

Victorian Bridge Association Limited
ACN 004 595 993

Financial Statements

Year ended 31 August 2013

Victorian Bridge Association Limited
ACN 004 595 993

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DIRECTORS' REPORT

Your directors present their report on the Victorian Bridge Association Limited (the Association) for the year ended 31 August 2013.

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

Mr B. Thompson (President)
Ms K. Frazer (Secretary)
Mr A.N. Ewart (Treasurer)
Mrs J. Thompson
Mr P. Fent
Mr D. Morgan (Appointed 4th December 2012)
Ms. J. Hackett (Resigned 10th December 2012; Re-Appointed 13th February 2013)
Ms P. Dingwall (Appointed 3rd March 2013)
Ms T. Kay (Appointed 4th December 2012)
Mr R. Berlinski (Appointed 4th December 2012)
Mr R. Stewart (Resigned 19th June 2013)
Mrs J.M. Collins (President - Resigned 10th December 2012)
Mr S. Hinge (Vice President - Resigned 10th December 2012)
Mr S. Klofa (Vice President - Resigned 10th December 2012)
Mr R. Ellery (Resigned 10th December 2012)
Dr. A. Stavik (Resigned 10th December 2012)
Mr H. DeJong (Resigned 10th December 2012)
Mr S. Weisz (Resigned 10th December 2012)

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

The VBA is a not-for-profit organisation. The objectives of the company, both short and long term, are to promote and foster interest in the game of bridge throughout Victoria.

The VBA has achieved those objectives by organising and conducting championships, other tournaments, and other bridge events, courses and meetings. The VBA co-operates with the Australian Bridge Federation and other bridge Associations to achieve national agreement in matters of laws, regulations, ethics and procedures.

The principal activities of the Company during the financial year were fulfilling its role as the accredited body responsible for the administration of bridge in Victoria; conducting competition and duplicate bridge sessions and events on a regular basis; holding bridge teaching classes and promoting and fostering bridge generally.

Additionally the Company provided Victorian bridge clubs with thorough rulings and advice on bridge laws, regulations, ethics, procedures and teaching. The VBA in achieving those objectives works with all interested parties to ensure the effective and efficient administration and promotion of bridge

The VBA measures its performance both financially and in terms of bridge participation and player performance. The VBA regularly considers the total number of registered bridge players in Victoria as well as the number of registered bridge players per unit population. The VBA also considers the performance of Victorian players in national and international competitions, particularly the Interstate Teams championships.

The loss of the company for the year ended 31 August 2013 was \$38,282, compared with a loss in the previous year of \$27,861.

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DIRECTORS' REPORT (continued)

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

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the entity, the results of those operations, or the state of affairs of the entity in future financial years.

The entity expects to maintain the present status and level of operations and hence there are no likely developments in the entity's operations.

The company is not materially affected by any environmental regulation in respect of its activities.

The Association is registered as a company limited by guarantee and has no share capital. The Memorandum of Association does not permit distributions to members.

Information on the Directors and the Secretary

The information on directors and secretaries is as follows:

Mr B. Thompson	- Non-Executive Director
Qualifications	- BSc (hons) MBA
Special responsibilities	- President
Mr A. N. Ewart	- Non-Executive Director
Qualifications	- BComm; CA
Special responsibilities	- Treasurer
Ms K Frazer	- Non-Executive Director
Qualifications	- BSc
Special responsibilities	- Secretary
Mr P. Fent	- Non-Executive Director
Mrs. J. Thompson	- Non-Executive Director
Mr D. Morgan	- Non-Executive Director - (Appointed 4th December, 2012)
Mr R. Berlinski	- Non-Executive Director - (Appointed 4th December, 2012)
Mr R. Stewart	- Non-Executive Director - (Resigned 19th June, 2013)
Ms T. Kay	- Non-Executive Director - (Appointed 4th December, 2012)
Ms. J. Hackett	- Non-Executive Director - (Re-Appointed 13th February 2013)
Ms P. Dingwall	- Non-Executive Director - (Appointed 3rd March 2013)

