

**THE MUDGEE GOLF CLUB LTD**  
**ABN: 28 001 001 305**  
*(A Company Limited by Guarantee)*

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**30<sup>TH</sup> JUNE, 2019**

**HARLEY, RUSSELL & DAY**  
**Chartered Accountants**

**Suite 16, 2 Catherine Street**  
**ROCKDALE NSW 2216**

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**FINANCIAL STATEMENTS - 30<sup>TH</sup> JUNE 2019**

**CONTENTS**

Director's Report	1-4
Auditor's Independent Declaration	5
Statement of Comprehensive Income	6
Statement of Financial Position	7
Statement of Cash Flows	8
Statements of Changes in Equity	9
Notes to and forming part of the accounts	10-16
Directors Declaration	17
Independent audit report	18-20

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**DIRECTORS' REPORT**

Your Directors present their report on the Financial Statements of the Company for the year ended 30th June, 2019.

**NAME OF DIRECTORS**

The Directors of the Company in office at any time during the year and up to the date of this report are:-

TIGGEMANN, Wayne	McDONALD, Peter	BANNERMAN, Ryan	WRIGHT, Fabian
DUNSTONE, Andrew	DAVIS, Glyn	TOOLE, Greg	DINSEY, Mark
SECOMBE, Peter	KANE, Ward	RINDFLEISH, Randolph	BAILIE, Kevin

**COMPANY SECRETARY**

David Berry was appointed as Company Secretary Manager by the Board on 3<sup>rd</sup> April 2019. Mr Berry has a background in the clubs industry with 22 years' experience in three different states. He resigned from the position on 12<sup>th</sup> July 2019.

The Board is currently reviewing applications for a Clubhouse Operations Manager to take over this role as soon as possible. In the interim Peter Mayson has been appointed as the go between for staff.

**MEMBERS**

The number of Members of the Company registered in the Register of Members at the date of this report is:

	<u>2019</u>	<u>2018</u>
Life Members	7	7
Gold Members	35	34
Full Playing Members	268	335
Cadet	43	36
Limited Playing Members	81	76
Junior Playing Members	14	28
Country Playing Members	2	3
Special Members	3	3
Social Playing Members	56	38
Staff Memberships	6	4
Honorary Members	4	4
Social Members	1,292	1,360
Introductory Members	<u>24</u>	<u>-</u>
<b>Total</b>	<b><u>1,835</u></b>	<b><u>1,928</u></b>

**OPERATING RESULTS**

The Net (loss) from Trading for the year (after no Provision for Income Tax) amounted to \$366,437 (2018: Loss \$308,653) after charging Depreciation \$266,765 (2018: \$221,562).

**SIGNIFICANT CHANGES**

During the year, there was no significant change in the nature of the principal activities of the Company.

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**DIRECTORS' REPORT**

**PRINCIPAL ACTIVITIES**

To promote and conduct the game of golf and such other activities including sports, games and amusements, entertainments and recreations both indoor and outdoor as the Club may deem expedient. To fully utilise the licensed clubhouse to assist in raising revenue to fund golfing activities and to enhance/develop our community facilities.

**DIVIDENDS**

The Company is a Non-Profit Organisation and is prevented by its Articles from paying a Dividend.

**REVIEW OF OPERATIONS**

Movements in significant items of Revenue are as follows:-

	<u>2019</u>	<u>2018</u>	<u>Increase/ (Decrease)</u>	<u>%</u>
Course Income	345,604	331,922	13,682	4.12
Poker Machine Net Takings	201,475	183,548	17,927	9.77
Bar Sales	663,529	615,181	48,348	7.86
Clubhouse & Administration Expenses	733,847	634,767	99,080	15.61

**SIGNIFICANT CHANGES IN STATE OF AFFAIRS**

During the year, no significant changes occurred in the state of the financial affairs of the Company.

**DIRECTORS INTERESTS**

The Company does not have a Share Capital nor does it have any related corporations, hence no Director has an interest required to be declared by Section 307 (c).

**ENVIRONMENTAL REGULATION**

The Company's operations are subject to various environmental regulations under both Commonwealth and State legislation.

The Directors are not aware of any breaches of the legislation during the financial year which are material in nature.

