councillor representing the Southern & Western zone. He retired from Council in December 2015.

David was an IT help desk operator and was a former president and head director at Canobolas Bridge Club. He is a congress director and a member of the ABDA.

Catherine Whiddon

Cath joined Council in 2014 as Special Councillor (Metropolitan zone) but has been a general Councillor from December 2015. She is responsible for Council's education portfolio and works with the ABF National Teaching co-ordinator to run teacher-training programmes, continuing professional development days and teacher networking opportunities.

A lawyer by training, Cath also acts as the representative for the Northern Metropolitan region. Here, Cath has developed inter-club competitions and piloted at local community libraries a programme introducing bridge. She is an ABF-accredited bridge teacher and Director of Bridge Education at her local club, Peninsula.

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DIRECTORS REPORT

INFORMATION ON DIRECTORS (CONTINUED)

Wing Roberts

Wing was appointed in May 2015 to fill a Council vacancy and took responsibility for promotion and marketing. She was sole proprietor of a graphic design agency in Hong Kong for ten years before settling in Australia in 2012. Arriving in Sydney in 2014, Wing has contributed significantly to bridge promotion and begun to play tournament bridge, with considerable success in recent novice events.

Wing resigned from Council in July 2016 to take up a paid position working for the NSWBA.

Michael Wilkinson

Michael is a professional bridge player and director and was elected to Council in December 2014. He had responsibility for Director, Appeals and Youth matters. He retired from Council in December 2015 but continues to contribute significantly as a member of the Tournament committee and as organiser of the participation by NSW in the Grand National Open Teams.

Michael has won multiple national championships in several countries and has represented Australia at youth and open level.

Bruce Tier

Bruce was appointed in December 2015 as Special Councillor representing the Northern zone. Bruce has recently retired, having had a long academic career at the University of Armidale.

Bruce has been an active player and bridge administrator in the Armidale region for many years.

Helen Milward

Helen was appointed in December 2015 as Special Councillor representing the Outer Metropolitan zone. She has been involved with bridge administration, directing and teaching in Sydney for more than 30 years. Helen then spent 10 years in Far Northern NSW and was a Queensland state representative several times over that period.

She returned to live in the greater Sydney region two years ago and is currently convenor of the Country Teams.

Kaye Hart

Kaye was elected in December 2015 as Special councillor representing the Southern & Western zone.

By training a Ph.D. in chemical engineering, Kaye is a retired public servant keenly interested in progressing bridge in country areas, particularly in the Southern & Western zone. Since joining Council at the end of 2015, Kaye has travelled to congresses in Griffith, Leeton, Wellington, Bathurst, Mollymook, Albury, Orange and Dubbo to provide local groups with the opportunity to interface directly with the Council. Kaye has been a congress convenor and long-term committee member for the Illawarra Bridge Association. In recognition of her work, this association granted Kaye Life Membership in 2001.

Sophie Ashton

Sophie was elected as an ordinary Councillor in December 2015. She acts as the convenor of the State events and other Monday night events run by the NSWBA.

Sophie's qualifications are in mathematics and finance and she has a background of six years in investment banking. Her career more recently has seen her work as developer and project director of a health hub in Goulburn.

Sophie has become a serious bridge competitor and winning the NSW State Pairs last year is her most significant achievement.

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DIRECTORS REPORT

INFORMATION ON DIRECTORS (CONTINUED)

Rakesh Kumar

Rakesh was appointed in July 2016 to fill a vacancy on Council. Rakesh has taken responsibility for publicity and marketing issues.

A Professor of Pathology at the University of New South Wales (UNSW), Rakesh is an enthusiastic teacher of Medicine and Science students as well as being active in research. He has considerable experience on policy and management committees, including the UNSW Academic Board (2002–10) and the University Council (2010–14). Rakesh learnt to play bridge as a medical student in India and has played enthusiastically ever since. He has been writing for various NSWBA publications since 2001. Away from the bridge table, his interests include classical music, theatre and travel.

DIRECTORS' MEETINGS

During the financial year, nine meetings of directors were held. Attendance by each director was as follows:

| Director | Meetings Held* | Meetings Attended |
|---------------------------|-----------------------|--------------------------|
| Julian Roberts Foster | 9 | 8 |
| Richard Douglas | 9 | 8 |
| Helena Frances Dawson | 9 | 8 |
| Bruce Graham Neill | 2 | 2 |
| Samuel Warren Lazer | 9 | 9 |
| Louis-Marie Joseph Koolen | 2 | 1 |
| John Anthony Scudder | 9 | 8 |
| Graeme Payne | 2 | 2 |
| David Michael Reddel | 2 | 2 |
| Catherine Susan Whiddon | 9 | 4 |
| Wing Han Lee Roberts | 7 | 6 |
| Michael Robert Wilkinson | 2 | 1 |
| Bruce Tier | 9 | 7 |
| Kaye Patricia Hart | 9 | 7 |
| Helen Marie Milward | 9 | 8 |
| Sophie Ashton | 9 | 6 |
| Rakesh Kamal Kumar | 2 | 2 |

* Number of meetings with a quorum held while director was in office. This does not include the Annual General Meeting.

COMMITTEE MEETINGS

Council has a standing committee on Club Operations which is chaired by John Scudder, who is the only Councillor on the committee. During the year three formal meetings were held, John attending (and chairing) all three.

COMPANY LIMITED BY GUARANTEE

The company is incorporated under the *Corporations Act 2001* and is an entity limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of 1 pound each towards meeting any outstanding obligations of the entity. As at 30 September 2016 the number of members was 956 (2015: 702).