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DIRECTORS' REPORT (continued)

Meetings of Directors

DIRECTORS	DIRECTORS' MEETINGS	
	Number eligible to attend	Number attended
Mr B. Thompson (President)	13	13
Ms K. Frazer (Secretary)	13	13
Mr A. N. Ewart (Treasurer)	13	9
Mrs J. Thompson	13	11
Mr P. Fent	13	9
Mr D. Morgan (Appointed 4 th December 2012)	10	7
Mr R. Stewart	10	9
Ms. J. Hackett (re-Appointed 13th February 2013)	11	8
Ms P. Dingwall (Appointed 3rd March 2013)	7	6
Ms T. Kay (Appointed 4 th December 2012)	10	9
Mr R. Berlinski (Appointed 4 th December 2012)	10	9
Mrs J.M. Collins (President - Resigned 10th December 2012)	3	3
Mr S. Klofa (Vice President - Resigned 10th December 2012)	3	2
Mr S. Hinge (Vice President - Resigned 10th December 2012)	3	3
Mr A. Stavik (Resigned 10th December 2012)	3	2
Mr H. De Jong (Resigned 10th December 2012)	3	3
Mr S. Weisz (Resigned 10th December 2012)	3	3
Mr R. Ellery (Resigned 10th December 2012)	3	0

Indemnifying Officers or Auditor

The constitution of the company includes provisions which indemnify directors and other officers out of the assets of the company against liability incurred in defending any proceedings whether civil or criminal in which judgment is given in that person's favour or in which the person is acquitted or in connection with an application under the *Corporations Act 2001* in which relief is granted to that person by the court in respect of negligence, default, breach of duty or breach of trust.

During or since the end of the financial year, the company has given indemnity or entered an agreement to indemnify, or paid or agreed to pay insurance premiums as follows:

During the year, the company has paid premiums in respect of an insurance contract to indemnify officers against liabilities that may arise from their positions as officers of the company. Officers indemnified include the company secretary, all directors and all executive officers participating in the management of the company.

Proceedings on Behalf of the Entity

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

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

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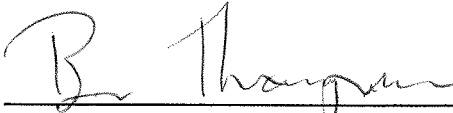
Members' Guarantee

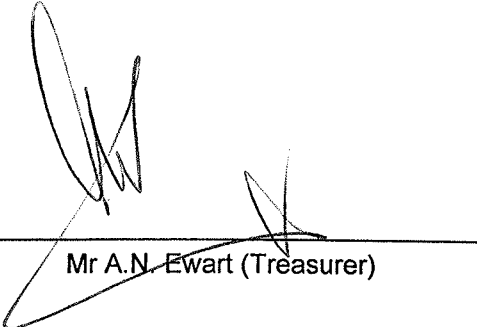
The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the articles of association state that each member is required to contribute a maximum of \$2 each towards meeting any outstanding obligations of the company. At 31 August 2013, the amount that members of the company are liable to contribute if the company is wound up is \$698 (2012: \$706).

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 page 19.

Signed in accordance with a resolution of the Board of Directors

Director 
Mr B.J.P. Thompson (President)

Director 
Mr A.N. Ewart (Treasurer)

Dated this 20th day of October 2013

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**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 AUGUST 2013**