**EVENTS SUBSEQUENT TO BALANCE DATE**

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the entity, the results of those operations or the state of affairs of the economic entity in subsequent financial years.

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**DIRECTORS' REPORT**

**INFORMATION ON DIRECTORS**

<u>Name</u>	<u>Position</u>	<u>Meetings Held</u>	<u>Meetings Attended</u>	<u>Qualification</u>	<u>Retired (R) or Appointed (A)</u>
TIGGEMANN, Wayne	President	11	10	Self-Employed	A (21/11/2018)
RINDFLEISH, Randolph	Treasurer	1	1	Accountant	A (15/09/2019)
BAILIE, Kevin	Vice-President	4	3	Hospitality Manager	A (06/07/2019)
McDONALD, Peter	Vice-President	10	9	Baker	A (27/11/2017) R (03/04/2019)
BANNERMAN, Ryan	Captain	16	8	Coal Miner	A (27/11/2017)
WRIGHT, Fabian	Vice-Captain	11	8	Mining Supervisor	A (21/11/2018)
DUNSTONE, Andrew	Director	16	13	Supervisor	A (21/11/2016)
DAVIS, Glyn	Director	11	7	Cellarman	A (21/11/2018)
TOOLE, Greg	Director	5	5	Building Contractor	A (21/11/2016) R (21/11/2018)
DINSEY, Mark	Director	11	7	Site Manager	A (21/11/2018)
SECOMBE, Peter	Director	4	2	Retired	A (07/06/2018) R (15/10/2018)
KANE, Ward	Director	11	11	Retired	A (21/11/2018)

**FUTURE & LIKELY DEVELOPMENTS**

It is intended to continue the company activities on a similar basis to previous years. Improvements will be carried out consistently with a conservative utilization of available funds and taking into consideration the Club's Strategic Plan. The refurbishment of the Pro Shop remains a priority. Economic conditions play a major role in the Company's performance. The Club previously investigated potential development opportunities, but is looking to ensure financial stability before looking at major capital investment projects.

**OBJECTIVES**

**SHORT TERM**

To provide a social sporting club for members and guests, with the usual facilities of a club, to promote the game of golf to both children and adults, and to provide a meeting place for community groups.

**LONG TERM**

To maintain and upgrade facilities to attract new golf and social members to enjoy the facilities of the Club and to increase our involvement with community groups.

Principal strategies for achieving the objectives include:

- Encouraging the participation of Golf members in Golf NSW events.
- Attracting new golfers and retaining existing golf members by offering the best playing facilities possible.
- Fostering a fraternal feeling amongst golfers to preserve and promote the best traditions in the game of golf.
- Marketing the advantages of membership of the club.
- Striving to provide a high standard of customer service.
- Pursuing new marketing initiatives.
- Provide the members and the local community with a Club House, which offers excellent food and a friendly atmosphere.

**THE MUDGEES GOLF CLUB LTD**  
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**DIRECTORS' REPORT**

**DIRECTORS AND AUDITORS INDEMNIFICATION**

The Company has not, during or since the financial year, in respect to any person who has been an Officer or Auditor of the Company:-

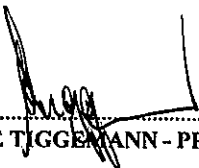
- Indemnified or made any relevant agreement for indemnifying against a liability as an Officer or Auditor, including costs and expenses in successfully defending legal proceedings; or
- Paid or agreed to pay a premium in respect of a contract ensuring against a liability incurred as an Officer or Auditor for the costs or expenses to defend proceedings

Director's indemnity premiums have been provided for and paid by the Company during the year at a cost of \$997.50 for Director's and Officer's Liability Insurance. The insurance is in respect of legal liability for damages and legal costs to a maximum of \$2,000,000 arising from claims made by reason of any omissions or acts (other than dishonesty) by them, whilst acting as Directors or Officers of the Company.

**AUDITOR'S INDEPENDENT DECLARATION**

Auditor's Independent Declaration for the year ended 30<sup>th</sup> June 2019 has been received and can be found on page 5 of this report.

