

Wyong Golf Club Limited

ABN 29 000 979 180

Annual Report - 30 September 2015

Wyong Golf Club Limited
Contents
30 September 2015

Contents

Directors' report	2
Auditor's independence declaration	6
Independent auditor's report to the members of Wyong Golf Club Limited	7
Statement of profit or loss and other comprehensive income	9
Statement of financial position	10
Statement of changes in equity	11
Statement of cash flows	12
Notes to the financial statements	13
Directors' declaration	25

Wyong Golf Club Limited
Directors' report
30 September 2015

The directors present their report, together with the financial statements, on the company for the year ended 30 September 2015.

Directors

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Mr Ian Spielvogel
Mr Graham Taylor
Mr Steven Crowe
Mr John Witten
Mr Craig Wickham
Mr Leon Du Chateau
Mr Murray Shaw
Mr Trevor Tynan (resigned 09 February 2015)
Mr Keith Pitty
Mr Glen Kershaw (appointed 09 February 2015)

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

The company secretary for the financial year was Glenn Howard.

Objectives

The short term goals of Wyong Golf Club are to:-

- Promote the game of golf for all ages and genders;
- Encourage participation in district & regional competitions for our juniors, seniors, masters and super senior teams;
- Present the course and clubhouse in the best possible condition on a daily basis;
- Trade profitably;
- Be good community citizens;
- Provide a safe and friendly environment; and
- Comply with all legislative requirements applicable to running a Registered Club.

The long term goals of Wyong Golf Club are to:-

- Trade profitably;
- Continue the implementation of our Course Master Plan (adopted in 2008) over the next 10 years. An integral part of the plan is to "weather proof" our course from drought and flood. This involves raising low lying fairways and building more dams for long term water storage;
- Continue to improve the facilities in the clubhouse for the benefit of the members and guests;
- Increase our involvement in community groups and charities; and
- Comply with all legislative requirements applicable to running a Registered Club.

Strategy for achieving the objectives

The Club's strategy for achieving these objectives has been:-

- Provide specified times for both competition and social play;
- Provide excellent facilities in the clubhouse to attract patronage in addition to our golfing participants. This includes quality food and beverages at affordable price; a range of activities for all walks of life e.g. raffles, poker, trivia, gaming;
- Provide affordable membership options;
- Provide safe and & friendly environment;
- Provide function rooms for weddings, parties, presentations etc. for members and their guests;
- Submit all financial, legislative returns to various bodies as and when required. E.g. OLGR returns, annual company return, annual report.

Wyong Golf Club Limited
Directors' report
30 September 2015

Key performance indicators

- Annual budgets are prepared and compared on a monthly basis to actual results.
- Monthly board meetings held to discuss all goals and strategies.
- Strategic planning meetings held annually.
- Performance appraisals on key management personnel done annually.
- Benchmarking of financial and golfing data done by the Secretary Manager monthly and reported to the board.
- Wyong Golf Club has in place cash flow projections to 2016 taking into account our short & long term goals. Each year an operating budget is prepared by management and the finance committee for adoption by the board of Directors. Each month actual to budget financial reports are presented to the Board for consideration and analysis.

Review of operations

A review of operations of the company during the financial year and the results of those operations are as follows:

The surplus for the company for the financial year providing for income tax amounted to \$103,325 (2014: \$105,502)
The activities generated \$4,023,088 in revenue for the financial year. This income allowed the club to present the course and clubhouse in excellent condition throughout the year.

Principal activities

During the financial year the principal continuing activities of the company consisted of:

- providing a golf course for member and social play;
- providing bar, gaming and dining facilities in the clubhouse.

Significant changes in the year

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

After balance date events

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

Environmental issues

The Directors believe the company has complied with all significant environmental regulations under a law of the Commonwealth or of a state territory.

Dividends

The corporations law prohibits a Company Limited by Guarantee from paying dividends.

Shares in companies

The company does not hold shares in any related company or corporation.

