

Victorian Bridge Association Limited
ACN 004 595 993

Financial Statements

Year ended 31 August 2010

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 - 17
Directors' Declaration	18
Auditor's Independence Declaration	19
Independent Auditor's Report	20

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 2010.

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. C. MacQuarie (Secretary)
Mrs. J. Thompson
Mrs. C. Parkin
Mr. A. Stavik
Mrs. J. Hackett
Mrs. E. Thomson
Ms M. A. Bertuna (Appointed 1 December 2009)
Mr L. D. Gold (Treasurer) (Appointed 1 December 2009)
Mr. M. Willcox (Secretary) (Resigned 28 April 2010)
Mr. B. Morgan (Resigned 1 December 2009)
Mr. F. McConvill (Treasurer) (Resigned 1 December 2009)
Mrs. M. Shenker (Resigned 1 December 2009)

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 non-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 profit of the company for the year ended 31 August 2010 was \$33,018, compared with a profit in the previous year of \$45,834.

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	- Executive Director
Qualifications	- Dip Teaching Admin
Special responsibilities	- President
Mr. S. Hinge	- Non-Executive Director
Special responsibilities	- Vice President
Mr. S. Klofa	- Non-Executive Director
Qualifications	- Mechanical Engineer
Special responsibilities	- Vice President

Victorian Bridge Association Limited

ACN 004 595 993

DIRECTORS' REPORT (continued)

Information on the Directors and the Secretary (continued)

Ms. C. MacQuarie Qualifications	- Non-Executive Director - BA, Post Grad in Office Systems, Diploma of Arts in Ceramics
Special responsibilities	- Secretary (appointed 28 April 2010)
Mr. L. D. Gold Qualifications	- Non-Executive Director - Dip Business (Banking and Finance)
Special responsibilities	- Treasurer (appointed 1 December 2009)
Mrs. J. Thompson	- Non-Executive Director
Mrs. C. Parkin	- Non-Executive Director
Mr. A. Stavik Qualifications	- Non-Executive Director - PhD (Bratislava) & member of A.A.L.I.A.
Mrs. J. Hackett	- Non-Executive Director
Mrs. E. Thomson	- Non-Executive Director
Ms M. A. Bertuna Qualifications	- Non-Executive Director - B.Econ, MBA

Meetings of Directors

DIRECTORS	DIRECTORS' MEETINGS	
	Number eligible to attend	Number attended
Mrs. J.M. Collins (President)	10	8
Mr. S. Klofa (Vice President)	10	7
Ms. C. MacQuarie (Secretary)	10	8
Mr. L. D. Gold (Treasurer) (Appointed)	7	7
Mrs. J. Thompson	10	8
Mr. S. Hinge	10	9
Mrs. C. Parkin	10	9
Mr. A. Stavik	10	6
Mrs. J. Hackett	10	5
Mrs. E. Thomson	10	7
Ms. M. A. Bertuna (Appointed)	7	7
Mr. M. Willcox (Secretary) (Resigned)	6	1
Mr. B. Morgan (Resigned)	3	2
Mr. F. McConvill (Treasurer) (Resigned)	3	2
Mrs. M. Shenker (Resigned)	3	1

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 2010 the number of members was 460 (2009: 562).

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. L.D. Gold (Treasurer)

Dated this day of 2010

Victorian Bridge Association Limited

ACN 004 595 993

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 AUGUST 2010**

	Notes	2010	2009
		\$	\$
Income			
State Fees & Commission		21,853	21,617
Club Membership Fees		10,937	10,915
State Competitions		141,140	126,588
Club Events		189,506	190,166
Classes & Courses		13,227	18,645
Bridge Requisites		1,184	559
Clubroom		5,191	5,245
Interest		11,020	8,752
Other income		4,079	5,373
Total Income		<u>398,137</u>	<u>387,860</u>
Expense			
Administrative Expenses		(77,203)	(79,246)
VBA ANC Expenses		(18,344)	(21,070)
State Competitions		(91,992)	(69,790)
Club Events		(65,630)	(61,457)
Classes & Courses Expenses		(13,088)	(16,037)
Bridge Requisites Used in Play		(1,747)	(2,726)
Clubroom Expenses		(84,314)	(72,553)
Finance Expenses		(3,764)	(3,258)
Other Expenses		(9,037)	(15,889)
Total Expenses	2	<u>(365,119)</u>	<u>(342,026)</u>
Profit for the year		33,018	45,834
Other comprehensive income:			
Net gain on revaluation of land and building		919,887	-
Other comprehensive income for the period		<u>919,887</u>	<u>-</u>
Total comprehensive income for the period		<u>952,905</u>	<u>45,834</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 2010**

