

| | | | | | | | | | |
|----|--------------|---|--|------------------------|--|---|-----------|----|-------------------|
| 41 | 1 March 2010 | Guarantee for Mt Barker Bowling Club Loan Application | <p>Reason:</p> <p>(d) commercial information of a confidential nature (not being a trade secret) the disclosure of which—</p> <p>(i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and</p> <p>(ii) would, on balance, be contrary to the public interest;</p> | Report and attachments | | Extend Confidential Order to Sept 2013 | 5 Sept 11 | NA | RELEASE 5 Sept 11 |
| | | | | | | <p>The Chief Executive Officer be delegated the authority to revoke all or part of the order and directed to present a report containing the item for which the confidentiality has been revoked.</p> | | | |

17. CONFIDENTIAL REPORTS

**17.1 REPORT TITLE: GUARANTEE FOR MOUNT BARKER
BOWLING CLUB LOAN APPLICATION**

DATE OF MEETING: 1 MARCH 2010

AUTHOR: ANNE MOONEY

AUTHOR'S TITLE: SENIOR FINANCE OFFICER

REPRESENTORS: NIL

FILE NUMBER: 52/050/008-1

**ATTACHMENTS: 1. SUBMISSION FROM MT BARKER
BOWLING CLUB
2. AUDIT OPINION TO BANK SA
3. EMAIL FROM COUNCIL AUDITOR**

DEPARTMENT: COUNCIL SERVICES

**DEPARTMENT
MANAGER: NARELLE JEFFERY**

PURPOSE

To consider an application from the Mount Barker Bowling Club Inc for Council to provide a guarantee for a loan to replace the surface of the front bowling green.

RECOMMENDATION

That Council:

1. Pursuant to Section 90(2) and 90(3) of the Local Government Act 1999 orders that the public be excluded from attendance at the meeting to consider in confidence matters regarding the
 - (d) commercial information of a confidential nature (not being a trade secret) the disclosure of which—
 - (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and
 - (ii) would, on balance, be contrary to the public interest;

2. Determine that the Chief Executive Officer, General Manager Governance & Projects, General Manager Vision, General Manager Council Services and the Minute Secretary be permitted to remain in the room.
3. Does not provide a bank guarantee for the proposed Mount Barker Bowling Club Inc loan of \$135,000.
4. Orders pursuant to Section 91(7) and (9) of the Local Government Act 1999 that the report and attachments remain confidential until 1 March 2011.

BACKGROUND

Mount Barker Bowling Club Inc holds a five year lease with Council for the land at 25 to 29 Mann Street which will expire on 31 August 2013.

In 2006 Council agreed to guarantee a loan for the Mount Barker Bowling Club Inc which was used to upgrade the back green. The balance on this loan as at 30 September 2009 was \$57,890.

Last financial year the Club received \$440,388 from the Stirling Bowls Trust to construct an all-weather dome to cover the front green.

DISCUSSION

The Mount Barker Bowling Club Inc has requested Council assistance in obtaining a new loan from Bank SA to enable the Club to replace the surface of the front green under the new dome. The replacement surface will be a state of the art Bowls Weave carpet supplied and installed by Tiger Turf Australia Pty Ltd. The Club is seeking to borrow the full cost for the supply and installation including GST of \$135,000.

The Bowling Club has supplied audited financial reports as at March 2009. The balance sheet of the Club as at 31 March 2009 indicates that the Club has liabilities of \$175,979 and assets of \$92,399, a net financial liability of \$83,580. The new loan would raise the Club's net financial liability to in excess of \$200,000 or 160% of their annual operating revenue.

Current information from the Club indicates their operating surplus for the year ending 31 March 2009 to be \$13,802. The Club also has loan principal payments of \$2,436 and plant purchase of \$4,581. It appears that the total as at 31 March 2009 of the investment accounts of \$51,130 includes the unspent balance of the Stirling Bowls Trust funds of \$39,608.

The Bowling Club auditor's statement is qualified as to the Club's ability to meet its current liabilities. Council has obtained an additional opinion from its own auditor who confirms that it "would be extremely unlikely that they can repay their current liabilities let alone any future borrowings" The Club have also supplied additional receipts and payments summary for the period 1 April 2009 to 28 January 2010 that indicates the Club had at that time \$64,023 in cash reserves including the investment accounts.

If Council were to guarantee a loan for the Mount Barker Bowling Club it is possible, based on current financial information available, that the Club may default on its repayments and leave Council liable for the debt. The request is for a loan amount of \$135,000 which based on Bank SA current commercial interest rates over ten years would incur \$19,500 in loan repayments annually and a total debt of \$207,536.

The Club has over the past two years applied for and been unsuccessful in gaining funding for the upgrade of the front bowling green through the State Government. An option for the Club is to continue to apply for State Government funding in the event that they may at some time in the future be successful. As part of any future funding submission Council may consider a one third contribution to the project in line with other recreational capital development projects.

POLICY IMPLICATIONS

1. Financial/budget

There would be no changes to the current budget. The Mount Barker Bowling Club Inc has a favourable history of meeting their financial responsibilities with past loans however if the Mount Barker Bowling Club were to default on the loan Council would become liable for the debt including any interest due, dependant upon the terms of the loan.