NEW SOUTH WALES BRIDGE ASSOCIATION LIMITED

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DIRECTORS REPORT

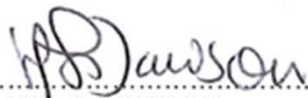
AUDITOR'S INDEPENDENCE DECLARATION

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

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



.....
JULIAN R. FOSTER
DIRECTOR



.....
HELENA F. DAWSON
DIRECTOR

Dated: 12 December 2016



NEW SOUTH WALES BRIDGE ASSOCIATION LIMITED
A.B.N. 61 000 438 648

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF NEW SOUTH WALES BRIDGE ASSOCIATION LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 September 2016, 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.

CBC Partners
Chartered Accountants

A handwritten signature in black ink, appearing to read 'D. Cutrupi'.

Domenic A. Cutrupi
Partner

Sydney

Dated: 30 November 2016

NEW SOUTH WALES BRIDGE ASSOCIATION LIMITED
A.B.N. 61 000 438 648

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2016

| | Note | 2016 \$ | 2015 \$ |
|---|------|----------------------|---------------------|
| Revenue | 2 | 772,457 | 665,275 |
| Changes in inventories | | (3,567) | (730) |
| Employee benefits expense | | (205,287) | (139,739) |
| Depreciation expense | 3 | (37,349) | (33,223) |
| Other expenses | 3 | (508,457) | (487,665) |
| Profit (loss) before income tax | | <u>17,797</u> | <u>3,918</u> |
| Income tax expense | 1(a) | - | - |
| Profit (loss) for the year | | <u><u>17,797</u></u> | <u><u>3,918</u></u> |
| Other comprehensive income: | | - | - |
| Other comprehensive income for the year | | <u>-</u> | <u>-</u> |
| Total comprehensive income for the year | | <u><u>17,797</u></u> | <u><u>3,918</u></u> |
| Profit (loss) attributable to: | | | |
| Members of the entity | | <u><u>17,797</u></u> | <u><u>3,918</u></u> |
| Total comprehensive income attributable to: | | | |
| Members of the entity | | <u><u>17,797</u></u> | <u><u>3,918</u></u> |

The accompanying notes form part of these financial statements.

NEW SOUTH WALES BRIDGE ASSOCIATION LIMITED

A.B.N. 61 000 438 648

STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2016

| | Note | 2016 \$ | 2015 \$ |
|--------------------------------------|------|------------------|------------------|
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 4 | 390,839 | 365,717 |
| Trade and other receivables | 5 | 20,076 | 19,810 |
| Inventories | 6 | 1,125 | 4,692 |
| Other assets | 7 | 58,673 | 24,865 |
| TOTAL CURRENT ASSETS | | 470,713 | 415,084 |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | 8 | 491,346 | 523,329 |
| Intangible assets | 9 | 144,764 | 144,764 |
| TOTAL NON-CURRENT ASSETS | | 636,110 | 668,093 |
| TOTAL ASSETS | | 1,106,823 | 1,083,177 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 10 | 65,676 | 50,221 |
| Provisions | 11 | 26,925 | 48,606 |
| Other liabilities | 12 | 110,662 | 74,466 |
| TOTAL CURRENT LIABILITIES | | 203,263 | 173,293 |
| NON-CURRENT LIABILITIES | | | |
| Provisions | 11 | 2,389 | 1,510 |
| Other liabilities | 12 | 25,000 | 50,000 |
| TOTAL NON-CURRENT LIABILITIES | | 27,389 | 51,510 |
| TOTAL LIABILITIES | | 230,652 | 224,803 |
| NET ASSETS | | 876,171 | 858,374 |
| EQUITY | | | |
| Reserves | | 103,588 | 103,588 |
| Retained earnings | | 772,583 | 754,786 |
| TOTAL EQUITY | | 876,171 | 858,374 |

The accompanying notes form part of these financial statements.

NEW SOUTH WALES BRIDGE ASSOCIATION LIMITED
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2016

| Note | Capital Reserves \$ | Building Fund Reserves \$ | Retained Earnings \$ | Total \$ |
|--|---------------------------|---------------------------------|----------------------------|-----------------------|
| Balance as at 1 October 2014 | 67,598 | 35,990 | 750,868 | 854,456 |
| Profit (loss) attributable to members | - | - | 3,918 | 3,918 |
| Total other comprehensive income | - | - | - | - |
| Balance as at 30 September 2015 | <u>67,598</u> | <u>35,990</u> | <u>754,786</u> | <u>858,374</u> |
| Profit (loss) attributable to members | - | - | 17,797 | 17,797 |
| Total other comprehensive income | - | - | - | - |
| Balance as at 30 September 2016 | <u><u>67,598</u></u> | <u><u>35,990</u></u> | <u><u>772,583</u></u> | <u><u>876,171</u></u> |

The accompanying notes form part of these financial statements.

NEW SOUTH WALES BRIDGE ASSOCIATION LIMITED
A.B.N. 61 000 438 648

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

| | Note | 2016 \$ | 2015 \$ |
|---|------|-----------------------|-----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts from members and customers | | 882,384 | 734,127 |
| Interest received | | 7,997 | 11,325 |
| Payments to suppliers and employees | | (834,750) | (680,891) |
| Finance costs | | - | - |
| Net cash generated in operating activities | | <u>55,631</u> | <u>64,561</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant & equipment | | - | - |
| Purchase of property, plant & equipment | | (5,509) | (45,061) |
| Payments for intangibles | | (25,000) | (69,764) |
| Net cash provided by (used in) investing activities | | <u>(30,509)</u> | <u>(114,825)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Repayments of borrowings | | - | - |
| Net cash provided by (used in) financing activities | | <u>-</u> | <u>-</u> |
| Net increase (decrease) in cash held | | 25,122 | (50,264) |
| Cash at beginning of financial year | | 365,717 | 415,981 |
| Cash at end of financial year | 4 | <u><u>390,839</u></u> | <u><u>365,717</u></u> |

The accompanying notes form part of these financial statements.

