
**Western Suburbs Leagues Club Bowling
Club Limited trading as Wests Sports**
ABN 31 000 756 801

**Concise Report
31 October 2007**

The financial statements and other specific disclosures have been derived from Western Suburbs Leagues Club Bowling Club Limited trading as Wests Sports' (the Company's) full financial report for the financial year. Other information included in the concise financial report is consistent with the Company's full financial report.

The concise financial report does not, and cannot be expected to, provide as full an understanding of the financial performance, financial position and financing and investing activities of the Company as the full financial report.

A copy of the Company's 2007 Annual Financial Report, including the independent audit report, is available to all members and will be sent to members without charge upon request.

Western Suburbs Leagues Club Bowling Club Limited trading as Wests Sports

Directors' Report

Your directors present their report together with the financial report of Western Suburbs Leagues Club Bowling Club Limited (the company) for the year ended 31 October 2007 and the auditor's report thereon.

Directors

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

Name	Occupation	Appointed
Stephen Barnett	Driver	Director since May 2002
Dennis Brewer	Retail Manager	Director since March 1995
Alan Spooner	Sales Representative	Director since March 2004
Dennis Burgess	Business and Music Manager	Director since February 2004; Resigned June 2007
Ronald Powell	Business Consultant	Director since March 1996; Resigned June 2007
Russell Smith	Business Consultant	Director since September 1991; Resigned June 2007
Kevin Hammond	General Manager	Director since September 2005; Resigned June 2007
Terrence Waldron	Maintenance Worker	Director since June 2007
Christopher Burgis	Retired	Director since June 2007
Mark Butler	Commissions Manager	Director since June 2007
Stan Burnell-Jones	Electrician	Director since June 2007

Directors' Meetings

The number of directors' meetings and number of meetings attended by each of the directors of the company during the financial year are:

Director	Number of Meetings Attended *	Number of Meetings Held *
Stephen Barnett	13	13
Dennis Brewer	9	13
Alan Spooner	13	13
Dennis Burgess	8	8
Ronald Powell	8	8
Russell Smith	7	8
Kevin Hammond	8	8
Terrence Waldron	5	5
Christopher Burgis	5	5
Mark Butler	5	5
Stan Burnell-Jones	4	5

* Number of meetings held during the time the director held office during the year.

Company Secretary

The following person held the position of company secretary at the end of the financial year:

Mr Darren McNaught

Mr McNaught was appointed company secretary on 29 May 2006.

Directors' Report (continued)

Membership

The Company is a company limited by guarantee and without a share capital. The number of members as at 31 October 2007 was 802 (2006: 652).

Operating Result

The net profit from ordinary activities before tax for the year amounted to \$70,131 compared to \$191,806 for the prior year. This resulted after charging \$144,569 (2006: \$138,492) for depreciation/amortisation.

Review of Operations

A review of the operations of the company during the financial year and the results of these operations are as follows.

Revenues decreased by \$65,656 (3.09%) over the prior year due mainly to reductions in gaming revenue, whilst expenses increased by \$56,019 (2.89%) due mainly to increased occupancy expenses.

Significant Changes in the State of Affairs

There were no significant changes in the company's state of affairs that occurred during the financial year.

Principal Activities

The principal activity of the company during the year has continued to be that of a licensed bowling club.

There have been no significant changes in the nature of these activities during the year.

Events Subsequent to Reporting Date

There are no matters or circumstances that have arisen since the end of the financial year that have 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.

Likely and Future Developments and Expected Results

Likely developments in the operations of the company in future financial years and the expected results of those operations are as follows:

The State Government has imposed smoking regulations from 1 July 2007. These regulations will increasingly affect the profitability of the company.

Directors' Report (continued)

Environmental Regulation

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

The Board believes that the company has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the Company.

Dividends

In accordance with the Constitution, no dividends can be paid and accordingly no dividends were paid or declared since the start of the financial year (2006: \$Nil).

Indemnification of Officers and Auditors

The company has provided for and paid premiums during the year for directors' and officers' liability and legal expenses' insurance contracts.

The insurance premiums relate to:

- Costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever their outcome;
- Other liabilities that may arise from their position with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage.

The directors have not included details of the nature of the liabilities covered or the amount of the premium paid with the respect to the directors' and officers' liability and legal expenses insurance contract, as such disclosure is prohibited under the terms of the contract.

Proceedings on Behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is party for the purposes of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Auditor's Independence Declaration

The Directors have received the Independence Declaration from the Auditors. The Declaration is attached as page 4.

Signed in accordance with a resolution of the directors.

Dated at Croydon this 22nd day of January 2008.

Stephen Barnett
Director

Auditor's Independence Declaration

Lead Auditor's Independence Declaration Under Section 307C of the Corporations Act 2001

To the Directors of Western Suburbs Leagues Club Bowling Club Limited trading as Wests Sports:

I declare that, to the best of my knowledge and belief, in relation to the audit for the year ended 31 October 2007, 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.