2. Legal

The loan guarantee provides that Council will take over repayments on the loans if the parties fail to meet their financial obligations on the loans.

3. Staffing/Work Plans

Not applicable to this report.

4. Environmental

Not applicable to this report.

5. Social

Not applicable to this report.

6. Strategic Plans

Not applicable to this report.

7. Risk Assessment

Council would be at risk of incurring a debt up to \$200,000 if the Mount Barker Bowling Club defaulted on their loan. In consideration of the financial information supplied and external advice providing the guarantee would incur a high level of financial risk.

8. Asset Management

Not applicable to this report.

COMMUNITY CONSULTATION**1. Customer Needs Analysis**

Not applicable to this report.

2. Promotion/Communications

Not applicable to this report.



Mount Barker Bowling Club Inc.
PO Box 114
Mount Barker 5251
25 January 2010

General Manager
Corporate Services
District Council of Mount Barker

The Board of Management of the Mount Barker Bowling Club Inc. request Council assistance in obtaining a loan from Bank SA to enable the Club to replace the surface on the front green under the new Dome. The replacement surface will be a state of the art BowlsWeave carpet supplied and installed by Tiger Turf Australia Pty Ltd.

The cost of the project is \$122,800.00 plus GST. The Club will be seeking to borrow the full amount for the supply and installation plus the GST, making the total amount of the loan \$135,000.00. Bank SA have provided verbal 'in principle' support for granting of the loan provided the Council will act as guarantor.

I have enclosed a copy of the latest independent audit report, the latest Treasurer's report and bank statements demonstrating the current financial position of the Club. I have also enclosed a copy of the latest Tiger Turf Australia Quotation for your information. While the quotation was valid for thirty days from 17 September 2009, I have confirmed with Tiger Turf this morning that the figures quoted remain valid.

The Club has a current Bank SA loan also provided under a Council Guarantee, that is being repaid at \$700.00 per month. The outstanding balance on that loan was \$57,890.00 on the latest Bank Statement as at 30 September 2009. It is pleasing to note that as at the 31 December 2009, the Club has Term Deposits of \$30,000 and \$15,000.00 as well as an at call investment of \$5485.00 and just over \$12,000.00 in the 'working account'.

The Club needs to replace the current sand filled synthetic grass surface as it has been in place for the best part of twenty years. Most suppliers of this type of surface will guarantee their surface for around seven years and with regular use expect to replace the surface after ten years. The attraction for all of the users of the facility is the under cover aspect provided by the Dome, the limiting factor for all of the users is the

HOME OF THE DOME

'worn out' synthetic surface on the green. Replacement of the 'worn out' synthetic surface with the BowlsWeave bowling surface will greatly enhance the viability of the facility for all users and attract a wider regional interest than has already been achieved in the short time the Dome has been in place.

While the whole Dome project has been positively supported by the Mount Barker Council, it has been fully funded by the Stirling Bowling Club Foundation and S-Squared Inc. with in-kind support being provided by Council and members of the Club. To further assist in containing the cost of the installation of the new surface, Club members will also contribute additional in-kind support by removing the current surface. Once removed, the old synthetic surface will be sold at the current commercial value.

Please contact me if you have any questions or concerns with the information provided.

Yours sincerely,



Wayne Lee
President
Mount Barker Bowling Club Inc.

Ph (08) 83880248
Mob 04048816525
Email wle04468@bigpond.net.au

cc. Mayor District Council of Mount Barker

President: Wayne Lee 83880248
Vice President: Harry Sime 83880540
Vice President: Raelene Corner 83986824
Secretary: Judy Thomas 83888043

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF
THE MOUNT BARKER BOWLING CLUB INC.**

We have audited the attached financial report, being a special purpose financial report consisting of a Statement of Receipts and Payments and notes thereto, of the Mount Barker Bowling Club Inc. for the year ended 31st March, 2009 as attached. The Treasurer is responsible for the preparation and presentation of the statements and the information contained therein and has determined that the basis of accounting used in the Financial Report is appropriate to meet the needs of the members. Income and expenses have been reported on a cash basis.

We have conducted an independent audit of the receipts and payments in order to express an opinion to the members on their preparation and presentation. No opinion is expressed as to whether the basis of accounting used and described above is appropriate to the needs of the members.

Our procedures included examination, on a test basis, of evidence supporting the amounts in the Receipts and Payment Statements. These procedures have been undertaken to form an opinion as to whether, in all material respects, the Income and Expense Statements are presented fairly in accordance with the basis of accounting set out above, so as to present a view of the entity which is consistent with our understanding of the results of its operations.

The audit opinion expressed in this report has been formed on the above basis.

AUDIT OPINION

In our opinion, the Statement of Receipts and Payments presents fairly the revenue collected and expenses paid by the Mount Barker Bowling Club Inc for the year ended 31st March, 2009 according to the information and explanations given to us and as shown by the books of the Mount Barker Bowling Club Inc and in accordance with the cash basis of accounting as described above subject to the following:-

Ability to Meet Liabilities

It is our opinion that the Mount Barker Bowling Club may have difficulty in meeting its present & future liabilities as expected income is insufficient to meet payments.