NEW SOUTH WALES BRIDGE ASSOCIATION LIMITED

A.B.N. 61 000 438 648

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

The financial statements are for New South Wales Bridge Association Limited as an individual company, incorporated and domiciled in Australia. New South Wales Bridge Association Limited is a company limited by guarantee.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

New South Wales Bridge Association Ltd applies Australian Accounting Standards – Reduced Disclosure Standards - Reduced Disclosure Requirements as set out in AASB 1053: *Application of Tiers of Australian Accounting Standards* and AASB 2010-2: *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements*.

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

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

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on 12 December 2016 by the directors of the company.

Accounting Policies

(a) Income Tax

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

(b) Inventories

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

(c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost, less, where applicable, accumulated depreciation and impairment losses.

NEW SOUTH WALES BRIDGE ASSOCIATION LIMITED

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Property, Plant and Equipment (continued)

Property, plant and equipment

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

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

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, are 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% |
| Improvements | 2.5% |
| Office equipment | 5 - 40% |
| Furniture & fittings | 5 - 20% |

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

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(d) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (ie trade date accounting is adopted).

NEW SOUTH WALES BRIDGE ASSOCIATION LIMITED

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Financial Instruments (continued)

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss" in which case transaction costs are recognised immediately as expenses in profit or loss.

Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. 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 at which the financial asset or financial liability is measured at initial recognition; (ii) less principal repayments; (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and (iv) less any reduction for impairment.

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

(i) *Financial assets at fair value through profit and loss*

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

(ii) *Loans and receivables*

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

(iii) *Financial liabilities*

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

NEW SOUTH WALES BRIDGE ASSOCIATION LIMITED

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Financial Instruments (continued)

Impairment

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

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

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

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

Derecognition

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

(e) Impairment of Assets

At the end of each reporting period, the entity assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116: Property, Plant and Equipment). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

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

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

NEW SOUTH WALES BRIDGE ASSOCIATION LIMITED

A.B.N. 61 000 438 648

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Contributions are made by the company to employee superannuation funds and are charged as expenses when incurred.

(g) Provisions

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

(h) Cash and cash equivalents

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

(i) Revenue

Revenue from the sale of goods is recognised upon delivery of goods to customers. Donations and bequests are recognised as revenue when received. Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Revenue from the rendering of a service is recognised upon delivery of the service to the customers. All revenue is stated net of the amount of goods and services tax (GST).

(j) Finance Costs

Finance costs are recognised as an expense in the period in which they are incurred.

(k) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

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 ATO is included with other receivables or payables in the statement of financial position.

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

NEW SOUTH WALES BRIDGE ASSOCIATION LIMITED
A.B.N. 61 000 438 648

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Prior period accounting errors

The entity detected an error on the statement of cash flows in the comparative period ending 30 September 2015 whereby the goodwill component of the acquisition of Sydney Bridge Club was treated as a cash payment when in fact \$75,000 is actually payable in future periods contingent on conditions of the contract being met.

The table below provides a summary of the amounts of the adjustments for each financial statement line item affected for the comparative period ending 30 September 2015.

| | Previously stated \$ | Adjustment \$ | Restated \$ |
|--------------------------------------|----------------------------|------------------|----------------|
| 2015 | | | |
| Statement of Cash Flows | | | |
| Cash Flows form Operating Activities | | | |
| Receipts from members and customers | 809,127 | (75,000) | 734,127 |
| Cash Flows form Investing Activities | | | |
| Payments for intangibles | (144,764) | 75,000 | (69,764) |

(m) Comparative Figures

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

Where the company has retrospectively applied an accounting policy, made a retrospective restatement of items in the financial statements or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

(n) Critical Accounting Estimates and Judgments

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

(o) Trade and Other Payables

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

NEW SOUTH WALES BRIDGE ASSOCIATION LIMITED

A.B.N. 61 000 438 648

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Intangibles

Goodwill is initially recorded at the amount by which the purchase price for a business combination exceeds the fair value attributed to the interest in the net fair value of identifiable assets, liabilities and contingent liabilities at date of acquisition. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(q) Fair Value of Assets and Liabilities

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

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

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

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

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

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

NEW SOUTH WALES BRIDGE ASSOCIATION LIMITED
A.B.N. 61 000 438 648

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

| | 2016 | 2015 |
|-----------------------------|----------------|----------------|
| | \$ | \$ |
| NOTE 2: REVENUE | | |
| Operating activities: | | |
| Affiliation fees | 121,136 | 119,752 |
| Donation income | 9,200 | 12,985 |
| Interest received | 7,997 | 11,325 |
| Lesson income | 35,024 | 34,500 |
| Licence fees | 23,178 | 10,677 |
| Masterpoint income | 30,319 | 28,630 |
| Members subscriptions | 54,249 | 34,411 |
| Other revenue | 11,746 | 25,060 |
| Table monies and entry fees | 269,270 | 185,616 |
| Tournament income | 209,772 | 202,319 |
| Youth bridge income | 566 | - |
| | <u>772,457</u> | <u>665,275</u> |

NOTE 3: EXPENSES

(a) Expenses:

| | | |
|---|----------------|----------------|
| Depreciation | <u>37,349</u> | <u>33,223</u> |
| Other expenses: | | |
| Affiliation fees paid | 17,381 | 14,499 |
| Remuneration of auditor: | | |
| - audit of the financial statements | 4,500 | 4,500 |
| - other services | 2,380 | 2,380 |
| Canteen expenses | 28,204 | 30,860 |
| Computer expense | 1,509 | 1,878 |
| Entry fee expenses | 5,173 | 5,400 |
| Insurance | 12,504 | 11,002 |
| Masterpoint expenses | 12,851 | 11,640 |
| Parking expenses | 1,440 | 594 |
| Postage, courier, printing & stationery | 20,887 | 19,254 |
| Prizes, trophies & grants | 30,783 | 39,807 |
| Rent expenses | 44,228 | 21,376 |
| Small assets write-off | - | 7,900 |
| Strata levies | 53,376 | 53,376 |
| Tournament directors | 83,282 | 60,618 |
| Other expenses | 189,959 | 202,581 |
| | <u>508,457</u> | <u>487,665</u> |