	Notes	2013	2012
		\$	\$
Income			
State Fees & Commission		55,721	33,944
Club Membership Fees		7,286	8,004
State Competitions		115,659	117,755
Club Events		115,476	133,572
Classes & Courses		12,510	9,938
Bridge Requisites		2,071	1,329
Clubroom Rent		1,740	1,823
Interest		7,307	11,665
Café Income		12,580	-
Other income		4,562	2,362
Total Income		334,912	320,392
Expense			
Administrative Expenses		(86,903)	(75,247)
ANC Representation Expenses		(14,205)	(22,693)
State Competitions		(81,608)	(80,696)
Club Events		(56,219)	(61,967)
Classes & Courses Expenses		(11,610)	(10,599)
Bridge Requisites Used in Play		(877)	(3,206)
Clubroom Expenses		(70,573)	(66,504)
Depreciation and Amortisation		(22,287)	(14,714)
Café Expenses		(18,785)	-
Audit		(2,300)	(1,750)
Finance Expenses		(2,050)	(3,057)
Other Expenses		(5,777)	(7,820)
Total Expenses		(373,194)	(348,253)
Profit/(Loss) before Income Tax	2	<u>(38,282)</u>	<u>(27,861)</u>
Income tax expense		-	-
Profit/(loss) for the year		<u>(38,282)</u>	<u>(27,861)</u>
Other comprehensive income after income tax		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income/(loss) for the year		<u>(38,282)</u>	<u>(27,861)</u>
Total comprehensive income attributable to members of the entity		<u>(38,282)</u>	<u>(27,861)</u>

The accompanying notes form part of these financial statements.

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**STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 AUGUST 2013**

	Notes	2013	2012
		\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	3	253,545	273,189
Inventory	4	481	-
Prepayments		10,296	8,287
Other	5	1,251	5,386
Total Current Assets		265,573	286,862
Non-Current Assets			
Property, plant and equipment	6	2,548,770	2,560,604
Total Non-Current Assets		2,548,770	2,560,604
TOTAL ASSETS		2,814,343	2,847,466
LIABILITIES			
Current Liabilities			
Payables	7	43,293	39,334
Total Current Liabilities		43,293	39,334
Non-Current Liabilities			
Provisions	8	10,754	9,554
Total Non-Current Liabilities		10,754	9,554
TOTAL LIABILITIES		54,047	48,888
NET ASSETS		2,760,296	2,798,578
EQUITY			
Asset Revaluation Reserve		919,887	919,887
Retained profits		1,840,409	1,878,691
TOTAL EQUITY		2,760,296	2,798,578

The accompanying notes form part of these financial statements.

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**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2013**

	Retained Earnings	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 1st September 2010	1,933,684	919,887	2,853,571
Profit for the year	(27,132)	-	(27,132)
Other comprehensive income for the year	-	-	-
Total comprehensive income	(27,132)	-	(27,132)
Balance at 31 August 2011	1,906,552	919,887	2,826,439
Profit for the year	(27,861)	-	(27,861)
Other comprehensive income for the year	-	-	-
Total comprehensive income	(27,861)	-	(27,861)
Balance at 31 August 2012	1,878,691	919,887	2,798,578
Profit for the year	(38,282)	-	(38,282)
Other comprehensive income for the year	-	-	-
Total comprehensive income	(38,282)	-	(38,282)
Balance at 31 August 2013	1,840,409	919,887	2,760,296

The accompanying notes form part of these financial statements.

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**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2013**

	Notes	2013	2012
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and customers		403,106	392,675
Payments to suppliers and employees		(419,604)	(408,300)
Interest received		7,307	11,665
Net cash (used in)/generated from operating activities	9(b)	(9,191)	(3,960)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(10,453)	(28,355)
Net cash used in investing activities		(10,453)	(28,355)
Net increase/(decrease) in cash held		(19,644)	(32,315)
Cash at the beginning of the financial year		273,189	305,504
Cash at the end of the financial year	9(a)	253,545	273,189

The accompanying notes form part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Victorian Bridge Association Limited is a company limited by guarantee, incorporated and domiciled in Australia. Victorian Bridge Association Limited is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Reporting Basis and Conventions

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependent on general purpose financial reports. This financial report is therefore a special purpose financial report that has been prepared in order to meet the requirements of the *Corporations Act 2001*.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the *Corporations Act 2001* and the significant accounting policies disclosed below which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements are presented in Australian dollars and have been prepared on an accruals basis (except for the cash flow information) and are based on historical costs unless otherwise stated in the notes. The material accounting policies that have been adopted in the preparation of this report are as follows:

Accounting Policies

a. Revenue and Other Income

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

Donations and bequests are recognised as revenue when received.