Indemnifying officer or auditor

During the year, the company affected a directors and officer's liability policy. The insurance policy provides cover for the directors named in this report, the company secretary, officers and former directors and officers of the company.

This policy prohibits the disclosure of the nature of the indemnification and the insurance cover, and the amount of the premium.

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an auditor of the company.

Information on directors

Name: Mr Ian Spielvogel
Qualifications: Retired
Special responsibilities: Director

Name: Mr Graham Taylor
Qualifications: Retired
Special responsibilities: Director

Wyong Golf Club Limited
Directors' report
30 September 2015

Name: Mr Steven Crowe
 Qualifications: Accountant
 Special responsibilities: Treasurer

Name: Mr John Witten
 Qualifications: Fitter/ Supervisor
 Special responsibilities: Vice President

Name: Mr Craig Wickham
 Qualifications: Branch Manager
 Special responsibilities: Director/Captain

Name: Mr Leon Du Chateau
 Qualifications: Retired
 Special responsibilities: Director

Name: Mr Murray Shaw
 Qualifications: Business Owner
 Special responsibilities: Director

Name: Mr Trevor Tynan (resigned 09 February 2015)
 Qualifications: Retired
 Special responsibilities: Director

Name: Mr Keith Pitty
 Qualifications: IT Proprietor
 Special responsibilities: Director

Name: Mr Glen Kershaw (appointed 09 February 2015)
 Qualifications: Director
 Special responsibilities: Director

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 September 2015, and the number of meetings attended by each director were:

	Full Board	
	Attended	Held
I Spielvogel	10	13
J Witten	12	13
S Crowe	5	13
G Taylor	11	13
C Wickham	13	13
L Du Chateau	12	13
M Shaw	13	13
K Pitty	13	13
T Tynan	4	5
G Kershaw	8	8

Held: represents the number of meetings held during the time the director held office.

Wyong Golf Club Limited
Directors' report
30 September 2015

Contributions on winding up

The company has the following membership:

	2015	2014
Full playing	320	337
Full play 50%	8	4
6 day	100	102
6 day intermediate	11	11
6 day 50%	3	3
Weekday	172	193
Weekday 50%	3	2
Intermediate (18-23)	22	19
Intermediate (24-29)	19	28
Junior	8	13
Cadet	8	15
Life and special	16	30
Staff member	3	2
Non competition	88	71
60 day membership	1	1
Daylight saving	0	0
Non playing	71	87
Social	2,452	2,203

If the Club is to be wound up, each member from all classes of membership will be required to contribute up to \$2. As at the 30th of September 2015, there were 3,305 financial members (2014: 3,121).

The total amount that members of the club are liable to contribute if the club is wound up is \$6,610 (2014: \$6,242).

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 the following page.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Mr Ian Spielvogel
Director

23 November 2015

Unit 1, 1 Pioneer Avenue
PO Box 3399
Tuggerah NSW 2259

T: (02) 4353 2333
F: (02) 4351 2477

e: mail@bishopcollins.com.au



Suite 1, Level 11
49-51 York Street
Sydney NSW 2000

T: (02) 9262 4420
F: (02) 9262 4739

w: www.bishopcollins.com.au

INDEPENDENT AUDITOR'S DECLARATION TO THE MEMBERS OF WYONG GOLF CLUB LIMITED

We hereby declare that to the best of our knowledge and belief during the year ended 30 September 2015, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Name of Firm

Bishop Collins Audit Pty Ltd
Chartered Accountants

Name of Registered Company Auditor

David McClelland

Auditor's Registration No.

431227

Address

Unit 1, 1 Pioneer Avenue, Tuggerah NSW 2259

Dated

23 November 2015

Unit 1, 1 Pioneer Avenue
PO Box 3399
Tuggerah NSW 2259

T: (02) 4353 2333
F: (02) 4351 2477

e: mail@bishopcollins.com.au



Suite 1, Level 11
49-51 York Street
Sydney NSW 2000

T: (02) 9262 4420
F: (02) 9262 4739

w: www.bishopcollins.com.au

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WYONG GOLF CLUB LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Wyong Golf Club Limited which comprises the statement of financial position as at 30 September 2015, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the company.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

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

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.