NEW SOUTH WALES BRIDGE ASSOCIATION LIMITED
A.B.N. 61 000 438 648

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

| | 2016 | 2015 |
|--|----------------|----------------|
| | \$ | \$ |
| NOTE 4: CASH AND CASH EQUIVALENTS | | |
| CURRENT | | |
| Cash on hand | 500 | 500 |
| Cash at bank | 80,649 | 67,723 |
| Cash on deposit | 309,690 | 297,494 |
| | <u>390,839</u> | <u>365,717</u> |
| NOTE 5: TRADE AND OTHER RECEIVABLES | | |
| CURRENT | | |
| Trade receivables | 6,855 | 5,130 |
| Other receivables | 13,221 | 14,680 |
| | <u>20,076</u> | <u>19,810</u> |
| NOTE 6: INVENTORIES | | |
| CURRENT | | |
| Stock on hand - at cost | 1,125 | 4,692 |
| | <u>1,125</u> | <u>4,692</u> |
| NOTE 7: OTHER ASSETS | | |
| CURRENT | | |
| Prepayments | 55,820 | 24,865 |
| Undeposited funds | 2,853 | - |
| | <u>58,673</u> | <u>24,865</u> |

NEW SOUTH WALES BRIDGE ASSOCIATION LIMITED
A.B.N. 61 000 438 648

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

| | Note | 2016 \$ | 2015 \$ |
|--|------|----------------|----------------|
| NOTE 8: PROPERTY, PLANT & EQUIPMENT | | | |
| LAND AND BUILDINGS | | | |
| Buildings - at cost | | 911,332 | 911,332 |
| Less: accumulated depreciation | | (489,462) | (466,679) |
| Total Land and Buildings | | 421,870 | 444,653 |
| PLANT AND EQUIPMENT | | | |
| Improvements - at cost | | 5,582 | 5,582 |
| Less: accumulated depreciation | | (2,718) | (2,578) |
| | | 2,864 | 3,004 |
| Office equipment - at cost | | 54,908 | 55,051 |
| Less: accumulated depreciation | | (43,633) | (38,538) |
| | | 11,275 | 16,513 |
| Furniture & fittings - at cost | | 189,680 | 184,172 |
| Less: accumulated depreciation | | (134,343) | (125,013) |
| | | 55,337 | 59,159 |
| Total Plant and Equipment | | 69,476 | 78,676 |
| Total property, plant and equipment | 8(a) | 491,346 | 523,329 |

(a) 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:

| | Buildings | Improvements | Office equipment | Furniture & fittings | Total \$ |
|---|----------------|--------------|---------------------|-------------------------|----------------|
| 2016 | | | | | |
| Balance at the beginning of year | 444,653 | 3,004 | 16,513 | 59,159 | 523,329 |
| Additions at cost | - | - | - | 5,509 | 5,509 |
| Disposals | - | - | - | - | - |
| Gain (loss) on disposal | - | - | (143) | - | (143) |
| Depreciation | (22,783) | (140) | (5,095) | (9,331) | (37,349) |
| Carrying amount at the end of year | 421,870 | 2,864 | 11,275 | 55,337 | 491,346 |

NEW SOUTH WALES BRIDGE ASSOCIATION LIMITED
A.B.N. 61 000 438 648

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

| | Note | 2016 \$ | 2015 \$ |
|---|-------|------------|------------|
| NOTE 9: INTANGIBLE ASSETS | | | |
| NON CURRENT | | | |
| Goodwill at cost | | 144,764 | 144,764 |
| Less: accumulated impairment losses | | - | - |
| | | 144,764 | 144,764 |
| NOTE 10: TRADE AND OTHER PAYABLES | | | |
| CURRENT | | | |
| Unsecured liabilities | | | |
| Trade payables | | 4,391 | 1,612 |
| Other payables and accrued expenses | | 61,285 | 48,609 |
| | | 65,676 | 50,221 |
| NOTE 11: PROVISIONS | | | |
| CURRENT | | | |
| Provision for employee benefits: annual leave | | 4,577 | 22,557 |
| Provision for employee benefits: long service leave | | 22,348 | 26,049 |
| | | 26,925 | 48,606 |
| NON CURRENT | | | |
| Provision for employee benefits: long service leave | | 2,389 | 1,510 |
| | | 2,389 | 1,510 |
| | 11(a) | 29,314 | 50,116 |
| (a) Provision for Employee Benefits | | | |
| Opening balance | | 50,116 | 44,577 |
| Additional provisions raised during year | | 9,427 | 14,360 |
| Amounts used | | (30,229) | (8,821) |
| Closing balance | | 29,314 | 50,116 |

A provision has been recognised for employee benefits relating to annual leave and long service leave for employees. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria for employee benefits has been included in note 1.

NEW SOUTH WALES BRIDGE ASSOCIATION LIMITED
A.B.N. 61 000 438 648

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

| | Note | 2016 \$ | 2015 \$ |
|-----------------------------------|------|----------------|---------------|
| NOTE 12: OTHER LIABILITIES | | | |
| CURRENT | | | |
| Income received in advance | | 85,662 | 49,466 |
| Contingent consideration | | 25,000 | 25,000 |
| | | <u>110,662</u> | <u>74,466</u> |
| NON CURRENT | | | |
| Contingent consideration | | 25,000 | 50,000 |
| | | <u>25,000</u> | <u>50,000</u> |

NOTE 13: KEY MANAGEMENT PERSONNEL COMPENSATION

No compensation was received by any key management personnel of the company during the financial year or previous financial year.