PKF

Paul Cheeseman
Partner

1 Margaret Street
SYDNEY NSW 2000

22 January 2008

Western Suburbs Leagues Club Bowling Club Limited trading as Wests Sports

Income Statement For the Year Ended 31 October 2007

	Note	2007 \$	2006 \$
Revenue from continuing operations			
Sale of goods		591,044	582,966
Rendering of services		1,441,126	1,514,040
Other revenue		27,592	28,412
		<hr/>	<hr/>
Total revenue from continuing operations		2,059,762	2,125,418
		<hr/>	<hr/>
Expenses			
Cost of sales		(288,590)	(303,383)
Equipment hire		(60,810)	(58,695)
Employee benefits expense		(578,130)	(560,034)
Entertainment, marketing and promotional costs		(112,434)	(91,920)
Poker machine licences and taxes		(162,724)	(166,267)
Occupancy expenses		(480,821)	(448,258)
Other expenses from ordinary activities		(161,553)	(166,563)
		<hr/>	<hr/>
Total expenses		(1,845,062)	(1,795,120)
		<hr/>	<hr/>
Earnings before depreciation and amortisation expense		214,700	330,298
Depreciation and amortisation expenses		(144,569)	(138,492)
		<hr/>	<hr/>
Profit before income tax		70,131	191,806
Income tax expense		-	-
		<hr/>	<hr/>
Net profit from continuing operations after income tax expense attributable to members	2	70,131	191,806
		<hr/>	<hr/>

The Income Statement is to be read in conjunction with the discussion and analysis on page 9 and the notes to the financial statements set out on page 10.

**Statement of Changes in Equity
For the Year Ended 31 October 2007**

	2007 \$	2006 \$
Total equity at the beginning of the financial year	802,580	610,774
Profit for the year	70,131	191,806
Total recognised income and expense for the year	70,131	191,806
Total equity at the end of the financial year	872,711	802,580

Western Suburbs Leagues Club Bowling Club Limited trading as Wests Sports

Balance Sheet
As at 31 October 2007

	Note	2007 \$	2006 \$
ASSETS			
Current Assets			
Cash and cash equivalents		557,499	497,513
Inventories		22,281	21,153
Other current assets		63,540	39,407
		<hr/>	<hr/>
Total Current Assets		643,320	558,073
		<hr/>	<hr/>
Non-Current Assets			
Property, plant and equipment		421,719	419,105
		<hr/>	<hr/>
Total Non-Current Assets		421,719	419,105
		<hr/>	<hr/>
Total Assets		1,065,039	977,178
		<hr/>	<hr/>
LIABILITIES			
Current Liabilities			
Trade and other payables		94,899	101,936
Employee benefits		72,453	44,010
Other current liabilities		7,250	7,717
		<hr/>	<hr/>
Total Current Liabilities		174,602	153,663
		<hr/>	<hr/>
Non-Current Liabilities			
Employee benefits		17,726	20,935
		<hr/>	<hr/>
Total Non-Current Liabilities		17,726	20,935
		<hr/>	<hr/>
Total Liabilities		192,328	174,598
		<hr/>	<hr/>
Net Assets		872,711	802,580
		<hr/>	<hr/>
Members' Funds			
Retained profits		872,711	802,580
		<hr/>	<hr/>
Total Members' Funds	2	872,711	802,580
		<hr/> <hr/>	<hr/> <hr/>

The Balance Sheet is to be read in conjunction with the discussion and analysis on page 9 and the notes to the financial statements set out on page 10.

**Cash Flow Statement
For the Year Ended 31 October 2007**

	2007	2006
	\$	\$
Cash Flows From Operating Activities		
Receipts from customers	2,235,387	2,306,707
Payments to suppliers and employees	(2,055,810)	(2,045,031)
Interest received	26,887	14,497
	<hr/>	<hr/>
Net cash inflow from operating activities	206,464	276,173
	<hr/>	<hr/>
Cash Flows From Investing Activities		
Proceeds on sale of plant and equipment	705	16,472
Payments for property, plant and equipment	(147,183)	(148,142)
	<hr/>	<hr/>
Net cash outflow from investing activities	(146,478)	(131,670)
	<hr/>	<hr/>
Net increase in cash and cash equivalents	59,986	144,503
Cash and cash equivalents at the beginning of the financial year	497,513	353,010
	<hr/>	<hr/>
Cash and cash equivalents at the end of the financial year	557,499	497,513
	<hr/>	<hr/>

The Cash Flow Statement is to be read in conjunction with the discussion and analysis on page 9 and the notes to the financial statements set out on page 10.

Discussion and Analysis

Income Statement

The company's total revenue has decreased by \$65,656 (3.09%) since the prior year whilst expenses have increased by \$56,019 (2.89%) resulting in a net profit of \$70,131 compared to \$191,806 for the previous year.

Individual items that have impacted the 2007 result include:

- Reduction in poker machine revenue of \$72,759 (5.15%) partly due to smoking ban legislations.
- Increase in employee benefits expenses by \$18,096 (3.23%).
- Increase in occupancy expenses by \$32,563 (7.26%).