LIABILITY LIMITED BY A SCHEME APPROVED UNDER THE PROFESSIONAL STANDARDS LEGISLATION





Auditor's Opinion

In our opinion:

- (a) the financial report of Wyong Golf Club Limited is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the company's financial position as at 30 September 2015 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*.

Emphasis of Matter

We draw attention to Note 2 to the financial report which describes the entity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Name of Firm

Bishop Collins Audit Pty Ltd
Chartered Accountants

Name of Registered Company Auditor

David McClelland

Auditor's Registration No.

431227

Address

Unit 1, 1 Pioneer Avenue, Tuggerah NSW 2259

Dated

23 November 2015

Wyong Golf Club Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 September 2015

	Note	2015 \$	2014 \$
Revenue	5	4,023,088	3,940,052
Other income	6	52,326	-
Expenses			
Cost of goods sold		(505,344)	(529,003)
Auditor's remuneration		(20,570)	(21,050)
Bar disbursements		(46,927)	(47,467)
Employee benefits expenses		(1,335,416)	(1,247,414)
Computer and software expense		(39,807)	(40,896)
Depreciation and amortisation expense		(341,803)	(328,273)
Cleaning expenses		(22,756)	(17,781)
Entertainment and promotion expenses		(399,884)	(389,756)
Insurance expenses		(80,031)	(78,588)
Members expenses		(10,287)	(22,270)
Motor vehicle expenses		(35,329)	(31,581)
Poker machine duty		(199,286)	(164,456)
Professional retainer and commission		(50,858)	(51,754)
Repairs and maintenance expenses		(265,658)	(232,266)
Staff amenities		(8,124)	(8,989)
Trophies, pennants and competition expenses		(71,955)	(65,149)
Utilities expenses		(166,731)	(198,639)
Subscriptions and licences		(28,284)	(24,647)
Finance costs		(59,728)	(76,120)
Other expenses		(283,311)	(258,451)
Surplus before income tax expense		103,325	105,502
Income tax expense		-	-
Surplus after income tax expense for the year attributable to the members of Wyong Golf Club Limited	19	103,325	105,502
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the members of Wyong Golf Club Limited		<u>103,325</u>	<u>105,502</u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Wyong Golf Club Limited
Statement of financial position
As at 30 September 2015

	Note	2015 \$	2014 \$
Assets			
Current assets			
Cash and cash equivalents	7	185,306	175,982
Trade and other receivables	8	89,570	94,040
Inventories	9	42,858	49,053
Financial assets	10	-	750
Other current assets	11	28,179	25,208
Total current assets		<u>345,913</u>	<u>345,033</u>
Non-current assets			
Property, plant and equipment	12	4,295,982	4,321,976
Intangibles	13	98,600	85,100
Total non-current assets		<u>4,394,582</u>	<u>4,407,076</u>
Total assets		<u>4,740,495</u>	<u>4,752,109</u>
Liabilities			
Current liabilities			
Trade and other payables	14	206,712	208,750
Borrowings	15	203,503	986,316
Employee benefits	16	193,463	196,091
Total current liabilities		<u>603,678</u>	<u>1,391,157</u>
Non-current liabilities			
Borrowings	17	769,409	99,977
Employee benefits	18	8,162	5,054
Total non-current liabilities		<u>777,571</u>	<u>105,031</u>
Total liabilities		<u>1,381,249</u>	<u>1,496,188</u>
Net assets		<u>3,359,246</u>	<u>3,255,921</u>
Equity			
Retained surpluses	19	3,359,246	3,255,921
Total equity		<u>3,359,246</u>	<u>3,255,921</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Wyong Golf Club Limited
Statement of changes in equity
For the year ended 30 September 2015