NOTE 14: OTHER RELATED PARTY TRANSACTIONS

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

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

NOTE 15: EVENTS AFTER THE REPORTING PERIOD

In the opinion of the directors, no matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

NEW SOUTH WALES BRIDGE ASSOCIATION LIMITED
A.B.N. 61 000 438 648

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

| Note | 2016 \$ | 2015 \$ |
|------|------------|------------|
|------|------------|------------|

NOTE 16: FINANCIAL RISK MANAGEMENT

The company's financial instruments consist mainly of cash and cash equivalents, trade and other receivables, trade and other payables and borrowings.

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:

Financial Assets

| | | | |
|-----------------------------|---|----------------|----------------|
| Cash and cash equivalents | 4 | 390,839 | 365,717 |
| Trade and other receivables | 5 | 20,076 | 19,810 |
| | | <u>410,915</u> | <u>385,527</u> |

Financial Liabilities

| | | | |
|---|----|---------------|---------------|
| Financial liabilities at amortised cost | | | |
| - Trade and other payables | 10 | 65,676 | 50,221 |
| | | <u>65,676</u> | <u>50,221</u> |

NEW SOUTH WALES BRIDGE ASSOCIATION LIMITED

A.B.N. 61 000 438 648

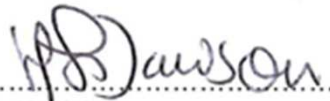
DIRECTORS DECLARATION

In accordance with a resolution of the directors of New South Wales Bridge Association Limited, the directors of the company declare that:

1. The financial statements and notes, as set out on pages 8 to 24, are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
 - (b) give a true and fair view of the financial position as at 30 September 2016 and of 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.



.....
JULIAN R. FOSTER
DIRECTOR



.....
HELENA F. DAWSON
DIRECTOR

Dated: 12 December 2016



NEW SOUTH WALES BRIDGE ASSOCIATION LIMITED
A.B.N. 61 000 438 648

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
NEW SOUTH WALES BRIDGE ASSOCIATION LIMITED

Report on the Financial Report

We have audited the accompanying financial report of New South Wales Bridge Association Limited, which comprises the statement of financial position as at 30 September 2016, the statement of profit and 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 and fair presentation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that 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 whether the financial statements are 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 company'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.



NEW SOUTH WALES BRIDGE ASSOCIATION LIMITED
A.B.N. 61 000 438 648

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
NEW SOUTH WALES BRIDGE ASSOCIATION LIMITED

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 New South Wales Bridge Association Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Auditor's Opinion

In our opinion the financial report of New South Wales Bridge Association Limited is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the company's financial position as at 30 September 2016 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

CBC Partners
Chartered Accountants

A handwritten signature in black ink, appearing to read 'Domenic A. Cutrupi'.

Domenic A. Cutrupi
Partner

Sydney

Dated: 15 December 2016



NEW SOUTH WALES BRIDGE ASSOCIATION LIMITED

A.B.N. 61 000 438 648

COMPILATION REPORT

We have compiled the accompanying special purpose financial statements of the company which comprises the attached profit and loss statement for the year ended 30 September 2016. The specific purpose for which the special purpose financial statements have been prepared is to provide financial information to the directors.

The Responsibility of the Directors

The directors are solely responsible for the information contained in the special purpose financial statements and have determined that the basis of accounting adopted is appropriate to meet their needs.

Our Responsibility

On the basis of the information provided by the directors we have compiled the accompanying special purpose financial statements in accordance with the basis of accounting and APES 315: Compilation of Financial Information.

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

The special purpose financial statements were compiled exclusively for the benefit of the directors. We do not accept responsibility to any other person for the contents of the special purpose financial statements.

CBC Partners
Chartered Accountants

Domenic A. Cutrupi
Partner

Sydney

Dated: 15 December 2016

NEW SOUTH WALES BRIDGE ASSOCIATION LIMITED

A.B.N. 61 000 438 648

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2016

| | 2016 | 2015 |
|-----------------------------|----------------|----------------|
| | \$ | \$ |
| INCOME | | |
| Affiliation fees | 121,136 | 119,752 |
| Donation income | 9,200 | 12,985 |
| Interest received | 7,997 | 11,325 |
| Lesson income | 35,024 | 34,500 |
| Licence fees | 23,178 | 10,677 |
| Masterpoint income | 30,319 | 28,630 |
| Members subscriptions | 54,249 | 34,411 |
| Other revenue | 11,746 | 25,060 |
| Spring national income | 75,130 | 73,808 |
| Table monies and entry fees | 269,270 | 185,616 |
| Tournament income | 134,642 | 128,511 |
| Youth bridge income | 566 | - |
| | <u>772,457</u> | <u>665,275</u> |

This page does not form part of the audited financial accounts.