	Notes	2010	2009
		\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	3	259,651	242,511
Inventory	4	709	1,134
Prepayments		13,238	6,112
Other	5	4,762	2,123
Total Current Assets		278,360	251,880
Non-Current Assets			
Property, plant and equipment	6	2,550,099	1,621,850
Total Non-Current Assets		2,550,099	1,621,850
TOTAL ASSETS		2,828,459	1,873,730
LIABILITIES			
Current Liabilities			
Payables	7	31,607	30,511
Provisions	8	-	231
Total Current Liabilities		31,607	30,742
Non-Current Liabilities			
Provisions	8	5,826	4,867
Total Non-Current Liabilities		5,826	4,867
TOTAL LIABILITIES		37,433	35,609
NET ASSETS		2,791,026	1,838,121
EQUITY			
Asset Revaluation Reserve		919,887	-
Retained profits		1,871,139	1,838,121
TOTAL EQUITY		2,791,026	1,838,121

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 2010

	Retained Earnings	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 September 2008	1,792,287	-	1,792,287
Total comprehensive income for the year	45,834	-	45,834
Balance at 31 August 2009	1,838,121	-	1,838,121
Total comprehensive income for the year	33,018	919,887	952,905
Balance at 31 August 2010	1,871,139	919,887	2,791,026

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 2010**

	Notes	2010	2009
		\$	\$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from members and customers		385,056	379,561
Payments to suppliers and employees		(358,816)	(327,948)
Interest received		11,020	8,752
Net cash inflow from operating activities	9(b)	37,260	60,365
CASH FLOW FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(20,120)	(15,413)
Net cash used in investing activities		(20,120)	(15,413)
Net increase/(decrease) in cash held		17,140	44,952
Cash at the beginning of the financial year		242,511	197,559
Cash at the end of the financial year	9(a)	259,651	242,511

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 2010

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 non-for-profit entity.

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 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.

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 included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

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

Victorian Bridge Association Limited

ACN 004 595 993

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2010

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Depreciation

The depreciable amount of all fixed assets and capitalised lease assets, but excluding freehold land and buildings and leasehold improvements, is depreciated on a straight line basis over their useful lives to the company commencing from the time the asset is held ready for use.

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

Class of Fixed Asset	Depreciation Rate
Plant and equipment	10 – 20%

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

d. **Employee Benefits**

Provision is made for the entity's liability for employee benefits arising from services rendered by employees to Balance Sheet date. 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

Financial assets are classified at cost as the company believes this best recognises fair value.

(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.

Victorian Bridge Association Limited

ACN 004 595 993

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2010

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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 net basis.

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

Comparative figures have been adjusted to conform to changes in presentation for the current financial year where required by accounting standards or as a result of changes in accounting policy.

k. Adoption of New and Revised Accounting Standards

During the current year, the company has adopted the revised Australian Accounting Standard AASB 101: Presentation of Financial Statements, which became mandatory.

The adoption of these Standards has impacted the recognition, measurement and disclosure of certain transactions. The following is an explanation of the impact the adoption of this Standard has had on the financial statements of Victorian Bridge Association Limited.

AASB 101: Presentation of Financial Statements

In September 2007, the Australian Accounting Standards Board revised AASB 101, and as a result there have been changes to the presentation and disclosure of certain information within the financial statements. Below is an overview of the key changes and the impact on the company's financial statements.

Disclosure impact

Terminology changes – The revised version of AASB 101 contains a number of terminology changes, including the amendment of the names of the primary financial statements.

Reporting changes in equity – The revised AASB 101 requires all changes in equity arising from transactions with owners, in their capacity as owners, to be presented separately from non-owner changes in equity. Owner changes in equity are to be presented in the statement of changes in equity, with non-owner changes in equity presented in the statement of comprehensive income. The previous version of AASB 101 required that

Victorian Bridge Association Limited

ACN 004 595 993

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2010

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

owner changes in equity be presented in the statement of changes in equity.

Statement of comprehensive income – The revised AASB 101 requires all income and expenses to be presented in either one statement - the statement of comprehensive income, or two statements - a separate income statement and a statement of comprehensive income. The previous version of AASB 101 required only the presentation of a single income statement.

The company's financial statements now contain a statement of comprehensive income.

Other comprehensive income – The revised version of AASB 101 introduces the concept of "other comprehensive income" which comprises income and expense that are not recognised in profit or loss as required by other Australian Accounting Standards. Items of other comprehensive income are to be disclosed in the statement of comprehensive income. Entities are required to disclose the income tax relating to each component of other comprehensive income. The previous version of AASB 101 did not contain an equivalent concept.

I. New Accounting Standards for Application in Future Periods

The AASB 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 and AASB 2009-11: Amendments to Australian Accounting Standards arising from AASB 9 –AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12] (applicable for annual reporting periods commencing on or after 1 January 2013).

These Standards are applicable retrospectively and amend the classification and measurement of financial assets. The company has not yet determined any potential impact on the financial statements.

