

# **Wyang Golf Club Limited**

**ABN 29 000 979 180**

**Annual Report - 30 September 2016**

**Wyong Golf Club Limited**  
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**30 September 2016**

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**Wyang Golf Club Limited**  
**Directors' report**  
**30 September 2016**

The directors present their report, together with the financial statements, on the company for the year ended 30 September 2016.

**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 Steven Crowe  
Mr John Witten  
Mr Craig Wickham  
Mr Leon Du Chateau  
Mr Murray Shaw  
Mr Keith Pitty  
Mr Glen Kershaw  
Mr Stuart McLellan (appointed 9 February 2016)  
Mr Graham Taylor (resigned 8 February 2016)

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

**Company secretary**

The company secretary for the financial year was Glenn Howard until June 2016. David Lulham was appointed in September 2016.

**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.

**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.

**Wyong Golf Club Limited**  
**Directors' report**  
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**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.

**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 \$23,064 (2015: \$103,325)  
The activities generated \$3,920,620 in revenue for the financial year. This income allowed the club to present the course and clubhouse in excellent condition throughout the 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.

**Information on directors**

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

Name: Mr Graham Taylor (resigned 8 February 2016)  
Qualifications: Retired  
Special responsibilities: Director

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

**Wyong Golf Club Limited  
Directors' report  
30 September 2016**

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

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

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

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

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

Name: Mr Glen Kershaw  
Qualifications: Director  
Special responsibilities: Director

Name: Mr Stuart McLellan (appointed 9 February 2016)  
Qualifications: Technical Support Officer (IT)  
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 2016, and the number of meetings attended by each director were:

	Full Board	
	Attended	Held
I Spielvogel	15	15
J Witten	14	15
S Crowe	5	15
G Taylor (resigned 8 February 2016)	4	5
C Wickham	15	15
L Du Chateau	14	15
M Shaw	14	15
K Pitty	13	15
G Kershaw	13	15
S McLellan (appointed 9 February 2016)	10	10

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

**Wyong Golf Club Limited**  
**Directors' report**  
**30 September 2016**

**Contributions on winding up**

The company has the following membership:

	<b>2016</b>	<b>2015</b>
Full playing	329	320
Full Play 50%	2	8
6 Day	98	100
6 Day Intermediate	10	11
6 Day 50%	3	3
Weekday	176	172
Weekday 50%	2	3
Intermediate (18-23)	19	22
Intermediate (24-29)	24	19
Junior	10	8
Cadet	12	8
Life and Special	20	16
Staff members	3	3
Non-competition	88	88
60 Day Membership	0	1
Daylight Saving	0	0
Non playing	59	71
Social	2263	2452

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 2016, there were 3,118 financial members (2015: 3,305).

The total amount that members of the club are liable to contribute if the club is wound up is \$6,236 (2015: \$6,610).

**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.

**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 immediately after this directors' report.

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

21 November 2016



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

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

e: [mail@bishopcollins.com.au](mailto:mail@bishopcollins.com.au)

## BISHOP COLLINS AUDIT PTY LTD

ABN: 98 159 109 305

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

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

w: [www.bishopcollins.com.au](http://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 2016, 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**

21 November 2016



CHARTERED ACCOUNTANTS  
AUSTRALIA - NEW ZEALAND

LIABILITY LIMITED BY A SCHEME APPROVED UNDER THE PROFESSIONAL STANDARDS LEGISLATION



Registered Company Auditors: David A McClelland FCA

Glenn A Harris CA

Martin Le Marchant CA



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

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F: (02) 4351 2477

e: [mail@bishopcollins.com.au](mailto:mail@bishopcollins.com.au)

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## **BISHOP COLLINS**

### **AUDIT PTY LTD**

ABN: 98 159 109 305

## **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 2016, 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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*.



CHARTERED ACCOUNTANTS  
AUSTRALIA • NEW ZEALAND

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 2016 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**

21 November 2016

**Wyong Golf Club Limited**  
**Statement of profit or loss and other comprehensive income**  
**For the year ended 30 September 2016**