NEW SOUTH WALES BRIDGE ASSOCIATION LIMITED
A.B.N. 61 000 438 648

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2016

| | 2016 | 2015 |
|-------------------------------------|----------------|----------------|
| | \$ | \$ |
| EXPENDITURE | | |
| Advertising | 9,635 | 5,825 |
| Affiliation fees paid | 17,381 | 14,499 |
| Air conditioning expenses | 4,715 | 4,539 |
| Auditor's remuneration | 6,880 | 6,880 |
| Bank charges | 4,313 | 2,465 |
| Canteen expenses | 28,204 | 30,860 |
| Cleaning | 15,634 | 15,588 |
| Computer expense | 1,509 | 1,878 |
| Council & water rates | 4,506 | 4,467 |
| Depreciation | 37,349 | 33,223 |
| Electricity | 4,610 | 5,334 |
| Entertainment | 3,822 | - |
| Entry fee expenses | 5,173 | 5,400 |
| Insurance | 12,504 | 11,002 |
| Loss on disposal of asset | 143 | - |
| Masterpoint expenses | 12,851 | 11,640 |
| Other expenses | 33,821 | 34,403 |
| Parking expenses | 1,440 | 594 |
| Postage & courier | 2,137 | 1,825 |
| Printing & stationery | 18,750 | 17,429 |
| Prizes, trophies & grants | 30,783 | 39,807 |
| Provision for holiday pay | (17,980) | 3,077 |
| Provision for long service leave | (2,822) | 2,462 |
| Rent expenses | 44,228 | 21,376 |
| Repairs & maintenance | 1,680 | 3,436 |
| Small assets write-off | - | 7,900 |
| Spring national expense | 59,717 | 53,690 |
| Strata levies | 53,376 | 53,376 |
| Superannuation contributions | 18,069 | 15,006 |
| Supervisors expenses | 24,771 | 19,910 |
| Telephone | 1,943 | 4,929 |
| Tournament directors | 83,282 | 60,618 |
| Tournament expenses | 45,018 | 43,186 |
| Wages | 187,218 | 124,733 |
| | 754,660 | 661,357 |
| Profit (loss) before income tax | 17,797 | 3,918 |

This page does not form part of the audited financial accounts.

Chairman's Report

Something that really resonated with me at the 2015 AGM was a series of questions asked by three different speakers in quick succession towards the end. One was about the Sydney Bridge Centre club activities, one about the NSWBA Monday night bridge session and one about the NSW affiliated bridge clubs. To me that was a perfect illustration of the three distinct groups of stakeholders we have as an organisation:

- Club members
- Tournament/Congress level players
- Affiliated bridge clubs

Our role on Council is to try and balance the interests of these three groups, all of whom contribute to the NSWBA in one form or another.

To reflect that balance, we have been working to develop some internal financial reporting. We have now built a structure where we track 4 columns, "Head office", "State", "Events" and "Club". Head office represents our basic legal entity running costs and the main Goulburn St premises. The other columns each represent a stakeholder group above. State and Club are self-explanatory. Events includes all the bridge events that we run for tournament level players – e.g. Spring Nationals, Country Teams, GNOT, State championships, etc. Internal "rent" charges are then made to each area based on how much they use Goulburn St to try and estimate their result had they been independent. Obviously not all our income and expenses fit neatly into these categories so some need allocating and that requires making assumptions. The biggest ones for us are how we split the office staff costs between the various functions and how much internal "rent" we allocate. Decisions in either of those areas can impact each column by tens of thousands of dollars.

Therefore **these numbers are not black and white and never can be**. Nevertheless they do give a broad indication of the respective financial performance of each area and hence which one(s) need the most attention. Now we have this structure for the first time the trends over time will also become important.

Indicative numbers for 2015/16 are:

| | Head Office | State Admin | Bridge Events | Club | Total |
|--|--------------------|--------------------|----------------------|-----------------|---------------|
| Income | 15,163 | 188,787 | 201,967 | 366,540 | 772,457 |
| Expenses (direct and shared) | 166,572 | 101,400 | 182,418 | 304,270 | 754,660 |
| Contribution to head office costs | (151,409) | 87,387 | 19,549 | 62,270 | 17,797 |
| "Rent" (allocated) | 119,400 | (12,200) | (31,200) | (76,000) | - |
| Net profit/loss | (32,009) | 75,187 | (11,651) | (13,730) | 17,797 |

These show that all areas are making a positive contribution to the costs of the premises. But, when their respective uses of the premises is taken into account, State monies are currently subsidising other areas. That's the case today. Of course over time the position has been very different (the NSWBA club subsidised the entirety of bridge in NSW for about 40 years). State funds should obviously support State bridge events but it is not acceptable

Chairman's Report

that they support the local club in the long term. That is the main reason we proceeded with the SBC merger last year. The old NSWBA club operation was struggling. The old SBC business was profitable. Merged together, while still estimated to be running at a loss this year, they have already improved to the point that they are projected to return to profit next year. More on that below.

The other thing these figures show is the Goulburn St premises are not being used as effectively as they could be. They are an incredibly valuable asset for which we all owe a debt of gratitude to the foresight of past Councils. But they remain empty too much. We are seeking to improve this as well – short term through some more bridge sessions, medium term by exploring some hiring out to external parties, longer term by moving to a combined venue.

I'll now briefly mention each of the main areas:

- During the year the club has offered a great selection of duplicates, supervised sessions, beginner lessons, and the extremely popular Friday workshops. Table numbers, particularly in supervised sessions, are on the increase and, as I mentioned above, a small profit is now budgeted in 2017. The club also ran a holiday weekend in October. Thanks to Will Jenner O'Shea and Vanessa Brown for their hard work, energy and enthusiasm. Further details are available in the Club Operations Report.
- Our mix of tournaments remained broadly the same this year and I thank the assorted conveners for their help. Two in particular I would like to mention:
 - Marcia Scudder stepped down after convening the 2016 Spring Nationals, her 7th year in that role. I am particularly grateful to her, John Scudder, and other volunteers for the huge amount of work they have done and the tremendous success they have made of the tournament. Mike Prescott will be the new convener and I wish him well.
 - Sophie Ashton took on a new role to help convene the Monday night tournament session. She introduced various changes – e.g. an expert talk before play during each event (speaker notes are available on the website). Thanks also to Wing Roberts who, entirely voluntarily, bakes cakes for the session each week. As a result I feel the session now has a much improved “vibe” and table numbers grew in almost every event. It remains the strongest regular game around where you can regularly play against International standard players.
- We continue to support affiliated clubs, perhaps most visibly alongside the ABF with teacher training and marketing workshops. We are very conscious of the need for similar programs to help clubs with directing. John McIlrath has run a couple of practical director seminars and we intend to expand this program next year. Our zonal

Chairman's Report

Councillors have also been active in talking to clubs and players in their areas – I would especially like to thank Kaye Hart who has travelled a lot around the South/West zone. The NSWBA also provides many other services for clubs – e.g. website, congress calendar, online entry facility and access to informal legal advice from our honorary solicitor. Even more significant are the various insurances provided to all affiliated clubs as part of a single National policy. While the ABF arranges the policies, the State bodies actually pay a large portion of the cost for their affiliated clubs, something that is perhaps not widely known.