**Dated at Mudgee this 31<sup>st</sup> day of October 2019  
in accordance with a resolution of the Directors**

  
.....  
**WAYNE TIGGEMANN - PRESIDENT**

  
.....  
**RANDOLPH RINDFLEISH - TREASURER**

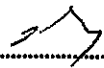
**THE MUDGEE GOLF CLUB LTD**  
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**AUDITOR'S INDEPENDENT DECLARATION**  
**UNDER SECTION 307C OF THE CORPORATIONS ACT 2001**  
**TO THE DIRECTORS OF**  
**THE MUDGEE GOLF CLUB LTD**

I declare to the best of my knowledge and belief, during the year ended 30<sup>th</sup> June 2019 there has 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.

**DATED AT SYDNEY**  
**THIS 5<sup>TH</sup> DAY OF**  
**NOVEMBER 2019**

  
.....  
**HARLEY, RUSSELL & DAY**  
Chartered Accountants

**GARRY WILLIAM DAY**  
Registered Company Auditor

**THE MUDGEES GOLF CLUB LTD**  
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**STATEMENT OF PROFIT OR LOSS ACCOUNT**  
**& OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30TH JUNE 2019**

Revenue from Continuing Operations	Notes	2019 \$	2018 \$
Sale of goods	2 (a)	1,327,753	1,270,567
Rendering of services	2 (a)	656,260	583,390
Other Revenue	2 (a) ‡	332,837	263,971
<b>Total Revenue from continuing operations</b>		<u>2,316,850</u>	<u>2,117,928</u>
Cost of Sales		(511,326)	(525,642)
Donations		(510)	-
Employees Benefits expenses		(1,007,521)	(838,312)
Entertainment, marketing and promotional costs		(118,298)	(99,491)
Legal, consultancy and contract fees		(398)	(962)
Occupancy expenses		(125,754)	(140,511)
Other expenses from ordinary activities		(640,826)	(598,251)
Total expenses		<u>(2,404,633)</u>	<u>(2,203,169)</u>
<b>Profit/(Loss) before borrowing costs, tax, depreciation and amortisation</b>		(87,783)	(85,241)
Depreciation and amortisation	2 (b)	(266,765)	(221,562)
Borrowing Costs		(11,889)	(1,850)
<b>Profit/(Loss) from total comprehensive for the year</b>		<u>(366,437)</u>	<u>(308,653)</u>
<b>Other Comprehensive Income</b>			
Total of Other Income		<u>-</u>	<u>-</u>
<b>Income Tax</b>		<u>-</u>	<u>-</u>
<b>Net comprehensive Profit/(Loss) for the year</b>		<u>(366,437)</u>	<u>(308,653)</u>



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**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30TH JUNE 2019**

	Notes	2019 \$	2018 \$
<b>Current assets</b>			
Cash and Cash equivalents	3	590,454	568,720
Receivables	4	177,459	112,345
Inventories	5	38,330	34,100
Other	6	-	-
<b>Total current assets</b>		<u>806,243</u>	<u>715,165</u>
<b>Non-current assets</b>			
Property, plant & equipment	7	5,881,583	6,063,177
<b>Total non-current assets</b>		<u>5,881,583</u>	<u>6,063,177</u>
<b>Total assets</b>		<u>6,687,826</u>	<u>6,778,342</u>
<b>Current liabilities</b>			
Trade and other Payables	8	245,590	150,714
Borrowings	9	304,338	153,520
Provisions	10	50,085	38,727
Other	11	150,042	170,660
<b>Total current liabilities</b>		<u>750,055</u>	<u>513,621</u>
<b>Non-Current Liabilities</b>			
Borrowings	12	-	52,560
Provisions	13	17,895	15,848
<b>Total Non-Current Liabilities</b>		<u>17,895</u>	<u>68,408</u>
<b>Total liabilities</b>		767,950	582,029
<b>Net assets</b>		<u>5,919,876</u>	<u>6,196,313</u>
<b>Members' Equity</b>			
Capital Profit Reserve	14	402,887	402,887
Asset Revaluation Reserve	15	1,805,106	1,715,106
Retained Earnings		<u>3,711,883</u>	<u>4,078,320</u>
<b>Total Members' Equity</b>		<u>5,919,876</u>	<u>6,196,313</u>