Asset & Liabilities Report

The report has been prepared using debtor and creditor figures from the Treasurer together with known account balances as at 31/03/09. No plant & equipment, fixtures & fittings, fixed assets or inventory have been included.

Asset Register

It is our opinion that an Asset Register should be prepared and maintained regularly for the benefit of members listing all plant and equipment, fixtures and fittings assets and tangible fixed assets. As new assets are purchased they should be recorded with date, detail & cost. Similarly disposals and scrapped items should be adjusted in the register regularly.

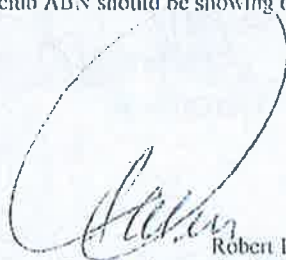
GST

GST must be paid on all income except grants - \$3548 has been underpaid and is owing to the ATO. The GST inclusive income amount of \$39028 should be added to the next BAS to record the unreported amount.

Tax Invoices

Tax Invoices showing the club ABN should be issued to all businesses providing sponsorship in order for those businesses to meet ATO guidelines and to claim their GST credits. The club ABN should be showing on all receipts issued.

Signed at Mount Barker this 11th May 2009


Robert D Oaten CPA
Oaten's Accounting Services Pty Ltd

MOUNT BARKER BOWLING CLUB INC
STATEMENT OF THE BOARD
FOR THE YEAR ENDED 31ST MARCH, 2009

The attached Financial Statements of the MOUNT BARKER BOWLING CLUB INC for the year ended 31st March, 2009 are, in my opinion, properly drawn up:-

1. so as to present fairly the financial position of the Club as at 31st March, 2009 and the results and cash flows of its operations for that period;
2. in accordance with the provisions of the Club Rules; and
3. in accordance with applicable Accounting Standards.

The Club is considered a non-reporting entity.

As at the date of this Statement, there are reasonable grounds to believe that the Club will be able to pay its debts as and when they fall due.

Date at Mount Barker, this 12th day of May 2009



PRESIDENT



TREASURER

MOUNT BARKER BOWLS CLUB**STATEMENT OF PAYMENTS****FOR THE YEAR ENDED 31/03/09**

| | This Year |
|--|----------------------|
| Audit Fees | 720.00 |
| Bank Fees & Charges | 360.00 |
| Bar Expenditure | 16198.18 |
| Bowls SA | 4014.69 |
| Catering | 5550.62 |
| Cleaning | 3001.06 |
| Club Apparel | 3567.00 |
| Club Badges | 306.00 |
| Dome | 400780.03 |
| Donations | 300.00 |
| Engraving Honour Board | 109.09 |
| Entry Fees | 120.00 |
| Float net | 300.00 |
| Hills Bowling Association | 943.00 |
| Honorarium | 400.00 |
| Insurance | 4303.90 |
| Licences | 258.67 |
| Light & Power | 3219.62 |
| Loan Repayments | 8352.00 |
| Member Loan Repayment | 2168.00 |
| Open Day Expenses | 150.00 |
| Pens | 208.95 |
| Plant Purchase | 4581.20 |
| PO Box Rent | 68.18 |
| Postages & petty cash | 881.99 |
| Presentation Dinner | 1500.00 |
| Presentation Dinner Refunds | 44.00 |
| Printing & Advertising | 1639.14 |
| Repairs & Maintenance | 5859.30 |
| Rink of the Week | 715.00 |
| Security | 1411.50 |
| Stationery | 2852.64 |
| Telephone | 1076.17 |
| Trophies & Prize money | 3511.16 |
| Water | 726.70 |
| Water Tanks | 4354.93 |
| GST Paid | 605.00 |
| GST on Expenses | 45440.68 |
| Total Expenses as per cash book | \$ 530,598.40 |

MOUNT BARKER BOWLS CLUB
CURRENT ASSETS & LIABILITIES

AS AT 31/03/09

Assets

| | |
|----------------------------|----------|
| Bank SA Cheque Account | 12801.33 |
| Bank SA Investment Account | 51129.99 |
| Bar Float | 600.00 |
| Debtors as per listing | 27868.00 |
| | <hr/> |
| | 92399.32 |

Liabilities

| | |
|------------------------------------|-----------|
| Payable GST Adjustment to 31/03/09 | 3548.00 |
| Bank SA Fixed Loan | 59360.20 |
| O/S Member Loans | 6242.00 |
| Creditors as per Listing | 106829.06 |
| | <hr/> |
| | 175979.26 |

Net Liabilities

-83579.94

MOUNT BARKER BOWLING CLUB INC**TREASURER'S REPORT
TUESDAY 12TH JANUARY 2010**RECEIPTS

| | | |
|------------------------|----|-----------------|
| Balance br. Forward | \$ | 23699.16 |
| Scoreboard Advertising | | 272.72 |
| Bar Receipts | | 3027.08 |
| Christmas Dinner | | 636.35 |
| Sponsorship | | 2727.27 |
| Club Tournament | | 150.00 |
| Green Fees | | 250.00 |
| Raffles | | 636.86 |
| Sales | | 181.82 |
| Hall Hire | | 318.18 |
| Donations | | 100.00 |
| Catering | | 2681.83 |
| G S T | | 1087.23 |
| | \$ | <u>35768.50</u> |