The second main development this year is the proposed new Constitution. Our current one dates from 1963 so it's definitely long overdue for a refresh! The changes proposed this year are intended to update technical matters in the existing Constitution, redraft the current documents into a modern form and introduce up to date concepts like electronic communications. We are not trying to introduce major structural change. This has been done deliberately to try and avoid having minor technical changes voted down because they are mixed in with more substantial changes. I therefore urge members to support the motion before the AGM to adopt the new Constitution.

The next stage is then to examine more substantial potential changes. A subcommittee has already started that process and it intends to circulate a discussion document next year. Obviously that's more challenging since there are widely diverging views about what the NSWBA's structure should be and obviously historical reasons for how it evolved the way it did. But I feel it's a discussion that needs to happen. Richard Douglas will be leading that effort and he is keen to hear directly from any stakeholders with particular views.

Many people help make the NSWBA run smoothly and I would particularly like to thank the office staff, Liz Fanos, Wing Roberts and Carrie Foster. This year marks the end of an era because Liz Fanos is retiring at the AGM. Liz has been with us as office manager since 2005 and her knowledge, calm efficiency, and great relationship with all our members and clubs will be sorely missed. We are very grateful to her for her contribution over such a long period of time and wish her a happy retirement! Next year Wing Roberts (who has been working with Liz since April) will take over responsibility for NSWBA State body administration. I am also pleased to welcome Collette Joseph who joins us part-time and she will mainly handle SBC Club administration. Wing and Collette will obviously be working closely together and assisting each other as required – sharing an office function is one of the many synergies the NSWBA gets by both being a State body and running a bridge club.

Finally, my thanks also go to the Council for their work in 2016 and to Cath Whiddon and Sophie Ashton who are stepping down this year.

Julian Foster
Chairman

Treasurer's Report

The **net profit** for the year ending 30th September, 2016 is \$17,797 (2015: \$3,918).

On page 30 of the audited financial accounts there is a breakdown of the main revenue and expenditure items that make up the net surplus for the year and includes a comparison with the 2015 year. However, it should be noted that 2015 results only include 6 months of merged SBC and NSWBA results which limit the usefulness of the comparison.

In summary, the main items of revenue and expenditure are:

- **Table money, and tournament income \$404,000** (2015: \$315,000)
- **Affiliation fees \$121,000** (2015: \$120,000)
- **Membership income \$54,000** (2015: \$34,000)
- **Spring National income (\$75,000)** (2015: \$74,000)
- **Salaries, superannuation, tournament directors and leave provisions \$292,000** (2015: \$226,000)

Considerable work has been done this year to provide greater transparency in relation to both the performance of the club and of the state functions and this is explained in depth in the Chairman's report.

Cash held at 30th September 2016 is \$390,839 (2015:\$365,717)

Helena Dawson
Treasurer, NSWBA

Tournament Committee Report

NSWBA State events comprise those with qualifying heats that run in the affiliated clubs and events at the Goulburn St premises on selected weekends. Information about and results for these events can be found at <http://www.nswba.com.au/tourn/state/>. Most Monday night sessions at Goulburn St are also State events. Regular club sessions and stand-alone congresses run by the Sydney Bridge Centre are not covered in this report.

The Tournament Committee for 2016 consisted of Warren Lazer (Chairman), Lynn Kalmin, Matthew McManus, Liam Milne, Nigel Rosendorff, Michael Wilkinson and Pauline Gumby (observer). Rakesh Kumar joined as an observer mid-year.

Results at the Australian National Championships:

NSW teams performed well in Brisbane at the 2016 ANC teams. The Open Team won the qualifying and went on to beat WA in the Final. The Youth team completely dominated their event from start to finish and their WA opponents conceded the Final at the three-quarter mark. The Women's and the Seniors' Teams came third and fourth respectively in their qualifying events.

NSWBA Representative Teams - 2016

| | |
|---|--|
| Open - Captain Paul Lavings (1 st) Nicoleta Giura - Nick Hughes Michael Wilkinson - Mathew Vadas Peter Buchen - Terry Brown | Seniors 1 - Captain Bob Sebesfi (4 th) Tina Zines - Dennis Zines Martin Bloom - Nigel Rosendorff Nicky Strasser - George Bilski |
| Women's - Captain Julian Foster (3 rd) Elli Urbach - Berri Folkard Kinga Moses - Nazife Bashar Inez Glanger - Marcia Scudder | Youth - Captain Johnno Newman (1 st) Matt Smith - Ailsa Peacock Lakshmi Sunderasan - Alex Phillips John McMahon - Charles McMahon |

NSW players did well in three out of four Butler Pairs Championships. In a dramatic finish, Tony Nunn and Sartaj Hans came second in the Open Butler by the smallest possible margin, a mere 0.01 VPs.