	Note	2016 \$	2015 \$
<b>Revenue</b>	4	3,920,620	4,023,088
Other income	5	-	52,326
<b>Expenses</b>			
Cost of goods sold		(526,440)	(505,344)
Auditor's remuneration		(15,150)	(20,570)
Bar disbursements		(50,257)	(46,927)
Employee benefits expenses		(1,331,503)	(1,335,416)
Computer and software expense		(36,426)	(39,807)
Depreciation and amortisation expense		(329,364)	(341,803)
Cleaning expenses		(23,993)	(22,756)
Entertainment and promotion expenses		(385,837)	(399,884)
Insurance expenses		(89,275)	(80,031)
Members expenses		(12,297)	(10,287)
Motor vehicle expenses		(27,813)	(35,329)
Poker machine duty		(162,273)	(199,286)
Professional retainer and commission		(54,087)	(50,858)
Repairs and maintenance expenses		(252,891)	(265,658)
Staff amenities		(6,555)	(8,124)
Trophies, pennants and competition expenses		(61,248)	(71,955)
Utilities expenses		(163,934)	(166,731)
Subscriptions and licences		(30,909)	(28,284)
Finance costs		(50,184)	(59,728)
Loss on disposal of assets		(29,459)	-
Other expenses		(257,661)	(283,311)
<b>Surplus before income tax expense</b>		23,064	103,325
Income tax expense		-	-
<b>Surplus after income tax expense for the year</b>	17	23,064	103,325
Other comprehensive income for the year, net of tax		-	-
<b>Total comprehensive income for the year</b>		<u>23,064</u>	<u>103,325</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 2016**

	Note	2016 \$	2015 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	271,730	185,306
Trade and other receivables	7	77,658	89,570
Inventories	8	50,853	42,858
Other current assets	9	21,965	28,179
<b>Total current assets</b>		<u>422,206</u>	<u>345,913</u>
<b>Non-current assets</b>			
Property, plant and equipment	10	4,323,707	4,295,982
Intangibles	11	85,100	98,600
<b>Total non-current assets</b>		<u>4,408,807</u>	<u>4,394,582</u>
<b>Total assets</b>		<u>4,831,013</u>	<u>4,740,495</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	12	317,702	206,712
Borrowings	13	161,325	203,503
Employee benefits	14	166,920	193,463
<b>Total current liabilities</b>		<u>645,947</u>	<u>603,678</u>
<b>Non-current liabilities</b>			
Borrowings	15	797,702	769,409
Employee benefits	16	5,054	8,162
<b>Total non-current liabilities</b>		<u>802,756</u>	<u>777,571</u>
<b>Total liabilities</b>		<u>1,448,703</u>	<u>1,381,249</u>
<b>Net assets</b>		<u>3,382,310</u>	<u>3,359,246</u>
<b>Equity</b>			
Retained surpluses	17	3,382,310	3,359,246
<b>Total equity</b>		<u>3,382,310</u>	<u>3,359,246</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 2016**

	<b>Retained surpluses \$</b>	<b>Total equity \$</b>
Balance at 1 October 2014	3,255,921	3,255,921
Surplus after income tax expense for the year	103,325	103,325
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	<u>103,325</u>	<u>103,325</u>
Balance at 30 September 2015	<u>3,359,246</u>	<u>3,359,246</u>
	<b>Retained surpluses \$</b>	<b>Total equity \$</b>
Balance at 1 October 2015	3,359,246	3,359,246
Surplus after income tax expense for the year	23,064	23,064
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	<u>23,064</u>	<u>23,064</u>
Balance at 30 September 2016	<u>3,382,310</u>	<u>3,382,310</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 2016**

	Note	2016 \$	2015 \$
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		4,312,458	4,272,366
Payments to suppliers (inclusive of GST)		<u>(3,789,664)</u>	<u>(3,775,972)</u>
Interest received		522,794	496,394
Interest and other finance costs paid		747	1,098
		<u>(50,184)</u>	<u>(59,728)</u>
Net cash from operating activities		<u>473,357</u>	<u>437,764</u>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment	10	(374,866)	(210,258)
Proceeds from disposal of investments		-	750
Proceeds from disposal of property, plant and equipment		<u>1,818</u>	<u>-</u>
Net cash used in investing activities		<u>(373,048)</u>	<u>(209,508)</u>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		204,523	163,743
Repayment of borrowings		<u>(218,408)</u>	<u>(271,084)</u>
Net cash used in financing activities		<u>(13,885)</u>	<u>(107,341)</u>
Net increase in cash and cash equivalents		86,424	120,915
Cash and cash equivalents at the beginning of the financial year		<u>185,306</u>	<u>64,391</u>
Cash and cash equivalents at the end of the financial year	6	<u><u>271,730</u></u>	<u><u>185,306</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 2016**

**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 21 November 2016. 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.

**Going concern**

At 30 September 2016, the company's current liabilities (\$645,947) exceed its current assets (\$422,206) by \$223,741. 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 entity continues to generate cash from operating activities (2016: \$473,357).
- The Club's budget for 2017 has estimated a surplus of \$175,000 which includes depreciation expense of \$325,000.
- It is not anticipated that employee entitlements of \$166,920 will be extinguished by 30 September 2017.
- 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; and reviewing human resource strategies.