PAYMENTS

| | | |
|----------------------------|----|-----------------|
| Security | \$ | 147.29 |
| Stationery | | 123.47 |
| Plant (New Jacks) | | 272.73 |
| Bar Expenditure | | 1249.86 |
| Repairs & Maintenance | | 312.43 |
| Catering | | 876.28 |
| Christmas Dinner | | 704.55 |
| Bank Fees | | 30.00 |
| Loan Repayment | | 700.00 |
| Telephone | | 165.97 |
| Printing/Adverts | | 118.87 |
| Member Loan Payout | | 1972.00 |
| G S T | | 440.16 |
| Cleaning | | 714.30 |
| Postage/Petty Cash | | 30.00 |
| Trophies/Prizes | | 10.00 |
| Sundry (Investment/Shirts) | | 15589.00 |
| Balance @ 31.12.09 | | <u>12311.59</u> |
| | \$ | 35768.50 |

SUMMARY

| | | |
|---------------------|----|-----------------|
| Balance B/Dec 09 | \$ | 23699.16 |
| Receipts December | | <u>12069.34</u> |
| | | 35768.50 |
| Payments December | | <u>23456.91</u> |
| Balance at 31.12.09 | \$ | 12311.59 |

RECONCILIATION

| | | |
|------------------------------|----|-----------------|
| Closing Bal Bank SA 31.12.09 | \$ | 12317.59 |
| Plus receipts to be credited | | <u>12317.59</u> |
| | | 24635.18 |
| Less Cheques O/s | | <u>6.00</u> |
| Balance @ 31.12.09 | \$ | 12311.59 |

Term Deposit Account No 025 4037252760 \$ 30000.00 @5% until May 2010
 Term Deposit Account No 025 4037275860 \$ 15000.00 @ 5.1% until March 2010
 Power Saver Account No 025 056461840 \$ 5485.01 @ 2.15% --- at call

Statement of Account



SOCIETY CHEQUE ACCOUNT



MOUNT BARKER BOWLING CLUB INC
C/- MR B J REHN
PO BOX 114
MOUNT BARKER SA 5251

Customer Enquiries 13 13 76
(8am to 5:30pm Mon-Fri)
BSB Number 105-025
Account Number 115007840
Statement Period 01/12/2009 to 31/12/2009
Statement No. 249(page 1 of 3)

MOUNT BARKER BOWLING CLUB
INC

Lending, Investment and Insurance Enquiries
Relationship Manager Jane Crowe
Telephone Number 08 8391 3215

Account Summary

| | | | | | | |
|-----------------|---|---------------|---|--------------|--|-----------------|
| Opening Balance | | Total Credits | | Total Debits | | Closing Balance |
| 23,785.16 | + | 12,069.34 | - | 23,536.91 | | 12,317.59 |

Transaction Details

| Date | Transaction Description | Debit | Credit | Balance \$ |
|--------|--|-----------|----------|------------|
| 01 DEC | OPENING BALANCE | | | 23,785.16 |
| 02 DEC | CHEQUE NUMBER 154523 | 6.00 | | 23,779.16 |
| 02 DEC | CHEQUE NUMBER 154555 | 570.90 | | 23,208.26 |
| 03 DEC | CHEQUE NUMBER 154554 | 555.00 | | 22,653.26 |
| 04 DEC | CASH AND/OR CHQS | | 683.00 | 23,336.26 |
| 04 DEC | CHEQUE NUMBER 154552 | 24.00 | | 23,312.26 |
| 07 DEC | CASH AND/OR CHQS | | 2,218.74 | 25,531.00 |
| 07 DEC | CHEQUE NUMBER 154556 | 145.14 | | 25,385.86 |
| 09 DEC | CHEQUE NUMBER 154557 | 486.55 | | 24,899.31 |
| 11 DEC | CASH AND/OR CHQS | | 3,040.00 | 27,939.31 |
| 11 DEC | CASH DEPOSIT | | 3,296.00 | 31,235.31 |
| 11 DEC | CHEQUE NUMBER 154558 | 11.81 | | 31,223.50 |
| 11 DEC | CHEQUE NUMBER 154559 | 55.00 | | 31,168.50 |
| 11 DEC | CHEQUE NUMBER 154560 | 77.00 | | 31,091.50 |
| 11 DEC | CHEQUE NUMBER 154565 | 217.40 | | 30,874.10 |
| 11 DEC | CHEQUE NUMBER 154566 | 256.52 | | 30,617.58 |
| 11 DEC | CHEQUE NUMBER 154567 | 100.83 | | 30,516.75 |
| 14 DEC | CASH AND/OR CHQS | | 1,319.50 | 31,836.25 |
| 14 DEC | CASH WITHDRAWAL | 15,000.00 | | 16,836.25 |
| 14 DEC | CHEQUE NUMBER 154561 | 30.01 | | 16,806.24 |
| 14 DEC | CHEQUE NUMBER 154562 | 150.15 | | 16,656.09 |
| 14 DEC | CHEQUE NUMBER 154572 | 433.61 | | 16,222.48 |
| 14 DEC | CHEQUE NUMBER 154574 | 496.95 | | 15,725.53 |
| 15 DEC | CHEQUE NUMBER 154571 | 877.00 | | 14,848.53 |
| 15 DEC | CHEQUE NUMBER 154573 | 775.00 | | 14,073.53 |
| 15 DEC | CHEQUE NUMBER 154575 | 257.17 | | 13,816.36 |
| 16 DEC | CHEQUE NUMBER 154568 | 97.35 | | 13,719.01 |
| 17 DEC | CASH AND/OR CHQS | | 762.10 | 14,481.11 |
| 17 DEC | CHEQUE NUMBER 154563 | 47.45 | | 14,433.66 |
| | SUB TOTAL CARRIED FORWARD TO NEXT PAGE | | | 14,433.66 |