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30TH JUNE 2019**

	Notes	2019 \$	2018 \$
Receipt from customers		2,483,827	2,307,433
Payment to suppliers and employees		(2,788,139)	(2,648,037)
Interest received		12,638	10,511
Subscriptions received		210,321	194,817
<b>Net cash from operating activities</b>		<u><u>(81,353)</u></u>	<u><u>(135,276)</u></u>
<b>Cash flow from investing activities</b>			
Write back of property, plant & equipment		4,829	(178,434)
Write-off of investment		-	750
<b>Net cash (outflows) from investing activities</b>		<u><u>4,829</u></u>	<u><u>(177,684)</u></u>
<b>Cash Flow from Financing Activities</b>			
Increase of borrowings, Bank Overdraft		13,140	118,260
Poker Machine License Repayment		(52,560)	(26,280)
<b>Net cash used in borrowing financing activities</b>		<u><u>(39,420)</u></u>	<u><u>91,980</u></u>
<b>Decrease in Cash</b>		<b>(115,944)</b>	<b>(220,980)</b>
Cash held at the beginning of the financial year		454,620	675,600
Cash held at the end of the financial year		<u><u>338,676</u></u>	<u><u>454,620</u></u>
<b>Reconciliation of Cash Flow</b>			
Operating profit (loss) after income tax		(366,437)	(308,653)
<b>Non cash flows in profit</b>			
Depreciation		266,765	221,562
<b>Changes in assets and liabilities</b>			
(Increase)/ decrease in receivables		(65,114)	(90,828)
(Increase)/ decrease in inventories		(4,230)	(750)
(Increase)/ decrease in prepayments		-	2,738
Increase/ (decrease) in trade creditors		94,876	(11,327)
Increase/ (decrease) in current provisions		11,358	(8,832)
Increase/ (decrease) in non-current provisions		2,047	15,848
Increase/ (decrease) in subscriptions in advance		(20,618)	44,966
		<u><u>(81,353)</u></u>	<u><u>(135,276)</u></u>

**Notes to the Statement of Cash Flows**

(i) Reconciliation of Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand and at bank and short term deposits at call, net of outstanding bank overdrafts. Cash as at the end of the financial year as shown in the Statement of Cash Flows is reconciled to:

Cash at Bank	3	126,607	25,250
Cash on Hand	3	17,900	17,900
Cash at ATM & EFTPOS	3	21,140	16,550
Term Deposit	3	424,807	509,020
<b>Total Cash</b>		<u><u>590,454</u></u>	<u><u>568,720</u></u>
<b>Less Bank Overdraft</b>		<u><u>(251,778)</u></u>	<u><u>(114,100)</u></u>
		<u><u>338,676</u></u>	<u><u>454,620</u></u>

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**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30TH JUNE 2019**

	2019	2018
	\$	\$
Opening Retained Earnings at the beginning of the year	4,078,320	4,386,973
Profit (Loss) for the year	<u>(366,437)</u>	<u>(308,653)</u>
Closing Retained Earnings at the end of the year	<u>3,711,883</u>	<u>4,078,320</u>

**THE MUDGEE GOLF CLUB LTD**  
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**NOTES TO AND FORMING PART OF THE ACCOUNTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2019**

**NOTE 1. SUMMARY OF 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.

**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. These financial statements do not comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

**ADOPTION OF NEW AUSTRALIAN ACCOUNTING STANDARDS**

The Club has elected to apply the following pronouncements to the annual reporting period beginning 1 July 2011:

- AASB 1053 application of *Tiers of Australian Accounting Standards* and AASB 2010-2 *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements*.

The early adoption of AASB 1053 enables the Club to be part of the Tier 2 reporting requirements for general purpose financial statements. The Tier 2 reporting framework comprises the recognition and measurement requirements of Tier 1 but substantially reduced disclosure requirements. The Club is eligible to adopt the new Australian Accounting Standards - Reduced Disclosure Requirements and has adopted the requirements of the standard effective for the financial year ended 30 June 2012.

**Reporting Basis and Conventions**

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

a) **Revenue Recognition**

*Sales Revenue*

Sales Revenue comprises revenue earned from the provision of catering, beverage, and poker machine facilities to members and other patrons of the Club. Sales revenue is recognised when the goods and services are provided.

*Asset Sales*

The gross proceeds of asset sales are included as revenue of the entity. The profit or loss on disposal of assets is brought to account at the date an unconditional contract of sale is signed.

