

Victorian Bridge Association Limited
ACN 004 595 993

Financial Statements
Year ended 31 August 2012

Victorian Bridge Association Limited
ACN 004 595 993

TABLE OF CONTENTS

	<u>Page</u>
Financial Report	
Directors' Report	1 - 4
Statement of Comprehensive Income	5
Statement of Financial Position	6
Statement of Changes in Equity	7
Statement of Cash Flows	8
Notes to the Financial Statements	9 – 16
Directors' Declaration	17
Auditor's Independence Declaration	18
Independent Auditor's Report	19

Victorian Bridge Association Limited
ACN 004 595 993

DIRECTORS' REPORT

Your directors present their report on the Victorian Bridge Association Limited (the Association) for the year ended 31 August 2012.

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

Mrs J.M. Collins (President)
Mr S. Hinge (Vice President)
Mr S. Klofa (Vice President)
Ms K. Frazer (Secretary - appointed 6th December 2011)
Mr A.N. Ewart (Treasurer)
Mrs J. Thompson
Mr. A. Stavik
Mr P. Fent
Mrs. J. Hackett (Re-Appointed 14th March 2012)
Mr J. Haylock (Appointed 14th March 2012; Resigned 12th July 2012)
Mr T. Blizard (Appointed 6th December 2011; Resigned 12th September 2012)
Mr R. Ellery (Appointed 6th December 2011)
Mr R. Stewart (Appointed 6th December 2011)
Mr H. DeJong (Appointed 6th December 2011)
Mr S. Weisz (Appointed 6th December 2011)
Mr B. Thompson (Appointed 12th September 2012)
Mrs. S. Stewart (Resigned 6th December 2011)
Mr J Rosen (Resigned 6th December 2011)
Mr G. Schaller (Resigned 6th December 2011)
Ms J Magee (Resigned 6th December 2011)
Mrs R. Kingham (Resigned 6th December 2011)
Mrs C. Parkin (Resigned 6th December 2011)

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

The VBA is to be run as a successful not-for-profit organisation. The objectives both short and long term have been to do just that and has done so for over 50 years.

The VBA has achieved those objectives by promoting the game of bridge throughout Victoria and fostering interest. The VBA organises and conducts championships and other tournaments. 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.

These activities assist the Company in achieving the objectives by providing Victorian Bridge 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

Victorian Bridge Association Limited
ACN 004 595 993

DIRECTORS' REPORT (continued)

The VBA measures its performance in relative terms compared to the numbers playing bridge per head by the State and the VBA is constantly cognisant of its performance in National competitions. A new measure is the numbers of Youth taking up the game and their performance.

The loss of the company for the year ended 31 August 2012 was \$27,861, compared with a loss in the previous year of \$27,132.

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:

Mrs. J.M. Collins Qualifications Special responsibilities	- Non-Executive Director - Dip Teaching Admin - President
Mr. S. Hinge Special responsibilities	- Non-Executive Director - Vice President
Mr. S. Klofa Qualifications Special responsibilities	- Non-Executive Director - Mechanical Engineer - Vice President
Mr A. N. Ewart Qualifications Special responsibilities	- Non-Executive Director - B.Comm; CA - Treasurer
Ms K Frazer Qualifications Special responsibilities	- Non-Executive Director - B.Sc - Secretary (Appointed 6th December 2011)

Victorian Bridge Association Limited
ACN 004 595 993

DIRECTORS' REPORT (continued)

Information on the Directors and the Secretary (continued)

Mr P. Fent	- Non-Executive Director
Mr. A. Stavik	- Non-Executive Director
Mrs. J. Thompson	- Non-Executive Director
Mrs. J. Hackett	- Non-Executive Director - (Appointed 14th March 2012)
Mr R. Ellery	- Non-Executive Director - (Appointed 6th December 2011)
Mr R. Stewart	- Non-Executive Director - (Appointed 6th December 2011)
Mr H. DeJong	- Non-Executive Director - (Appointed 6th December 2011)
Mr S. Weisz	- Non-Executive Director - (Appointed 6th December 2011)
Mr B. Thompson	- Non-Executive Director - (Appointed 12th September 2012)