Account Number 115007840
 Statement Period 01/12/2009 to 31/12/2009
 Statement No. 249 (page 2 of 3)

Transaction Details continued

| Date | Transaction Description | Debit | Credit | Balance \$ |
|--------|---|----------|--------|------------|
| | <i>SUB TOTAL CARRIED FORWARD FROM PREVIOUS PAGE</i> | | | 14,433.66 |
| 17 DEC | CHEQUE NUMBER 154577 | 29.00 | | 14,404.66 |
| 18 DEC | CHEQUE NUMBER 154564 | 398.73 | | 14,005.93 |
| 18 DEC | CHEQUE NUMBER 154569 | 300.00 | | 13,705.93 |
| 21 DEC | CASH DEPOSIT | | 650.00 | 14,355.93 |
| 21 DEC | CLASS INCORP | | 100.00 | 14,455.93 |
| | CLASS ACCOUNT | | | |
| 21 DEC | CHEQUE NUMBER 154570 | 1,095.00 | | 13,360.93 |
| 21 DEC | CHEQUE NUMBER 154578 | 162.02 | | 13,198.91 |
| 22 DEC | CHEQUE NUMBER 154576 | 101.31 | | 13,097.59 |
| 24 DEC | CHEQUE NUMBER 154553 | 50.00 | | 13,047.59 |
| 31 DEC | AUTO TSFER TO 250053380340 | 200.00 | | 12,847.59 |
| 31 DEC | LOAN ADM FEE EX 250053380340 | 30.00 | | 12,817.59 |
| 31 DEC | <i>CLOSING BALANCE</i> | | | 12,817.59 |

Interest Details

| | Credit Interest | Debit Interest |
|---------------|-----------------|----------------|
| Year to Date | \$0.00 | \$0.00 |
| Previous Year | \$94.89 | \$0.00 |

Information

- Please check all entries on this statement and inform the Bank promptly of any error or unauthorised transaction.
- If your card is lost or stolen, please call us immediately on 1800 028 208.
- This statement should be retained for taxation purposes.
- When enquiring about the "termination value" of your account, you can visit your nearest branch or "talk to us" on 1300 360 374 and say "existing account".
- To contact us to make suggestions, compliments or find out more about our products and services, please call the customer enquiries number on this statement. This service may also be used to address and resolve complaints.

Good news from BankSA. We're pleased to inform you that effective 1 October 2009, the periodic payment, direct debit or outward cheque dishonour fee and payment honour fee which may apply to your account are reduced to \$9. If you have any questions, call us on 13 13 76, 8am to 8pm, seven days a week.

Term Deposit Opening Confirmation Certificate

Date: 17th December 2009



MOUNT BARKER BOWLING CLUB INC
PO BOX 114
MOUNT BARKER SA 5251

BankSA
A Division of
St. George Bank Limited
ABN 92 055 513 070
AFS Licence 240997

Box 399 GPO Adelaide
South Australia 5001

Enquiries: 13 13 76
(8am to 8pm, seven days a week)

Account Details

Number: 025 4037275860
Title: MOUNT BARKER BOWLING CLUB INC

Thank you for choosing BankSA for your investment needs. This certificate outlines the details of your BankSA Term Deposit.

Please check the details and advise us of any discrepancies.

Investment Details

| | |
|----------------------------|--------------------|
| Deposit Amount | \$15,000.00 |
| Interest Rate | 5.10% pa |
| Term | 3 Months |
| Open Date | 14 Dec 2009 |
| Funded Date | 14 Dec 2009 |
| Maturity Date | 14 Mar 2010 |
| Interest Payment Frequency | At Maturity |
| Interest Payment Method | Added to Principal |

On maturity of this Term Deposit, we will send you a letter containing the details of the interest earned. At the same time we will request your instructions for renewal, reinvestment or withdrawal of the amount invested.

Please note: if applicable to the duration of the term and/or the interest payment frequency you have chosen, an end of financial year statement will be sent to you to assist you in preparing your tax return.