*Interest Income*

Interest income is recognised as it accrues.

b) **Principal Activities**

The company operates as a Golf and Recreation facility.

c) **Property, Plant & Equipment**

Property, plant and equipment are included at cost or at an independent valuation. All fixed assets, including buildings and capitalised leases, but excluding freehold land, are depreciated over their estimated useful lives commencing from the time the asset is held ready for use.

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**NOTES TO AND FORMING PART OF THE ACCOUNTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2019**

**NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

- d) Leases  
Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership are transferred to the company, are classified as finance leases. Finance leases are capitalised recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual value. Leased assets are amortised over their estimated useful lives. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.  
Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.
- e) Depreciation of property, plant and equipment  
Depreciation is calculated on a straight line basis to write off the net cost or revalued amount of each item of property, plant and equipment (excluding land) over its expected useful life. The exception is glassware, crockery and cutlery, which is expressed in the year of purchase. Estimates of remaining useful lives are made on a regular basis for all assets, with annual reassessments for major items.
- f) Trade and other payables  
These amounts represent liabilities for goods and services provided to the club prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.
- g) Maintenance and repairs  
The costs of maintenance, repairs and minor renewals are charged as expenses as incurred.
- h) Employee Entitlements  
(i) *Wages and salaries, annual leave and sick leave*  
Liabilities for wages and salaries, annual leave and sick leave are recognised and are measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date.  
(ii) *Long service leave*  
A liability for long service leave is recognised for all employees of the club with five years or more service. No adjustment is made for inflation of wage rates or discounting of expected future payments as the net effect is not expected to be material.  
(iii) *Superannuation*  
The company sponsors the following plans for employees; Club Plus Superannuation Fund. Types of Benefits: Accumulation of contributions of employees providing a lump sum or annuity benefits upon retirement, death or disability. Contributions: Employees 9.5% of base salary of employee. The company has a legal obligation to contribute to this fund.
- i) Segment Reporting  
The business operates in the hospitality, leisure and entertainment industry in Australia.
- j) Income Tax  
The Income Tax Assessment Act (amended) provides that under the concept of Mutuality, Clubs are only assessed for income tax on that proportion derived from non-members and other external sources.

In view of these special circumstances, it is neither appropriate to compare income tax payable with operating profit as disclosed in the Statement of Financial Performance, nor adopt the principle of tax affect accounting.

**THE MUDGEE GOLF CLUB LTD**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE 2019**

	2019	2018
	\$	\$
<b>Note 2 (a). Revenue and Other Income</b>		
<b>Sale of Goods</b>		
Bar Sales	663,529	615,181
Restaurant	664,224	655,386
	<u>1,327,753</u>	<u>1,270,567</u>
<b>Rendered Services</b>		
Raffles	74,024	45,599
Course	345,604	331,922
Keno & TAB	35,157	22,321
Net Poker Machine Takings	201,475	183,548
	<u>656,260</u>	<u>583,390</u>
<b>Other</b>		
Advertising Sponsorship	49,145	8,609
Commission - Rented Machines (ATM, EFTPOS etc.)	10,614	8,013
Employment Subsidy	8,920	5,000
Entertainment	10,538	1,427
Interest Received	12,638	10,511
Rebate GST	17,016	15,098
Subscriptions	210,321	194,816
Grants and Donations	1,995	19,381
Other	11,650	1,116
	<u>332,837</u>	<u>263,971</u>
<b>Total income</b>	<u>2,316,850</u>	<u>2,117,928</u>
<b>Note 2 (b). Expenses From Operating Activities</b>		
<b>Cost of Goods Sold</b>		
Bar	285,123	272,243
Restaurant	226,203	253,399
<b>Finance Charges</b>		
Bank Interest	11,889	1,850
<b>Depreciation</b>		
Depreciation	266,765	221,562
Poker Machine Payouts	395,376	397,983