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

*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.

**Wyong Golf Club Limited**  
**Notes to the financial statements**  
**30 September 2016**

**Note 2. Significant accounting policies (continued)**

*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 the company's 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 the company's 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.

**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.

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.

**Wyong Golf Club Limited**  
**Notes to the financial statements**  
**30 September 2016**

**Note 2. Significant accounting policies (continued)**

**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 wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

*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.



**Note 2. Significant accounting policies (continued)**

**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 debtor's 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.

*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.

**Wyong Golf Club Limited**  
**Notes to the financial statements**  
**30 September 2016**

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

*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. The facilities have been renegotiated with NAB with expiry date of 31 May 2025.

**Note 4. Revenue**

	2016 \$	2015 \$
<i>Sales revenue</i>		
Bar revenue	1,194,630	1,185,736
Poker machine revenue	4,045,778	3,934,382
Poker machine payouts	(2,599,921)	(2,349,166)
Keno commission	44,332	37,530
TAB commission	10,559	11,265
Green fees and course revenue	543,982	484,361
Membership income	384,908	383,454
Raffles and promotions	94,926	99,462
	<u>3,719,194</u>	<u>3,787,024</u>
<i>Other revenue</i>		
Sponsorship	78,161	90,284
Interest received	747	1,098
Competition fees	60,759	65,222
Other revenue	61,759	79,460
	<u>201,426</u>	<u>236,064</u>
Revenue	<u>3,920,620</u>	<u>4,023,088</u>

**Wyong Golf Club Limited**  
**Notes to the financial statements**  
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**Note 5. Other income**

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Contributions - in kind	-	38,826
Contributions - sponsorship of golf events	-	13,500
	<u>-</u>	<u>52,326</u>
Other income	<u>-</u>	<u>52,326</u>

**Note 6. Current assets - cash and cash equivalents**

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Cash	<u>271,730</u>	<u>185,306</u>

**Note 7. Current assets - trade and other receivables**

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Sundry debtors	<u>77,658</u>	<u>89,570</u>

**Note 8. Current assets - inventories**

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Bar stock	33,571	38,433
Course supplies	<u>17,282</u>	<u>4,425</u>
	<u>50,853</u>	<u>42,858</u>

**Note 9. Current assets - other current assets**

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Prepayments	9,317	14,331
Deposits	2,320	2,320
Borrowing costs	<u>10,328</u>	<u>11,528</u>
	<u>21,965</u>	<u>28,179</u>

**Wyong Golf Club Limited**  
**Notes to the financial statements**  
**30 September 2016**

**Note 10. Non-current assets - property, plant and equipment**

	2016 \$	2015 \$
Land - at cost	30,000	30,000
Clubhouse - at cost	3,709,187	3,708,237
Less: Accumulated depreciation	(1,720,466)	(1,644,502)
	<u>1,988,721</u>	<u>2,063,735</u>
Course reconstruction and improvements - at cost	1,873,307	1,800,684
Less: Accumulated depreciation	(869,189)	(826,113)
	<u>1,004,118</u>	<u>974,571</u>
Plant and equipment - at cost	3,782,223	3,758,531
Less: Accumulated depreciation	(2,481,355)	(2,530,855)
	<u>1,300,868</u>	<u>1,227,676</u>
	<u><u>4,323,707</u></u>	<u><u>4,295,982</u></u>

*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 2015	30,000	2,063,735	974,571	1,227,676	4,295,982
Additions	-	950	72,623	301,293	374,866
Disposals	-	-	-	(31,277)	(31,277)
Transfers in/(out)	-	-	-	13,500	13,500
Depreciation expense	-	(75,964)	(43,076)	(210,324)	(329,364)
Balance at 30 September 2016	<u>30,000</u>	<u>1,988,721</u>	<u>1,004,118</u>	<u>1,300,868</u>	<u>4,323,707</u>

**Note 11. Non-current assets - intangibles**

	2016 \$	2015 \$
Poker machine entitlements - at cost	85,100	85,100
Poker machine conversions - at cost	-	13,500
	<u>85,100</u>	<u>98,600</u>

**Wyong Golf Club Limited**  
**Notes to the financial statements**  
**30 September 2016**

**Note 11. Non-current assets - intangibles (continued)**

*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 2015	85,100	13,500	98,600
Transfers in/(out)	-	(13,500)	(13,500)
Balance at 30 September 2016	<u>85,100</u>	<u>-</u>	<u>85,100</u>

**Note 12. Current liabilities - trade and other payables**

	2016	2015
	\$	\$
Trade payables	157,028	71,696
Sundry creditors and accruals	45,739	35,787
Employee accruals	44,709	56,886
GST payable	70,226	42,343
	<u>317,702</u>	<u>206,712</u>