The Term Deposit is a financial product issued by BankSA - A Division of St. George Bank Limited ABN 92 055 513 070
AFS Licence 240997



Statement of Account

**BankSA**A Division of St George Bank Limited
ABN 92 655 513 070 AFSL 240997**FDA FIXED TERM FIXED INTEREST**

MOUNT BARKER BOWLING CLUB INC
C/- MR B J REHN
PO BOX 114
MOUNT BARKER SA 5251

Customer Enquiries 13 13 76
(8am to 5:30pm Mon-Fri)
BSB Number 105-025
Account Number 053380340
Statement Period 07/05/2009 to 30/09/2009
Statement No. 7(page 1 of 2)

MOUNT BARKER BOWLING CLUB INC

Lending, Investment and Insurance Enquiries
Relationship Manager Jane Crowe
Telephone Number 08 8391 3215

Account Summary

| Opening Balance | Total Credits | Total Debits | Closing Balance |
|-----------------|---------------|--------------|-----------------|
| 59,139.70 - | 3,496.00 | 2,246.59 | 57,890.29 - |

Overdraft Details

| Overdraft Limit | Available Credit | Annual Interest |
|-----------------|------------------|-----------------|
| 59,000.00 | 1,109.71 | 8.75%p.a |

OVERDRAFT INTEREST RATE MOVEMENTS DURING THE STATEMENT PERIOD ARE AS FOLLOWS
FROM 9.750% TO 8.750% ON 29 JUN 09

Transaction Details

| Date | Transaction Description | Debit | Credit | Balance S |
|--------|------------------------------|--------|--------|-------------|
| 07 MAY | OPENING BALANCE | | | 59,139.70 - |
| 30 MAY | AUTO TSFER FROM 250115007840 | | 696.00 | 58,443.70 - |
| 30 MAY | DEBIT INTEREST | 489.35 | | 58,933.05 - |
| 30 JUN | AUTO TSFER FROM 250115007840 | | 700.00 | 58,233.05 - |
| 30 JUN | DEBIT INTEREST | 468.87 | | 58,701.92 - |
| 31 JUL | AUTO TSFER FROM 250115007840 | | 700.00 | 58,001.92 - |
| 31 JUL | DEBIT INTEREST | 436.07 | | 58,437.99 - |
| 31 AUG | AUTO TSFER FROM 250115007840 | | 700.00 | 57,737.99 - |
| 31 AUG | DEBIT INTEREST | 434.11 | | 58,172.10 - |
| 30 SEP | AUTO TSFER FROM 250115007840 | | 700.00 | 57,472.10 - |
| 30 SEP | DEBIT INTEREST | 418.19 | | 57,890.29 - |
| 30 SEP | CLOSING BALANCE | | | 57,890.29 - |

Interest Details

| | Credit Interest | Debit Interest |
|---------------|-----------------|----------------|
| Year to Date | \$0.00 | \$1,288.37 |
| Previous Year | \$0.00 | \$5,853.38 |

Business Banking Centre
12 Gawler Street
Mount Barker SA 5251

Telephone 8391 3215
Facsimile 8424 4815
Email crowej@banksa.com.au

29 June 2009



A Division of
St George Bank Limited
ABN 92 055 513 070
AFSL 240997

Mount Barker Bowling Club Inc
Attention: Mr Brian Rehn
PO Box 114
Mount Barker SA 5251

Dear Brian,

Commercial Loan
Fixed Term / Fixed Interest
Loan Number 025/0053380340

As a result of your request, I advise that the interest rate applicable to your \$58,933.05 Commercial Loan Fixed Term / Fixed Interest has been fixed for a period of three years, effective from the 29 June 2009. The fixed interest rate details are as follows:

- Fixed Interest Rate (Cost of Funds) 6.75% per annum
- Interest Margin 2.00% per annum
- All up Interest Rate 8.75% per annum
- Fixed Interest Rate Expiry Date 29 June 2012
- Monthly Instalment \$700-00

At the expiration of the three year fixed period, the Fully Drawn Advance Fixed Term / Fixed Interest Business Loan terms and conditions will be re-negotiated.

Please do not hesitate to contact me if you require further clarification.

Yours sincerely,


Jane Crowe
Business Banking Manager

Mt.Barker

The Tiger Turf Quotation Program

Tiger Turf Synthetic Grass Sporting Surfaces are unique. Regardless of the location, we intend every sporting surface in Australasia to be consistent in providing optimum playing performance, long term function and premium aesthetics.

In order to achieve this goal, rigorous qualification of site specific conditions and local material supplies is essential. For Tiger Turf to support clients with comprehensive warranties, we strongly recommend site testing and assessment of specific materials to ensure that they will meet all performance criteria.

Consequently, where possible, we endorse the following quotation process:

1. Initial guideline quotation, and later, a
2. Final contractual quotation

"Initial Guideline Quotation":

- Is intended as a funding application/ draft costing guide.
- Is collated via statistical based costing from similar projects in your region.
- Is based on clear access for bulk loading on and to site.
- Includes raw material costs that have been sourced locally but not fully tested for absolute compatibility with your site, i.e. base rock and freight
- Does not take into account any Geotechnical assessment, unless stated otherwise.
- Does not take into account existing site levels, or required finished site levels.
- Does not facilitate a design that will support Tiger Turf standard warranties.

If the initial guideline quote satisfies the needs for your project to move forward, the following must be considered to formalize your job specific requirements and ensure the long term stability and performance of your project.