Balance Sheet

The company's net assets have increased by \$70,131 since the previous year consisting of an increase in total assets of \$87,861 and a \$17,730 increase in total liabilities.

This increase in net assets for the year is mainly attributed to:

- Increase in cash assets by \$59,986.
- Increase in other current assets, being prepayments, by \$24,133.
- Decrease in payables of \$7,037.
- Increase in employee benefits of \$25,234.

Cash Flow Statement

Operating activities provided net cash of \$206,464, a decrease of \$69,709 when compared to the previous year.

Net cash used in investing activities of \$146,478 related to payments for property, plant and equipment less proceeds on sales.

As a result of these cash flows, the net cash held during the year increased by \$59,986 compared to the previous year's increase of \$144,503.

Notes to the Financial Statements
Concise Financial Report
For the Year Ended 31 October 2007

1 Basis of Preparation of the Concise Financial Report

The concise financial report is an extract for the full financial report for the year ended 31 October 2007. The concise financial report has been prepared in accordance with Accounting Standard AASB 1039: Concise Financial Reports and the *Corporations Act 2001*.

The financial statements, specific disclosures and other information included in the concise financial report are derived from and are consistent with the full financial report of Western Suburbs Leagues Club Bowling Club Limited trading as Wests Sports. The concise financial report cannot be expected to provide as detailed an understanding of the financial performance, financial position and financing and investing activities of Western Suburbs Leagues Club Bowling Club Limited trading as Wests Sports as the full financial report.

The financial report of Western Suburbs Leagues Club Bowling Club Limited trading as Wests Sports complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety. The presentation currency used in this concise financial report is Australian dollars.

2 Retained Profits

	2007 \$	2006 \$
Retained profits at the beginning of year	802,580	610,774
Net profit attributable to members of the company	70,131	191,806
	<hr/>	<hr/>
Retained profits at the end of year	<hr/> 872,711 <hr/>	<hr/> 802,580 <hr/>

3 Events Subsequent to Reporting Date

There are no matters or circumstances that have arisen since the end of the financial year that have 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.

Directors' Declaration

The directors of Western Suburbs Leagues Club Bowling Club Limited trading as Wests Sports (the company) declare that the concise financial report of the company for the financial year ended 31 October 2007, as set out on pages 5 to 10:

- (a) complies with Accounting Standard AASB 1039: Concise Financial Reports; and
- (b) is an extract from the full financial report for the year ended 31 October 2007 and has been derived from and is consistent with the full financial report of the company.

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

Dated at Croydon this 22nd day of January 2008.

Stephen Barnett
Director

Independent Audit Report on the Concise Financial Report To the Members of Western Suburbs Leagues Club Bowling Club trading as Wests Sports

Report on the concise financial report

The accompanying concise financial report of Western Suburbs Leagues Club Bowling Club Limited trading as Wests Sports (the company) comprises the balance sheet as at 31 October 2007, the income statement, statement of changes in equity and cash flow statement for the year then ended and related notes, derived from the audited financial report of the company for the year ended 31 October 2007, and the discussion and analysis set out on pages 5 to 10. The concise financial report does not contain all the disclosures required by the Australian Accounting Standards.

Directors' responsibility for the concise financial report

The directors are responsible for the preparation and presentation of the concise financial report in accordance with Accounting Standard AASB 1039: *Concise Financial Reports* (including the Australian Accounting Interpretations), statutory and other requirements. This responsibility includes establishing and maintaining internal control relevant to the preparation of the concise financial report; selecting and applying the appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the concise financial report based on our audit procedures. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of the company for the year ended 31 October 2007. Our audit report on the financial report for the year was signed on 22 January 2008 and was not subject to any modification. The Australian Auditing 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 report for the year is free from material misstatement.

Our procedures with respect to the concise financial report included testing that the information in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of evidence supporting the amounts, discussion and analysis, and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with Accounting Standard AASB 1039: *Concise Financial Reports* and whether the discussion and analysis complies with the requirements laid down in AASB 1039: *Concise Financial Reports*.

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, was provided to the directors of the company on 22 January 2008.

Auditor's opinion

In our opinion, the concise financial report including the discussion and analysis of the company for the year ended 31 October 2007 complies with Accounting Standard AASB 1039: *Concise Financial Reports*.

PKF

Paul Cheeseman

Partner

22 January 2008

PKF is a national association of independent chartered accounting and consulting firms, each trading as PKF. PKF Australia Ltd is also a member of PKF International, an association of legally independent chartered accounting and consulting firms.

Tel: 61 2 9251 4100 | Fax: 61 2 9240 9821 | www.pkf.com.au

PKF | ABN 83 236 985 726

Level 10, 1 Margaret Street | Sydney | New South Wales 2000 | Australia

DX 10173 | Sydney Stock Exchange | New South Wales

Liability limited by a scheme approved under Professional Standards Legislation