Meetings of Directors

DIRECTORS	DIRECTORS' MEETINGS	
	Number eligible to attend	Number attended
Mrs J.M. Collins (President)	12	10
Mr S. Klofa (Vice President)	12	12
Mr S. Hinge (Vice President)	12	10
Ms K. Frazer (Secretary - Appointed 6 th December 2011)	9	8
Mr A. N. Ewart	12	10
Mrs J. Thompson	12	10
Mr A. Stavik	12	5
Mr P. Fent	12	8
Mr T. Blizzard (Appointed 6 th December 2011)	9	5
Mr R. Ellery (Appointed 6 th December 2011)	9	5
Mr R. Stewart (Appointed 6 th December 2011)	9	9
Mr H. De Jong (Appointed 6 th December 2011)	9	8
Mr S. Weisz (Appointed 6 th December 2011)	9	9
Mrs. J. Hackett (re-Appointed 14th March 2012)	9	7
Mr J. Haylock (Appointed 14th March 2012; Resigned 12th July 2012)	4	1
Mr B. Thompson (Appointed 12 th September 2012)	0	0
Mrs R. Kingham (Resigned 6th December 2011)	3	3
Mr G. Schaller (Resigned 6th December 2011)	3	2
Mr J. Rosen (Resigned 6th December 2011)	3	2
Ms J. Magee (Resigned 6th December 2011)	3	2
Mrs S. Stewart (Resigned 6th December 2011)	3	0
Ms C. Parkin (Resigned 6th December 2011)	3	3

Victorian Bridge Association Limited
ACN 004 595 993

DIRECTORS' REPORT (continued)

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.

Members' Guarantee

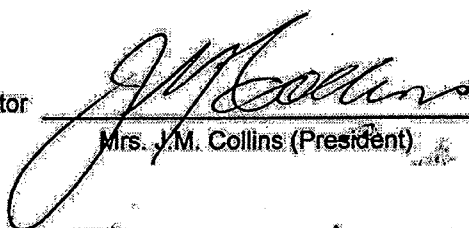
The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the articles of association state that each member is required to contribute a maximum of \$2 each towards meeting any outstanding obligations of the company. At 31 August 2012, the amount that members of the company are liable to contribute if the company is wound up is \$706 (2011: \$818).

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.

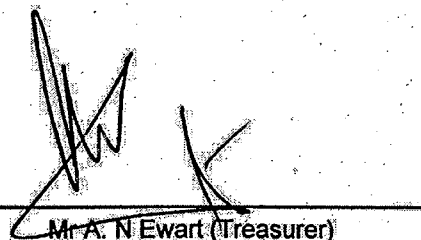
Signed in accordance with a resolution of the Board of Directors

Director



Mrs. J.M. Collins (President)

Director



Mr A. N Ewart (Treasurer)

Dated this 7th day of November 2012

Victorian Bridge Association Limited

ACN 004 595 993

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 AUGUST 2012**

	Notes	2012	2011
		\$	\$
Income			
State Fees & Commission		33,944	22,971
Club Membership Fees		8,004	9,445
State Competitions		117,755	226,734
Club Events		133,572	143,089
Classes & Courses		9,938	14,007
Bridge Requisites		1,329	1,514
Clubroom		1,823	2,373
Interest		11,665	15,921
Other income		2,362	2,211
Total Income		320,392	438,265
Expense			
Administrative Expenses		(75,247)	(75,382)
ANC Representation Expenses		(22,693)	(10,653)
State Competitions		(80,696)	(212,634)
Club Events		(61,967)	(61,090)
Classes & Courses Expenses		(10,599)	(11,999)
Bridge Requisites Used in Play		(3,206)	(2,710)
Clubroom Expenses		(81,218)	(77,382)
Audit		(1,750)	(1,600)
Finance Expenses		(3,057)	(3,015)
Other Expenses		(7,820)	(8,932)
Total Expenses		(348,253)	(465,397)
Profit/(Loss) before Income Tax	2	<u>(27,861)</u>	<u>(27,132)</u>
Income tax expense		-	-
Profit/(loss) for the year		<u>(27,861)</u>	<u>(27,132)</u>
Other comprehensive income after income tax		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income/(loss) for the year		<u>(27,861)</u>	<u>(27,132)</u>
Total comprehensive income attributable to members of the entity		<u>(27,861)</u>	<u>(27,132)</u>

The accompanying notes form part of these financial statements.