"Final Contractual Quotation":

- Is intended as a quotation suitable for contract formation.
- Includes the cost of all site specific materials designed to satisfy our warranty requirements and inclusive of their freight to site.
- Includes detailed assessments of site specific issues and their cost implications
- Is based on design parameters generated by the Geotechnical assessment (specific requirements will be made available)
- Is based on design parameters generated by the site survey.
- Facilitates a design that will support all Tiger Turf standard warranties. (Please check for conditions on contract).

We are adamant about our comprehensive process, and reiterate the importance of not compromising on the quality and integrity of your Tiger Turf engineered sporting facility, or your long term investment.

Note; Any specific requirements that the client may have regarding the project must be lodged with Tiger Turf prior to preparation of the *Final Contractual Quotation* or they will be subject to costs by way of a written variation.

Mt.Barker

Initial Guideline Quotation:

TigerTurf Australia are pleased to offer the Mt.Barker bowling club in South Australia the following TigerTurf synthetic bowling green options.

Green size 36.6m x 36.6m

1. Installation of our **BowlsWeave** bowling surface installed over your crushed aggregate sports base.

Total cost of one green **\$122,800 + gst**

2. Installation of our **SuperGreen 11** part sandfill bowling surface installed over your crushed aggregate sports base.

Total cost of one green **\$85,800 + gst**

The prices quoted above are valid for a period of 30 days as from 17 September 2009



Official supplier to bowls Australia

Mt.Barker

Scope of the 'works':

Resurfacing of a Synthetic bowling green

- **Excavations**
 - Client to uplift and remove existing synthetic surface from site
- **Drainage**
 - As the site will be undercover, the existing drainage will be retained.
- **Footings & Plinths**
 - Existing plinth will be modified as required.
 - Concrete plinth has been included for Woven surface only.
- **Sports base**
 - Existing base materials will be re screeded to meet WBB standards.
- **Install Surface**
 - Install chosen surface to meet W.B.B. & Bowls Australia requirements.
- **Ditchbank**
 - Optional extra when placing official order.
Approx \$2,600 + gst
- **Ditchgrass**
 - Optional extra. Not required for tufted greens.
Approx \$1,200 + gst.
- **Surrounds Landscaping**
 - Optional extra when placing official order.
- **Clean & Tidy Site**
 - Remove all left over materials and rubbish from site.

Mt.Barker

Terms & Conditions:

- **Payment is by way of progress payment made after each stage.**
 - 20% **Deposit payable on or before signing the contract**
(final programming of the works will not be confirmed until the deposit has been received)
 - 30% **due on proof of shipping the chosen surface.**
 - 30% **due on completion of the ditch modifications.**
 - 15% **due on completion of the base layer.**
 - 2.5% **due on practical completion.**
 - 2.5% **due within 90 days of Practical completion.**
- **No allowance has been made for rock, soft spots or un-compactable materials within the construction area, if encountered it will be charged as a variation.**
- **The client must within 14 days of completion of the work advise TigerTurf Australia of any defects in materials or workmanship. Failure to make such a complaint within the prescribed time will deem the goods and services to have been accepted in good order and condition.**
- **We reserve the right to change machinery and material specification to local supply.**
- **The 'Client' shall ensure all necessary consents and permits are obtained and managed by others.**
- **The freight quote is only valid for 30 days as from signing the contract; we expect these rates to increase prior to the shipment of materials. Increase in costs will be passed onto the Client.**
- **Tigerturf shall not be liable for damage, disconnection or reconnection costs associated with the services that are encountered by the contractor in the area of works.**
- **If the existing plinth beam is deemed unacceptable for re-use, there will be a variation to the contract (estimated \$8000 to \$12,000) to modify or construct a new concrete plinth beam.**
- **The goods remain the property of TigerTurf Australia until the project is paid for in full and all monies are cleared.**
- **All variations must be approved in writing by nominated club representative and TigerTurf Australia. Any variation to the contract will be payable at practical completion.**
- **Any landscaping quoted does not include plinth work unless stated in the scope of works.**
- **Direct access must be available for heavy vehicle to base at all times, failure to do so could result in extra cost in labour and / or small machine hire. All care but no responsibility will be taken by TigerTurf Australia for machinery damage to the access point.**

Trusting the above is of satisfaction to you and hope to be of service to you in the near future.

Regards
TigerTurf Australia Pty Ltd

Mt.Barker

David Hopwood
National Sales Manager / Bowling Greens

CONFIDENTIAL

Graham Holland & Associates
Public Accountants

ABN 35 007 065 342

21 Stephen Street
Mount Barker SA 5251

PO Box 1607
Mount Barker SA 5251

Tel: 08 8391 1820
Fax: 08 8391 1830

weholland@bigpond.com

Received for
Wayne Lees
James 8/2/10

The Manager
BankSA
12 Gawler Street
Mount Barker SA 5251

Attention: Jane Crowe

Dear Jane,

AUDITOR'S OPINION
MOUNT BARKER BOWLING CLUB INC

Acting as the club's auditor I have reviewed the club's accounts at the request of Brian Rehn, the club treasurer and believe that they are a true and accurate record for the period from 1 April 2009 to 28 January 2010.