	Retained surpluses \$	Total equity \$
Balance at 1 October 2013	3,150,419	3,150,419
Surplus after income tax expense for the year	105,502	105,502
Other comprehensive income for the year, net of tax	-	-
	<u>105,502</u>	<u>105,502</u>
Total comprehensive income for the year	<u>105,502</u>	<u>105,502</u>
Balance at 30 September 2014	<u>3,255,921</u>	<u>3,255,921</u>
	Retained surpluses \$	Total equity \$
Balance at 1 October 2014	3,255,921	3,255,921
Surplus after income tax expense for the year	103,324	103,324
Other comprehensive income for the year, net of tax	-	-
	<u>103,324</u>	<u>103,324</u>
Total comprehensive income for the year	<u>103,324</u>	<u>103,324</u>
Balance at 30 September 2015	<u>3,359,245</u>	<u>3,359,245</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Wyong Golf Club Limited
Statement of cash flows
For the year ended 30 September 2015

	Note	2015 \$	2014 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		4,272,366	3,890,986
Payments to suppliers (inclusive of GST)		<u>(3,775,972)</u>	<u>(3,426,877)</u>
Interest received		496,394	464,109
Interest and other finance costs paid		<u>1,098</u>	<u>1,335</u>
		<u>(59,728)</u>	<u>(75,220)</u>
Net cash from operating activities		<u>437,764</u>	<u>390,224</u>
Cash flows from investing activities			
Payments for property, plant and equipment	12	(210,258)	(145,150)
Proceeds from disposal of investments		<u>750</u>	<u>-</u>
Net cash used in investing activities		<u>(209,508)</u>	<u>(145,150)</u>
Cash flows from financing activities			
Proceeds from borrowings		163,743	-
Repayment of borrowings		(128,147)	(181,087)
Repayment of hire purchase and lease agreements		<u>(142,937)</u>	<u>(149,819)</u>
Net cash used in financing activities		<u>(107,341)</u>	<u>(330,906)</u>
Net increase/(decrease) in cash and cash equivalents		120,915	(85,832)
Cash and cash equivalents at the beginning of the financial year		<u>64,391</u>	<u>150,223</u>
Cash and cash equivalents at the end of the financial year	7	<u><u>185,306</u></u>	<u><u>64,391</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Wyong Golf Club Limited
Notes to the financial statements
30 September 2015

Note 1. General information

The financial statements cover Wyong Golf Club Limited as an individual entity. The financial statements are presented in Australian dollars, which is Wyong Golf Club Limited's functional and presentation currency.

Wyong Golf Club Limited is a not-for-profit unlisted public company limited by guarantee.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 23 November 2015. The directors have the power to amend and reissue the financial statements.

Note 2. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New, revised or amending Accounting Standards and Interpretations adopted

The company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

The following Accounting Standards and Interpretations are most relevant to the company:

- AASB 2012-3 Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities
- AASB 2013-3 Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets
- AASB 2013-4 Amendments to Australian Accounting Standards - Novation of Derivatives and Continuation of Hedge Accounting
- AASB 2013-5 Amendments to Australian Accounting Standards - Investment Entities
- AASB 2014-1 Amendments to Australian Accounting Standards (Parts A to C)

Going concern

At 30 September 2015, the company's current liabilities (\$603,678) exceed its current assets (\$345,913) by \$257,765. Notwithstanding this deficiency, the financial statements have been prepared on a going concern basis which contemplates the realisation of assets and the extinguishment of liabilities in the ordinary course of business.

The directors of the Club have considered the going concern assumption appropriate with consideration to the following:

- The Club's budget for 2016 has estimated a surplus of \$144,000 which includes depreciation expense of \$340,000.
- It is not anticipated that employee entitlements of \$193,463 will be extinguished by 30 September 2016;
- The excess of current liabilities over current assets has been an ongoing consideration for the company. The directors have proactively worked to reduce this deficiency over the last twelve months. Initiatives include rationalising operating expenses, improving debtor management; reviewing human resource strategies; and renegotiating borrowing facilities.