Victorian Bridge Association Limited

ACN 004 595 993

**STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 AUGUST 2012**

	Notes	2012	2011
		\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	3	273,189	305,504
Inventory	4	-	546
Prepayments		8,287	5,641
Other	5	5,386	2,850
Total Current Assets		286,862	314,541
Non-Current Assets			
Property, plant and equipment	6	2,560,604	2,546,963
Total Non-Current Assets		2,560,604	2,546,963
TOTAL ASSETS		2,847,466	2,861,504
LIABILITIES			
Current Liabilities			
Payables	7	39,334	26,611
Total Current Liabilities		39,334	26,611
Non-Current Liabilities			
Provisions	8	9,554	8,454
Total Non-Current Liabilities		9,554	8,454
TOTAL LIABILITIES		48,888	35,065
NET ASSETS		2,798,578	2,826,439
EQUITY			
Asset Revaluation Reserve		919,887	919,887
Retained profits		1,878,691	1,906,552
TOTAL EQUITY		2,798,578	2,826,439

The accompanying notes form part of these financial statements.

Victorian Bridge Association Limited

ACN 004 595 993

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2012**

	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

The accompanying notes form part of these financial statements.

Victorian Bridge Association Limited

ACN 004 595 993

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2012**

	Notes	2012	2011
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and customers		392,675	541,947
Payments to suppliers and employees		(408,300)	(565,102)
Interest received		11,665	15,921
Net cash (used in)/generated from operating activities	9(b)	<u>(3,960)</u>	<u>(7,234)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(28,355)	(9,458)
Net cash used in investing activities		<u>(28,355)</u>	<u>(9,458)</u>
Net increase/(decrease) in cash held		(32,315)	(16,692)
Cash at the beginning of the financial year		<u>305,504</u>	<u>322,196</u>
Cash at the end of the financial year	9(a)	<u>273,189</u>	<u>305,504</u>

The accompanying notes form part of these financial statements.

Victorian Bridge Association Limited
ACN 004 595 993

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2012**

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.

Victorian Bridge Association Limited

ACN 004 595 993

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

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

Victorian Bridge Association Limited
ACN 004 595 993

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2012**

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.

Victorian Bridge Association Limited
ACN 004 595 993

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2012**

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 2011-9: Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income (applicable for annual reporting periods commencing on or after 1 July 2012).

The main change arising from this Standard is the requirement for entities to group items presented in other comprehensive income (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently.

This Standard affects presentation only and is therefore not expected to significantly impact the company.

l. 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

ACN 004 595 993

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

2 Profit from Ordinary Activities

Profit from ordinary activities has been determined after:

	2012	2011
	\$	\$
Expenses		
Depreciation of property, plant and equipment	14,714	12,592
Remuneration of the auditor for Audit or review services	1,750	1,600

3 Cash at bank and on deposit

	2012	2011
	\$	\$
Cash at bank		
Petty Cash	650	650
ANZ Cheque Account VBA Foundation	20,153	325
ANZ V2 Plus Account VBA Foundation	-	29,130
ANZ Cheque Account	10,979	32,645
ANZ V2 Plus Account	18,756	27,140
ANZ Term Deposit VBA Foundation	37,196	35,999
ANZ Term Deposit	185,455	179,615
	<u>273,189</u>	<u>305,504</u>