Interest revenue from investments is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

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

b. Inventories

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

c. Property, Plant and Equipment

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

Property

Freehold land and buildings are shown at their fair value based on periodic, but at least triennial, valuations by external independent valuers.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same class of asset are charged against fair value reserves directly in equity; all other decreases are charged to the statement of comprehensive income.

Plant and Equipment

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

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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 buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use.

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

Class of Fixed Asset	Depreciation Rate
Plant and equipment	10 – 25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

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

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

d. Employee Benefits

Provision is made for the entity's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits expected to be settled within one year together with benefits arising from wages, salaries and annual leave which may be settled after one year, have been measured at the amounts expected to be paid when the liability is settled plus related on costs. Other employee benefits payable later than one year have been measured at the net present value.

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

e. Cash and cash equivalents

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

f. Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sells the asset.

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 expensed to profit or loss immediately.

Classification and Subsequent Measurement

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

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

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(ii) *Financial liabilities including Payables*

Non-derivative financial liabilities and payables are measured at cost.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. They have contractual maturities ranging between 0 and 30 days.

Impairment

At each reporting date, the company assess whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the statement of comprehensive income.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the company no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability 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.

g. 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. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows 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.

h. Income Tax

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

i. Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

j. Comparative Figures

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

Where an entity applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statement a statement of financial position as at the beginning of the earliest comparative period must be disclosed.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

k. New Accounting Standards for Application in Future Periods

The Australian Accounting Standards Board has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods and which the company has decided not to early adopt. A discussion of those future requirements and their impact on the company is as follows:

- AASB 9: *Financial Instruments* (December 2010) and AASB 2010-7: *Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)* (applicable for annual reporting periods commencing on or after 1 January 2015).

These Standards are applicable retrospectively and include revised requirements for the classification and measurement of financial instruments, as well as recognition and derecognition requirements for financial instruments.

The key changes made to accounting requirements that may impact the company are:

- simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value; and
- allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument.

The company has not yet estimated the impact of these pronouncements on its financial statements.

- AASB 13: *Fair Value Measurement* and AASB 2011-8: *Amendments to Australian Accounting Standards arising from AASB 13* (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 13 defines fair value, sets out in a single Standard a framework for measuring fair value, and requires disclosures about fair value measurement.

AASB 13 requires:

- inputs to all fair value measurements to be categorised in accordance with a fair value hierarchy; and
- enhanced disclosures regarding all assets and liabilities (including, but not limited to, financial assets and financial liabilities) to be measured at fair value.

These Standards are not expected to significantly impact the company's financial statements.

- AASB 119: *Employee Benefits* (September 2011) and AASB 2011-10: *Amendments to Australian Accounting Standards arising from AASB 119 (September 2011)* (applicable for annual reporting periods commencing on or after 1 January 2013).

These Standards introduce a number of changes to accounting and presentation of defined benefit plans. The company does not have any defined benefit plans and so is not impacted by the amendment.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

AASB 119 (September 2011) also includes changes to:

- require only those benefits that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service to be classified as short-term employee benefits. All other employee benefits are to be classified as other long-term employee benefits, post-employment benefits or termination benefits, as appropriate; and
- the accounting for termination benefits that require an entity to recognise an obligation for such benefits at the earlier of:
 - (i) for an offer that may be withdrawn – when the employee accepts;
 - (ii) for an offer that cannot be withdrawn – when the offer is communicated to affected employees; and
 - (iii) where the termination is associated with a restructuring of activities under AASB 137: *Provisions, Contingent Liabilities and Contingent Assets* and if earlier than the first two conditions – when the related restructuring costs are recognised.

These changes are not expected to significantly impact the company's financial statements.

I. 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.

m. Economic Dependence

Victorian Bridge Association Limited is not dependent on any other entity.