The changes made to accounting requirements include:

- Simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value;
 - Simplifying the requirements for embedded derivatives;
 - Removing the tainting rules associated with held-to-maturity assets;
 - Removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;
 - 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.
 - Requiring financial assets to be reclassified where there is a change in an entity's business model as they are initially classified based on: (a) the objective of the entity's business model for managing the financial assets; and (b) the characteristics of the contractual cash flows.
- AASB 124: Related Party Disclosures (applicable for annual reporting periods commencing on or after 1 January 2011).

This Standard removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities and clarifies the definition of a "related party" to remove inconsistencies and simplify the structure of the Standard. No changes are expected to materially affect the company.

Victorian Bridge Association Limited

ACN 004 595 993

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2010

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

- AASB 2009-12: Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052] (applicable for annual reporting periods commencing on or after 1 January 2011).

This Standard makes a number of editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of IFRSs by the IASB. The Standard also amends AASB 8 to require entities to exercise judgment in assessing whether a government and entities known to be under the control of that government are considered a single customer for the purposes of certain operating segment disclosures. The amendments are not expected to impact the company.

The company does not anticipate early adoption of any of the above Australian Accounting Standards.

m. 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.

n. 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 2010

2 Profit from Ordinary Activities

Profit from ordinary activities has been determined after:

	2010	2009
	\$	\$
Expenses		
Depreciation of property, plant and equipment	11,758	13,072
Remuneration of the auditor for Audit or review services	1,400	1,200

3 Cash at bank and on deposit

	2010	2009
	\$	\$
Cash at bank		
ANZ Cheque Account	22,443	24,106
ANZ V2 Plus Account	25,250	16,698
Petty Cash	650	650
ANZ Term Deposit	211,308	201,057
	<u>259,651</u>	<u>242,511</u>

4 Inventory

	2010	2009
	\$	\$
Current		
Stock on hand	<u>709</u>	<u>1,134</u>

5 Other Assets

	2010	2009
	\$	\$
Current		
Accrued Income	331	2,123
Grand National Open Teams	2,633	-
Grand National Restricted Pair	1,220	-
Other assets	578	-
	<u>4,762</u>	<u>2,123</u>

Victorian Bridge Association Limited

ACN 004 595 993

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2010

6 Property, Plant and Equipment

	2010	2009
	\$	\$
Land and Buildings		
Freehold land and buildings	2,500,000	1,562,744
Total Land and Buildings	<u>2,500,000</u>	<u>1,562,744</u>
Furniture and Fittings		
At cost	79,293	77,360
Less accumulated depreciation	(53,016)	(45,212)
Total Furniture and Fittings	<u>26,277</u>	<u>32,148</u>
Café Equipment and Furniture		
At cost	15,230	15,230
Less accumulated depreciation	(9,487)	(7,876)
Total Café Equipment and Furniture	<u>5,743</u>	<u>7,354</u>
Equipment		
At cost	43,603	42,785
Less accumulated depreciation	(25,524)	(23,181)
Total Equipment	<u>18,079</u>	<u>19,604</u>
Total Property, Plant and Equipment	<u>2,550,099</u>	<u>1,621,850</u>

7 Payables

	2010	2009
	\$	\$
Current		
ABF Marketing Grant	15,170	16,567
Accrued expenses	15,671	12,222
GST liabilities	766	1,589
Grand National Restricted Pair	-	133
	<u>31,607</u>	<u>30,511</u>

8 Provisions

	2010	2009
	\$	\$
Current		
Employee benefits	-	231
Non-Current		
Employee benefits	5,826	4,867
	<u>5,826</u>	<u>5,098</u>

Victorian Bridge Association Limited

ACN 004 595 993

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2010

9 Cash Flow Information

	2010 \$	2009 \$
(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	<u>259,001</u>	<u>241,861</u>
	<u>259,651</u>	<u>242,511</u>
(b) Reconciliation of cash flow from operations		
Profit/(Loss) after income tax	33,018	45,834
Non-cash flows in profit		
Depreciation	11,758	13,072
Changes in assets and liabilities		
(Increase)/decrease in other assets	(9,765)	(266)
(Increase)/decrease in inventories	425	(637)
Increase/(decrease) in payables	1,096	3,049
Increase/(decrease) in provisions	728	(687)
Cash flows provided by operating activities	<u>37,260</u>	<u>60,365</u>

10 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 2010

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.

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.

12 Members' Guarantee

The company is limited by guarantee. If the company is wound up, the articles of association state that each member is required to contribute a maximum of \$2 each towards meeting any outstanding obligations of the company. At 31 August 2010 the number of members was 460 (2009: 562).

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 2010**

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 2010 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. L.D. Gold (Treasurer)

Dated this

day of

2010