**Note 13. Current liabilities - borrowings**

	2016	2015
	\$	\$
Bank loans	68,499	64,820
Hire purchase liability	99,963	146,158
Less unexpired charges	(11,642)	(10,478)
Insurance premium funding	4,505	3,003
	<u>161,325</u>	<u>203,503</u>

**Note 14. Current liabilities - employee benefits**

	2016	2015
	\$	\$
Annual leave	68,097	93,118
Long service leave	98,823	100,345
	<u>166,920</u>	<u>193,463</u>

**Wyong Golf Club Limited**  
**Notes to the financial statements**  
**30 September 2016**

**Note 15. Non-current liabilities - borrowings**

	2016 \$	2015 \$
Bank loans	613,659	681,923
Hire purchase liability	196,391	90,828
Less unexpired charges	(12,348)	(3,342)
	<u>797,702</u>	<u>769,409</u>

*Total secured liabilities*

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

	2016 \$	2015 \$
Bank loans	682,158	746,743
Hire purchase liability	296,354	236,986
Less unexpired charges	(23,990)	(13,820)
	<u>954,522</u>	<u>969,909</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 16. Non-current liabilities - employee benefits**

	2016 \$	2015 \$
Long service leave	<u>5,054</u>	<u>8,162</u>

**Note 17. Equity - retained surpluses**

	2016 \$	2015 \$
Retained surpluses at the beginning of the financial year	3,359,246	3,255,921
Surplus after income tax expense for the year	<u>23,064</u>	<u>103,325</u>
Retained surpluses at the end of the financial year	<u>3,382,310</u>	<u>3,359,246</u>

**Note 18. 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:

	2016 \$	2015 \$
Aggregate compensation	<u>274,299</u>	<u>291,082</u>

**Wyong Golf Club Limited**  
**Notes to the financial statements**  
**30 September 2016**

**Note 19. Commitments**

	2016 \$	2015 \$
<i>Lease commitments - operating</i>		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	36,132	28,727
One to five years	54,424	31,000
	<u>90,556</u>	<u>59,727</u>
<i>Lease commitments - finance</i>		
Committed at the reporting date and recognised as liabilities, payable:		
Within one year	99,962	143,867
One to five years	196,390	90,828
	<u>296,352</u>	<u>234,695</u>
Less: Future finance charges	(23,990)	(11,529)
Net commitment recognised as liabilities	<u>272,362</u>	<u>223,166</u>

**Note 20. Related party transactions**

*Key management personnel*

Disclosures relating to key management personnel are set out in note 18.

*Transactions with related parties*

The following transactions occurred with related parties:

	2016 \$	2015 \$
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 spouses	3,672	3,155
Refreshments after committee meetings	5,830	6,086
Golf days	1,584	436
Training and seminars	-	2,821
Glenn Howard resigned in June 2016. WGC provided the Club's car as part of his resignation package. The valuation of the car as at June 2016 was	5,000	-

Reserved car parking spaces are equally shared by Directors.

*Receivable from and payable to related parties*

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	2016 \$	2015 \$
Current receivables:		
Loan receivable from staff members	2,300	8,209
Current payables:		
Staff Christmas savings payable to staff members	5,760	11,390

*Loans to/from related parties*

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

**Wyang Golf Club Limited**  
**Notes to the financial statements**  
**30 September 2016**

**Note 20. Related party transactions (continued)**

*Terms and conditions*

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

**Note 21. Credit and standby arrangement with banks**

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Commercial bill facility	940,770	1,000,000
Amount utilised	(682,158)	(746,743)
Bank overdraft	100,000	100,000
Asset finance leasing	250,000	-
Amount utilised	(241,690)	-
Available facility	<u>366,922</u>	<u>353,257</u>
	<b>2016</b>	<b>2015</b>
<b>Other credit arrangements</b>		
TAB bank guarantee	5,000	5,000
Business credit card	<u>10,000</u>	<u>10,000</u>
	<u>15,000</u>	<u>15,000</u>

**Note 22. Events after the reporting period**

No matter or circumstance has arisen since 30 September 2016 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.

**Note 23. 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 24. Company details**

The registered office of the company and principal place of business is:

Wyang Golf Club Limited  
Pacific Highway  
Wyang NSW 2259



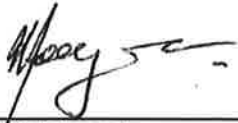
**Wyong Golf Club Limited**  
**Directors' declaration**  
**30 September 2016**

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 2016 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

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Mr Ian Spielvogel  
Director

21 November 2016