4 Inventory

	2012	2011
	\$	\$
Current		
Stock on hand	-	546

5 Other Assets

	2012	2011
	\$	\$
Current		
Accrued Income	3,334	876
GST Refund	1,218	1,974
Other assets	834	-
	<u>5,386</u>	<u>2,850</u>

Victorian Bridge Association Limited

ACN 004 595 993

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

6 Property, Plant and Equipment

	2012	2011
	\$	\$
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	82,721	82,721
Less accumulated depreciation	(69,010)	(60,879)
Total Furniture and Fittings	<u>13,711</u>	<u>21,842</u>
Café Equipment and Furniture		
At cost	15,379	15,379
Less accumulated depreciation	(12,499)	(11,019)
Total Café Equipment and Furniture	<u>2,880</u>	<u>4,360</u>
Equipment		
At cost	77,873	49,484
Less accumulated depreciation	(33,860)	(28,723)
Total Equipment	<u>44,013</u>	<u>20,761</u>
Total Property, Plant and Equipment	<u>2,560,604</u>	<u>2,546,963</u>

7 Payables

	2012	2011
	\$	\$
Current		
ABF Marketing Grant	18,548	14,458
Accrued expenses	18,537	12,153
GNOT	1,449	-
Youth Bridge Group	800	-
	<u>39,334</u>	<u>26,611</u>

8 Provisions

	2012	2011
	\$	\$
Non-Current		
Employee benefits	9,554	8,454
	<u>9,554</u>	<u>8,454</u>

Victorian Bridge Association Limited
ACN 004 595 993

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2012**

9 Cash Flow Information

	2012	2011
	\$	\$
(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	272,539	304,854
	273,189	305,504
 (b) Reconciliation of cash flow from operations with profit after income tax		
Profit/(Loss) after income tax	(27,861)	(27,132)
Non-cash flows in profit		
Depreciation	14,714	12,592
Changes in assets and liabilities		
(Increase)/decrease in other assets	(5,182)	9,511
(Increase)/decrease in inventories	546	163
Increase/(decrease) in payables	12,723	(4,996)
Increase/(decrease) in provisions	1,100	2,628
Cash flows (used in)/provided by operating activities	(3,960)	(7,234)

10 Inclusion of the VBA Foundation

During 2012 it was decided that as the VBA has ultimate control of the VBA Foundation the operations of that trust should be included in the accounts of the VBA. This has required that the comparative figures for 2011 have been changed to include the income, expenditure, assets and liabilities of the trust so as to provide meaningful comparison with the current year figures.

These changes were as follows:

Retained earnings as at 1 st September 2010	\$62,545
Interest received September 1 st 2010 to 31 st August 2011	\$2,939
Banks fees September 1 st 2010 to 31 st August 2011	(30)
Retained earnings as at 31 st August 2011	<u>\$65,454</u>
Represented by:	
Cash at Bank 31 st August 2011	<u>\$65,454</u>

11 Events occurring after the reporting date

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

Victorian Bridge Association Limited

ACN 004 595 993

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

12 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.

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 2012 the number of members was 353 (2011: 409).

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 2012**

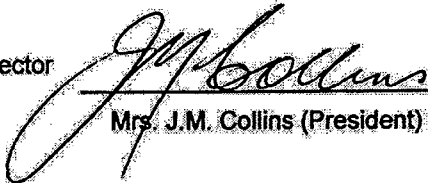
The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The directors of the company declare that:

- A. In the directors' opinion the financial statements and notes, as set out on pages 5 to 16, 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 2012 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.

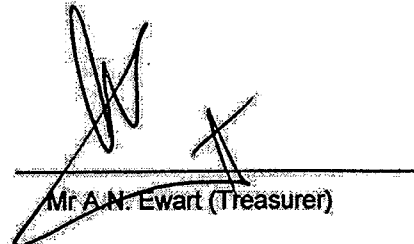
This declaration is made in accordance with a resolution of the Board of Directors.

Director



Mrs. J.M. Collins (President)

Director



Mr. A.N. Ewart (Treasurer)

Dated this 7th day of November 2012