Victorian Bridge Association Limited

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013

2 Profit from Ordinary Activities

Profit from ordinary activities has been determined after:

	2013	2012
	\$	\$
Expenses		
Depreciation of property, plant and equipment	22,287	14,714
Remuneration of the auditor for Audit or review services	2,300	1,750

3 Cash at bank and on deposit

	2013	2012
	\$	\$
Cash at bank		
Petty Cash	650	650
ANZ Cheque Account VBA Foundation	17,956	20,153
ANZ Cheque Account	65,754	10,979
ANZ V2 Plus Account	7,424	18,756
ANZ Term Deposit VBA Foundation	18,427	37,196
ANZ Term Deposit	143,334	185,455
	<u>253,545</u>	<u>273,189</u>

4 Inventory

	2013	2012
	\$	\$
Current		
Stock on hand	481	-

5 Other Assets

	2013	2012
	\$	\$
Current		
Accrued Income	1,251	3,334
GST Refund	-	1,218
Other assets	-	834
	<u>1,251</u>	<u>5,386</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013

6 Property, Plant and Equipment

	2013	2012
	\$	\$
Land and Buildings		
Freehold land and buildings	2,500,000	2,500,000
Total Land and Buildings	<u>2,500,000</u>	<u>2,500,000</u>
Furniture and Fittings		
At cost	83,541	82,721
Less accumulated depreciation	(77,159)	(69,010)
Total Furniture and Fittings	<u>6,382</u>	<u>13,711</u>
Café Equipment and Furniture		
At cost	16,344	15,379
Less accumulated depreciation	(13,976)	(12,499)
Total Café Equipment and Furniture	<u>2,368</u>	<u>2,880</u>
Equipment		
At cost	86,540	77,873
Less accumulated depreciation	(46,520)	(33,860)
Total Equipment	<u>40,020</u>	<u>44,013</u>
Total Property, Plant and Equipment	<u>2,548,770</u>	<u>2,560,604</u>

7 Payables

	2013	2012
	\$	\$
Current		
ABF Marketing Grant	18,105	18,548
Accrued expenses	21,401	18,537
GST	514	-
GNOT	726	1,449
Youth Bridge Group	2,547	800
	<u>43,293</u>	<u>39,334</u>

8 Provisions

	2013	2012
	\$	\$
Non-Current		
Employee benefits	10,754	9,554
	<u>10,754</u>	<u>9,554</u>

Victorian Bridge Association Limited

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013

9 Cash Flow Information

	2013 \$	2012 \$
(a) Reconciliation of cash		
Cash at the end of the financial year as shown in the Cash Flow Statement is reconciled to the related items in the balance sheet as follows:		
Cash on hand	650	650
Cash at bank	252,895	272,539
	<u>253,545</u>	<u>273,189</u>
(b) Reconciliation of cash flow from operations with profit after income tax		
Profit/(Loss) after income tax	(38,282)	(27,861)
Non-cash flows in profit		
Depreciation	22,287	14,714
Changes in assets and liabilities		
(Increase)/decrease in other assets	2,126	(5,182)
(Increase)/decrease in inventories	(481)	546
Increase/(decrease) in payables	3,959	12,723
Increase/(decrease) in provisions	1,200	1,100
Cash flows (used in)/provided by operating activities	<u>(9,191)</u>	<u>(3,960)</u>

10 Events occurring after the reporting date

No events have occurred since the reporting date that would materially affect the financial statements.

11 Related Party Transactions

All Directors of the company give of their time freely and are not remunerated in any way in respect of services provided to the company.

Apart from the details disclosed in this note, no director has entered into a material contract with the company since the end of the previous financial year and there were no material contracts involving directors' interests subsisting at the year end.

From time to time and through competitive selection criteria, directors of the company and/ or a person related to them can be and have been selected to represent Victoria in the Australian National Championships and the Grand National Open Teams. All state representatives are entitled to receive subsidies for airfares, attendance at official functions and a nominal per diem allowance. Subsidies payable to directors, which are significantly less than the actual costs of participating in the aforementioned competitions, are on terms and conditions no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-director related persons on an arm's length basis.