**THE MUDGEE GOLF CLUB LTD**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE 2019**

	2019	2018
	\$	\$
<b>Note 3. Current assets - Cash assets</b>		
Cash at Bank	126,607	25,250
Cash on hand	17,900	17,900
Cash at ATM & EFTPOS	21,140	16,550
Term deposit	424,807	509,020
	<u>590,454</u>	<u>568,720</u>
The above figures are reconciled to cash at the end of the financial year as shown in the statement of cash flows as follows:		
Balances as above	<u>590,454</u>	<u>568,720</u>
Balances as per statement of cash flows	<u>590,454</u>	<u>568,720</u>
<b>Note 4. Receivables</b>		
Members House Account	155,722	67,998
Debtors	16,737	39,347
TAB Security Deposit	5,000	5,000
	<u>177,459</u>	<u>112,345</u>
<b>Note 5. Inventories</b>		
Finished Goods - At Cost	<u>38,330</u>	<u>34,100</u>
<b>Note 6. Other</b>		
Prepayments	<u>-</u>	<u>-</u>
<b>Note 7. Non-current assets - Property, Plant &amp; Equipment</b>		
<b>Land &amp; Buildings</b>		
Land - At Valuation	1,840,000	1,750,000
Total Land	<u>1,840,000</u>	<u>1,750,000</u>
Buildings- At cost	3,777,431	3,777,433
Less: Accumulated Depreciation	(674,463)	(550,781)
Total Buildings	<u>3,102,968</u>	<u>3,226,652</u>
Total Land and Buildings	<u>4,942,968</u>	<u>4,976,652</u>
Plant, Furniture & Fittings- at cost	2,250,908	2,267,307
Less: Accumulated Depreciation	(1,312,293)	(1,180,782)
	<u>938,615</u>	<u>1,086,525</u>
Total Property, Plant & Equipment	<u>5,881,583</u>	<u>6,063,177</u>

The Company is negotiating with Australian Rail Track Corporation Limited for the purchase of land, which the company currently utilises as part of their golf course. The agreed price for this land is that the company is to pay for all costs associated with the transfer of ownership to the company. The company is continuing to contact Australian Rail Track Corporation Limited through their solicitor to progress the transfer of ownership.

Negotiations are near completion and this matter should soon be resolved.

**THE MUDGEES GOLF CLUB LTD**  
**ABN: 28 001 001 305**  
*(A Company Limited by Guarantee)*

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE 2019**

	2019	2018
	\$	\$
<b>Note 8. Current liabilities - Payables</b>		
Trade creditors	181,682	97,180
Other Liabilities	63,908	53,534
	<u>245,590</u>	<u>150,714</u>
<b>Note 9. Current liabilities - Borrowings</b>		
License Type 4 Poker Machines	52,560	39,420
Bank Overdraft	251,778	114,100
	<u>304,338</u>	<u>153,520</u>
<b>Note 10. Current liabilities - Provisions</b>		
Employee entitlements - annual leave	50,085	38,727
	<u>50,085</u>	<u>38,727</u>
<b>Note 11. Current liabilities - Other</b>		
Member's subscriptions in advance	150,042	170,660
	<u>150,042</u>	<u>170,660</u>
<b>Note 12. Non-current liabilities - Borrowings</b>		
License Type 4 - Poker Machines	-	52,560
	<u>-</u>	<u>52,560</u>
<b>Note 13. Non-current liabilities - Provision</b>		
Employee entitlements - long service leave	17,895	15,848
	<u>17,895</u>	<u>15,848</u>
<b>Note 14. Capital Profit Reserve</b>		
Opening Balance	402,887	402,887
	<u>402,887</u>	<u>402,887</u>
<b>Note 15. Asset Revaluation Reserve</b>		
Revaluation of Golf Course land at Valuer Generals last valuation as at 1st July 2018	1,805,106	1,715,106
	<u>1,805,106</u>	<u>1,715,106</u>

**Note 16. Members' Limited Liability**

Every member of the Club undertakes to contribute to the assets of the Club in the event of the same being wound up during the time that he is a Member, or within one year afterwards, for payment, of the debts and liabilities of the Club contracted before the time at which he ceases to be a member, and the costs, charges and expenses of winding up the Club and for the adjustment of the rights of the contributories amongst themselves such amounts as may be required not exceeding one dollar (\$1.00).



**THE MUDGEES GOLF CLUB LTD**  
**ABN: 28 001 001 305**  
*(A Company Limited by Guarantee)*

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE 2019**

**Note 17. Dividends**

Under the Club's Constitution there is no provision for the payment of dividends.