It is with full consideration of the factors noted above that the financial statements have been prepared on a going concern basis.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB'), and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has conducted would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of this financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value

Note 2. Significant accounting policies (continued)

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Membership fees

Membership fees are recognised as income in the period which they are collected as there is no right for refund.

Poker machine revenue

Poker machine revenue is stated net of payouts.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

As the company is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

Inventories

Stock on hand is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Note 2. Significant accounting policies (continued)

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Property, plant and equipment

Freehold land and buildings are shown at cost.

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Buildings	40 years
Leasehold improvements	3-10 years
Plant and equipment	3-7 years
Plant and equipment under lease	2-5 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements and plant and equipment under lease are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Intangible assets

Poker machine entitlements are recorded at cost and have been recorded as intangible assets in the balance sheet. They are considered to have an indefinite useful life as the legislation does not specify a lifespan for the entitlements, and therefore the entitlements are not amortised.

Wyong Golf Club Limited has assessed the poker machine entitlements for indications of impairment. The recoverable amount has been determined based on value in use. Cash flow projections are based on net poker machine clearances and a useful economic life for the physical machines attached to the licences. The 10 year bond rate has been used to discount the cash flows to present value. No impairment loss has been identified.

Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Note 2. Significant accounting policies (continued)

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Provision for impairment of receivables

The provision for impairment of receivables assessment requires a degree of estimation and judgement. The level of provision is assessed by taking into account the recent sales experience, the ageing of receivables, historical collection rates and specific knowledge of the individual debtors financial position.

Provision for impairment of inventories

The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the recent sales experience, the ageing of inventories and other factors that affect inventory obsolescence.

Note 3. Critical accounting judgements, estimates and assumptions (continued)

Fair value measurement hierarchy

The company is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment of intangible assets

Intangibles have been considered as having an indefinite useful life and are not amortised. Wyong Golf Club has assessed the poker machine entitlements for indicators of impairment. The recoverable amount has been determined based on value in use. Cash flow projections are based on net poker machine clearances and a useful economic life for the physical machines attached to the licence. The 10 year bond rate has been used to discount the cash flows to present value.

Tax exemption

The Directors are of the opinion that the company is exempt from income tax pursuant to Section 50-45 of the Income Tax Assessment Act 1997.

Employee benefits provision

As discussed in note 2, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Classification of borrowings

The loan facilities are subject to annual review. In 2014, the facilities were all classified as current as they were due for renegotiation in June 2015. These facilities have now been renegotiated with NAB with expiry date of 31 May 2025.

Note 4. Restatement of comparatives

Reclassification

Certain comparative figures have been reclassified to conform to the current year's presentation.

Wyong Golf Club Limited
Notes to the financial statements
30 September 2015

Note 5. Revenue

	2015	2014
	\$	\$
<i>Sales revenue</i>		
Bar revenue	1,185,736	1,229,276
Gaming revenue	1,634,011	1,499,277
Green fees and course revenue	484,361	506,727
Membership income	383,454	388,639
Raffles and promotions	99,462	91,191
	<u>3,787,024</u>	<u>3,715,110</u>
<i>Other revenue</i>		
Sponsorship	90,284	86,786
Interest received	1,098	1,335
Competition fees	65,222	63,170
Other revenue	79,460	73,651
	<u>236,064</u>	<u>224,942</u>
Revenue	<u><u>4,023,088</u></u>	<u><u>3,940,052</u></u>

Note 6. Other income

	2015	2014
	\$	\$
Contributions - in kind	38,826	-
Contributions - sponsorship of golf events	13,500	-
	<u>52,326</u>	<u>-</u>
Other income	<u><u>52,326</u></u>	<u><u>-</u></u>

Note 7. Current assets - cash and cash equivalents

	2015	2014
	\$	\$
Cash	<u>185,306</u>	<u>175,982</u>

Reconciliation to cash and cash equivalents at the end of the financial year

The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statement of cash flows as follows:

Balances as above	185,306	175,982
Bank overdraft (note 15)	-	(111,591)
Balance as per statement of cash flows	<u>185,306</u>	<u>64,391</u>

Note 8. Current assets - trade and other receivables

	2015	2014
	\$	\$
Sundry debtors	<u>89,570</u>	<u>94,040</u>

Wyong Golf Club Limited
Notes to the financial statements
30 September 2015

Note 9. Current assets - inventories

	2015	2014
	\$	\$
Bar stock	38,433	43,119
Course supplies	4,425	5,934
	<u>42,858</u>	<u>49,053</u>

Note 10. Current assets - financial assets

	2015	2014
	\$	\$
Share in other unlisted entities - at cost	-	750
	<u>-</u>	<u>750</u>

Note 11. Current assets - other current assets

	2015	2014
	\$	\$
Prepayments	14,331	22,306
Deposits	2,320	2,320
Borrowing costs	11,528	582
	<u>28,179</u>	<u>25,208</u>

Note 12. Non-current assets - property, plant and equipment

	2015	2014
	\$	\$
Land - at cost	30,000	30,000
Clubhouse - at cost	3,708,237	3,708,237
Less: Accumulated depreciation	(1,644,502)	(1,568,558)
	<u>2,063,735</u>	<u>2,139,679</u>
Course reconstruction and improvements - at cost	1,800,684	1,719,164
Less: Accumulated depreciation	(826,113)	(785,924)
	<u>974,571</u>	<u>933,240</u>
Plant and equipment - at cost	3,758,531	3,696,158
Less: Accumulated depreciation	(2,530,855)	(2,477,101)
	<u>1,227,676</u>	<u>1,219,057</u>
	<u>4,295,982</u>	<u>4,321,976</u>

Wyong Golf Club Limited
Notes to the financial statements
30 September 2015

Note 12. Non-current assets - property, plant and equipment (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Land	Clubhouse	Course reconstruction	Plant & equipment	Total
	\$	\$	\$	\$	\$
Balance at 1 October 2014	30,000	2,139,679	933,240	1,219,057	4,321,976
Additions	-	-	81,520	234,289	315,809
Depreciation expense	-	(75,944)	(40,189)	(225,670)	(341,803)
Balance at 30 September 2015	<u>30,000</u>	<u>2,063,735</u>	<u>974,571</u>	<u>1,227,676</u>	<u>4,295,982</u>

Note 13. Non-current assets - intangibles

	2015	2014
	\$	\$
Poker machine entitlements - at cost	<u>85,100</u>	<u>85,100</u>
Poker machine conversions - at cost	<u>13,500</u>	<u>-</u>
	<u>98,600</u>	<u>85,100</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Poker machine entitlements	Poker machine conversions	Total
	\$	\$	\$
Balance at 1 October 2014	85,100	-	85,100
Additions	-	13,500	13,500
Balance at 30 September 2015	<u>85,100</u>	<u>13,500</u>	<u>98,600</u>

Note 14. Current liabilities - trade and other payables

	2015	2014
	\$	\$
Trade payables	71,696	84,823
Sundry creditors and accruals	35,787	28,983
Employee accruals	56,886	43,506
GST payable	<u>42,343</u>	<u>51,438</u>
	<u>206,712</u>	<u>208,750</u>

Wyong Golf Club Limited
Notes to the financial statements
30 September 2015

Note 15. Current liabilities - borrowings

	2015	2014
	\$	\$
Bank overdraft	-	111,591
Bank loans	64,820	711,000
Hire purchase liability	143,867	172,238
Less unexpired charges	(8,187)	(11,663)
Insurance premium funding	3,003	3,150
	<u>203,503</u>	<u>986,316</u>

Note 16. Current liabilities - employee benefits

	2015	2014
	\$	\$
Annual leave	93,118	88,813
Long service leave	100,345	107,278
	<u>193,463</u>	<u>196,091</u>