Victorian Bridge Association Limited

ACN 004 595 993

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013

From time to time, for the sake of convenience, directors of the company procure and pay for goods and services on behalf of the company. Such expenditure is reimbursed in the ordinary course of business on terms and conditions no more favourable than those available, or which might reasonable be expected to be available, on similar transactions to non-director related persons on an arm's length basis.

Members' Guarantee

The company is limited by guarantee. If the company is wound up, the articles of association state that each member is required to contribute a maximum of \$2 each towards meeting any outstanding obligations of the company. At 31 August 2013 the number of members was 349 (2012: 353).

13 Entity Details

The registered office of the company is:

Victorian Bridge Association Limited
131 Poath Road
Murrumbeena VIC 3163

The principal place of business is:

Victorian Bridge Association Limited
131 Poath Road
Murrumbeena VIC 3163

Victorian Bridge Association Limited
ACN 004 595 993

**DIRECTORS' DECLARATION
FOR THE YEAR ENDED 31 AUGUST 2013**

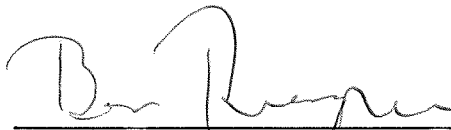
The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The directors of the company declare that:

- A. In the directors' opinion the financial statements and notes, as set out on pages 5 to 17, are in accordance with the *Corporations Act 2001* and;
- i. comply with Accounting Standards as described in Note 1 to the financial statements and the Corporations Regulations 2001; and
 - ii. give a true and fair view of the company's financial position as at 31 August 2013 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
- B. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

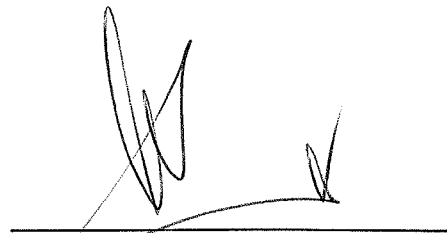
This declaration is made in accordance with a resolution of the Board of Directors.

Director



Mr B.J.P. Thompson (President)

Director



Mr A.N. Ewart (Treasurer)

Dated this 20th day of October 2013



AUDIT & ASSURANCE

Victorian Bridge Association Limited
ACN 004 595 993

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C
OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF VICTORIAN BRIDGE ASSOCIATION LIMITED**

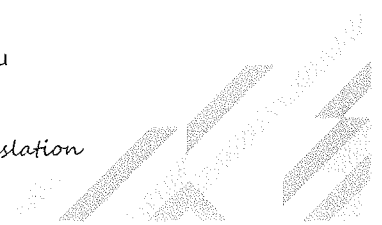
I declare that, to the best of my knowledge and belief, during the year ended 31 August 2012 there have been:

- (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.

LZR Audit & Assurance Pty Ltd
Level 1, Suite 1, 615 Dandenong Road
ARMADALE VIC 3143

Michael Zylberman OAM CA

Dated: 31/10/13





**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE
VICTORIAN BRIDGE ASSOCIATION LIMITED
ACN 004 595 993**

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of Victorian Bridge Association Limited (the company), which comprises the statement of financial position as at 31 August 2013, and the statement of comprehensive income, statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory notes, 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 and have determined that the accounting policies described in Note 1 to the financial statements are appropriate to meet the requirements of the *Corporations Act 2001* and are appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a 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 have conducted our audit in accordance with Australian Auditing Standards. Those 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 is free from material misstatement.

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

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

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*, provided to the directors of the Victorian Bridge Association Limited, would be in the same terms if given to the directors as at the time of the auditor's report.

Opinion

In our opinion, the financial report of the Victorian 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 31 August 2013 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1 and the *Corporations Regulations 2001*.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the director's financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose.

LZR Audit & Assurance Pty Ltd
Level 1, Suite 1, 615 Dandenong Road
ARMADALE VIC 3143

Michael Zylberman OAM CA

Dated: 31/10/2013