Australian Butler Pairs Results - 2016

| Event | First | Second |
|------------|---|---------------------------------------|
| Open | Paul Wyer - Michael Courtney | Tony Nunn - Sartaj Hans |
| Seniors | Bruce Neill - Richard Jedrychowski | Nicky Strasser - George Bilski |
| Restricted | Martin Broome - Valerie Broome | John McMahon - Charles McMahon |

Interstate Teams Selections in 2017:

All four Interstate Teams Selection events (Open, Women's, Seniors' & Youth) will remain as completely independent events in 2017. The Open will retain its traditional three stages, Stages I and II will be on Monday nights and the Final held over a single weekend. The Women's will be held on a single weekend on 4th & 5th February, this rescheduling being made possible by the Australian Team Playoffs moving to November/December. The Seniors' event attracted a large field in 2016 and hence has been expanded to a qualifying stage on Sunday 9th April followed by a 2-day final on Saturday 22nd & Sunday 23rd April. As usual, the Youth will run concurrently with the Senior's - on Sunday 23rd April.

Tournament Committee Report

Important changes for 2017 that involve the affiliated clubs:

The regulations for State Championship events that begin with heats held in affiliated clubs will change in 2017. This will make it easier for all clubs to compete and provide clubs with the ability to schedule extra red point sessions, independent of their B4s allowances. And the red masterpoints awarded are at a higher weighting and cheaper cost.

- All affiliated clubs will be able to hold up to four qualifying sessions for the State Open Pairs and State Mixed Pairs Championships and award red masterpoints with weightings of 5.0 and 3.75 respectively. There will no longer be any requirement for the club to send a representative pair to the State Finals in Sydney.
- To encourage greater participation in Regional and Zonal Finals of the Country Teams, the augmentation and substitution regulations will be much less restrictive than they have been in the past.

Changes that involved the affiliated clubs in 2016:

- The State Wide Pairs was reduced to a single session and scored using the services of Martin Willcox and John Delaney and the Nationwide Pairs software. There were a few teething problems (thanks to Jeff Carberry for sorting most of them), but scoring the event was much easier and quicker than in the past.
- The Under 100 Masterpoint Pairs Championship, introduced in 2015 for the vast majority of players in NSW, underwent some minor changes in 2016 allowing pairs to enter the Finals directly without having to first play in a club qualifying event. It also was scored using Nation-Wide Pairs software.

Communications:

The NSWBA is always conscious of needing to improve communications with our members, affiliated clubs and indeed anyone with an interest in bridge. In an attempt to improve the level of communication with clubs, the Association has just launched a new publication called *Insight*, aimed specifically at all our hard-working club administrators. It will not only provide useful information about state tournaments, but also ideas about marketing, teaching, administration and other significant club activities. Meanwhile, if you want to stay up-to-date about forthcoming events at the NSWBA, make sure you have joined our email list - contact Pauline Gumby at webmaster@nswba.com.au. If you are a player wanting to know what's happening on the Congress scene, sign up to receive the eCongress Newsletter at <http://www.nswba.com.au/enews/>.

The continuing success of the NSWBA relies to a huge extent on the tireless efforts of its paid workers and numerous volunteers. My thanks this year are extended to:

directors Matthew McManus, Ed Barnes, John McIlrath, Ronnie Ng and Jeff Carberry
our dedicated office staff, Liz Fanos, Wing Roberts and Carrie Foster
Michael Wilkinson (GNOT and Metropolitan Teams)
Helen Milward (Country Teams)
Rob Ward (Veteran Pairs Championship)
Jeff Carberry (State Novice & Restricted Teams, State-Wide Pairs)
all club and regional organisers of the various State Championships and the GNOT
Dave Weston for answering a multitude of masterpoint questions
and the entire Tournament Committee.

Warren Lazer (Chairman of Tournament Committee 2016)

Club Operations Report

The club continued to use three venues, the City venue in Goulburn Street, the Rozelle venue at the Writers Centre & the Henley venue at the Henley Community Centre. The club grew during 2015/16 with over 7,000 tables playing. This growth was evident at all venues.

| | 2013/14 | 2014/2015 | 2015/2016 |
|----------------|---------|-----------|-----------|
| Overall | 6,534 | 6,832 | 7,273 |
| City | 3,999 | 4,021 | 4,183 |
| Rozelle/Henley | 2,536 | 2,811 | 3,091 |

The tournament directors employed by the club were Will Jenner-O'Shea, Paul Roach, Sarah Carradine, Marcia Scudder, Johnno Newman, Ronnie Ng, Eric Lam & Matt Smith. Both Will & Johnno provided teaching services as well.

Vanessa Brown was a joint CEO of the club. Both Wing Roberts & Liz Fanos provided administration services. Carrie Foster provided accounting services.

The renewal of memberships proved trying as merging of the records of the two clubs into Pianola produced some difficulties. In the end, some 840 members renewed. These comprised

- 590 Full Members
- 138 Concessional Members
- 14 Country Members
- 10 Life Members
- 83 Perpetual Members
- 5 Special Members

By the end of the financial year the membership had grown to 958.

The Club ran eight workshops during the year which were well received by members with an average of about 120 players attending each workshop.

Following a request by members to separate the intermediate and open sessions on a Tuesday morning, a new intermediate session was instituted on Tuesday afternoons. In addition, a Monday morning lesson and game was introduced at the City venue.

The club managed to sell some of the surplus blue chairs and the remaining chairs were disposed of economically. The clean-up of the City club rooms has continued with a lot of the Spring Nationals equipment being stored offsite now.

The Zip heater has been replaced by two boilers.

The Christmas Party Day on Wednesday 16th December tested the capacity of our city venue. There were 31 Open & 22 Restricted tables at the first session, 27 Open & 6 Restricted at the second session and 13 Open & 7.5 Restricted at the evening session, a total of 422 player sessions.

The SBC ran the 2016 Winter Congress, the principal congress for the SBC, successfully. The Pairs attracted 28 Open and 20 Restricted pairs and the Teams attracted 16 Open and 10 Restricted teams.

Vanessa Brown Will Jenner-O'Shea Liz Fanos Wing Roberts John Scudder

Club Operations Committee
October 2016