Note 17. Non-current liabilities - borrowings

	2015	2014
	\$	\$
Bank loans	681,923	-
Hire purchase liability	90,828	102,835
Less unexpired charges	(3,342)	(2,858)
	<u>769,409</u>	<u>99,977</u>

Total secured liabilities

The total secured liabilities (current and non-current) are as follows:

	2015	2014
	\$	\$
Bank overdraft	-	111,591
Bank loans	746,743	711,000
Hire purchase liability	234,695	275,073
Less unexpired charges	(11,529)	(14,521)
	<u>969,909</u>	<u>1,083,143</u>

Assets pledged as security

The loans are secured by first mortgages over the company's land and buildings. The lease liabilities are effectively secured as the rights to the leased assets, recognised in the statement of financial position, revert to the lessor in the event of default.

Note 18. Non-current liabilities - employee benefits

	2015	2014
	\$	\$
Long service leave	<u>8,162</u>	<u>5,054</u>

Wyong Golf Club Limited
Notes to the financial statements
30 September 2015

Note 19. Equity - retained surpluses

	2015	2014
	\$	\$
Retained surpluses at the beginning of the financial year	3,255,921	3,150,419
Surplus after income tax expense for the year	103,324	105,502
	<u>3,359,245</u>	<u>3,255,921</u>
Retained surpluses at the end of the financial year	<u>3,359,245</u>	<u>3,255,921</u>

Note 20. Key management personnel disclosures

Compensation

The aggregate compensation made to directors and other members of key management personnel of the company is set out below:

	2015	2014
	\$	\$
Aggregate compensation	<u>291,082</u>	<u>284,757</u>

Note 21. Commitments

	2015	2014
	\$	\$
<i>Lease commitments - operating</i>		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	28,727	29,023
One to five years	31,000	13,227
	<u>59,727</u>	<u>42,250</u>

Lease commitments - finance

Committed at the reporting date and recognised as liabilities, payable:

Within one year	143,867	172,238
One to five years	90,828	102,835
	<u>234,695</u>	<u>275,073</u>
Less: Future finance charges	<u>(11,529)</u>	<u>(14,522)</u>
Net commitment recognised as liabilities	<u>223,166</u>	<u>260,551</u>

Note 22. Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in note 20.

Wyong Golf Club Limited
Notes to the financial statements
30 September 2015

Note 22. Related party transactions (continued)

Transactions with related parties

The following transactions occurred with related parties:

	2015	2014
	\$	\$
Other transactions: Directors' benefits received as approved at the Annual General Meeting and equally shared by all directors:		
Annual dinner for the directors' and their spaces	3,155	2,970
Refreshments after committee meetings	6,086	5,327
Golf days	436	909
GMA dinner	-	764
Training and seminars	2,821	625

Reserved car parking spaces are equally shared by Directors.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Note 23. Credit and standby arrangement with banks

	2015	2014
	\$	\$
Commercial bill facility	1,000,000	711,000
Amount utilised	(746,743)	(711,000)
Bank overdraft	100,000	100,000
Amount utilised	-	(67,101)
Available facility	<u>353,257</u>	<u>32,899</u>
	2015	2014
Other credit arrangements		
TAB bank guarantee	5,000	5,000
Business credit card	10,000	10,000
	<u>15,000</u>	<u>15,000</u>

Note 24. Events after the reporting period

No matter or circumstance has arisen since 30 September 2015 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Wyong Golf Club Limited
Notes to the financial statements
30 September 2015

Note 25. Core and non-core property

In accordance with provisions under section 41J(2) of the Registered Clubs Act, the Directors have classified the following assets as core property of the Company:

- Land at Pacific Highway, Wyong
- Clubhouse
- Car park
- Gold course and improvements

There has been no non-core property identified by the Company.

Note 26. Company details

The registered office of the company and principal place of business is:
Wyong Golf Club Limited
Pacific Highway
Wyong NSW 2259

Wyong Golf Club Limited
Directors' declaration
30 September 2015

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Reduced Disclosure Requirements, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 September 2015 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Mr Ian Spielvogel
Director

23 November 2015