Please find attached a copy of the receipts and payments for the above period for your review.

If you have any questions I am more than happy to assist.

Yours sincerely,

Graham Holland FPNA



MOUNT BARKER BOWLING CLUB INC**RECEIPTS AND PAYMENTS SUMMARY****1 April 2009 to 28 January 2010**

| | |
|---|---------------------|
| Opening cash book balance | \$ 12,801.33 |
| Receipts | \$ 156,200.93 |
| Sub Total | \$ 169,002.26 |
| Payments | \$ 155,464.20 |
| Cash book balance as at 28 January 2010 | <u>\$ 13,538.06</u> |

CURRENT INVESTMENTS

| | |
|-------------------------------|---------------------|
| Term deposit a/c 4037252760 | \$ 30,000.00 |
| Term deposit a/c 4037275860 | \$ 15,000.00 |
| Power saver account 056461840 | \$ 5,485.01 |
| Current trading account | \$ 13,538.06 |
| Total | <u>\$ 64,023.07</u> |

MOUNT BARKER BOWLING CLUB INC

STATEMENT OF EXPENDITURE

1 April 2009 to 28 January 2010

| | |
|--|---------------|
| Light & Power | \$ 2,867.95 |
| Water | \$ 722.35 |
| Telephone | \$ 914.25 |
| Repairs & Maintenance | \$ 4,460.41 |
| Stationery | \$ 960.09 |
| Bank Fees | \$ 270.00 |
| Bank Loan Repayment | \$ 6,292.00 |
| Security | \$ 729.87 |
| Cleaning | \$ 4,639.00 |
| Licences | \$ 329.09 |
| Catering | \$ 5,303.91 |
| Bar Expenditure | \$ 10,299.01 |
| Christmas & Presentation Dinners | \$ 1,850.00 |
| Bowls S A (Registrations etc) | \$ 2,791.42 |
| Hills Bowling Associations -- Men | \$ 594.52 |
| Hills Bowling Associations -- Ladies | \$ 207.27 |
| Postage -- Petty Cash | \$ 594.08 |
| Trophies -- Prize Money | \$ 1,684.70 |
| Friday Nite Social Bowls | \$ 186.36 |
| Printing -- Adverts -- Publicity | \$ 1,394.86 |
| Plant Purchase (Chairs, Tables, Crockery) | \$ 8,642.56 |
| Donations (Cancer Council etc) | \$ 150.00 |
| G S T | \$ 12,344.69 |
| Member Loan Repayments (Now complete) | \$ 6,460.27 |
| Sundry (Shirts, Jackets, Investments) | \$ 2,939.45 |
| "The Dome" | \$ 77,836.09 |
| | \$ 155,464.20 |

MOUNT BARKER BOWLING CLUB INC**STATEMENT OF RECEIPTS****1 April 2009 to 28 January 2010**

| | |
|---|---------------|
| Subscriptions :- Men's | \$ 10,663.49 |
| Subscriptions :- Ladies | \$ 4,572.66 |
| Club Tournaments | \$ 697.55 |
| Winter Social Bowls | \$ 4,622.91 |
| Green Fees (Outsiders) | \$ 1,286.08 |
| Sponsorship | \$ 5,090.94 |
| Scoreboard Advertising | \$ 818.16 |
| Hills Association Events | \$ 636.36 |
| Sales (Shirts, Jackets, Trading tables etc) | \$ 2,376.34 |
| Raffles | \$ 1,873.74 |
| Bar Receipts | \$ 20,568.32 |
| Hall Hire | \$ 7,209.08 |
| Christmas & Presentation Dinners | \$ 1,859.08 |
| Catering (Functions, Afternoon Tea etc) | \$ 10,999.41 |
| Friday Nite Social Bowls | \$ 495.55 |
| Clearance Fees | \$ 109.08 |
| Bowls SA Carnival Fees | \$ 258.19 |
| Grant (District Council Mt Barker) | \$ 2,500.00 |
| Stirling Bowls Trust | \$ 63,612.00 |
| G S T Refunds ex ATO | \$ 7,280.00 |
| Donations | \$ 922.50 |
| Bank Interest | \$ 337.91 |
| G S T Receipts | \$ 7,411.58 |
| | \$ 156,200.93 |

Anne Mooney

Attachment 3 to Item 17.1

From: Samantha Creten [SamanthaCreten@deannewbery.com.au]**Sent:** Thursday, 28 January 2010 3:07 PM**To:** Anne Mooney**Subject:** RE: Community request for Council to guarantee

Dear Anne

This request is a little outside our audit scope , however i am happy to provide you with the following advice: The financial statement particularly the balance sheet of the Mt Barker Bowling Club discloses a negative balance sheet as at 31 March 2009 of some \$84,000. This would indicate that the club does not have enough assets to extinguish its liabilities. Without reviewing up to date cash flow analysis it is my opinion that the club would be extremely unlikely that they can repay their current liabilities (their auditor states this as well) let alone any future borrowings.

Regards
Samantha
Dean Newbery & Partners

CONFIDENTIAL

CONFIDENTIAL