**Note 18. Poker Machine Entitlements**

The Club currently holds 18 Poker Machine Licences. The current market value of each licence is around \$35,000 for each block of three if sold. Your Directors have estimated the value of the Club's holding to be in the vicinity of \$210,000.

**Note 19. Contingent liabilities**

There were no contingent liabilities.

**Note 20. Commitments for expenditure**

On the 30 June 2019 the Company entered into a Rental Agreement with Toro Finance for the purchase of a new mower. The payments are over 60 months, the total commitment being \$83,829.

**Note 21. Related Party Transactions**

There were no payments made to directors, or their associated parties except for reimbursement of out of pocket expenses.

**Remuneration Report and Retirement Benefits**

Reasonable reimbursements for out of pocket expenses, travelling and conference costs were made to directors during the year.

**Note 22. Registered Clubs Act Reporting Requirement**

The registers and records that are required to be maintained under the Registered Clubs Act S.47H can be inspected at the club on request to the Secretary-Manager.

**Note 23. Events occurring after the reporting date.**

No significant events have occurred since 30th June, 2019 which require disclosure in this report.

**THE MUDGEE GOLF CLUB LTD**  
**ABN: 28 001 001 305**  
*(A Company Limited by Guarantee)*  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE 2019**

**Note 24. Key Management Personnel Compensation**

**(a) Key Management Personnel**

Names and positions held of key management personnel in office at any time during the financial year are:

<u>Name</u>	<u>Position</u>
TIGGEMANN, Wayne	President
RINDFLEISH, Randolph	Treasurer
BAILIE, Kevin	Vice-President
McDONALD, Peter	Vice-President
BANNERMAN, Ryan	Captain
WRIGHT, Fabian	Vice-Captain
DUNSTONE, Andrew	Director
DAVIS, Glyn	Director
TOOLE, Greg	Director
DINSEY, Mark	Director
SECOMBE, Peter	Director
KANE, Ward	Director

**Other Key Management Personnel**

BERRY, David	General Manager
SEIS, Jason	Course Superintendent
PAYNE, Scott	Head Chef
CARTER, Katheryn	Office Manager

**(b) Key Management Compensation**

	Cash, salary & commissions	Allowances	Post employment benefits Superannuation	Total
	\$	\$	\$	\$
Total Compensation - 2019	225,340	-	20,446	245,786
Total Compensation - 2018	303,604	-	28,842	332,446

**Note 25. Key Performance Indicators**

	2019	2018
	\$	\$
<b>Bar</b>		
Bar gross profit	378,406	342,938
Percentage gross profit	57.02%	55.75%
<b>Poker Machines</b>		
Net Clearance	201,475	183,548
<b>Wages</b>		
Bar	250,843	207,876
Administration	184,488	110,501
Course	198,625	157,142
Restaurant & Functions	250,472	241,290

**THE MUDGEES GOLF CLUB LTD**

**ABN: 28 001 001 305**

*(A Company Limited by Guarantee)*

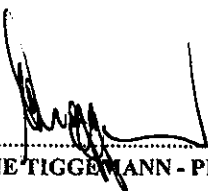
**DIRECTORS' DECLARATION**

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 1 to 16 are in accordance with the Corporations Act 2001:
  - (a) comply with Accounting Standards - Reduced Disclosure Requirements and the Corporations Regulations 2001; and
  - (b) give true and fair view of the financial position as at 30 June 2019 and of the performance for the year ended on that date of the company;
2. there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

**Dated at Mudgee this 31<sup>st</sup> day of October 2019  
in accordance with a resolution of the Directors**

  
.....  
**WAYNE TIGGENMANN - PRESIDENT**

  
.....  
**RANDOLPH RINDFLEISH - TREASURER**

**THE MUDGEES GOLF CLUB LTD**  
**ABN: 28 001 001 305**  
*(A Company Limited by Guarantee)*

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF**  
**THE MUDGEES GOLF CLUB LTD**

**Report on the Audit of the Financial Report**

**Opinion**

We have audited the financial report of The Mudgees Golf Club Ltd (the Registered entity), which comprises the statement of financial position as at 30th June 2019, the statement of profit and loss, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion the accompanying financial report of The Mudgees Golf Club Ltd, has been prepared in accordance with the Corporations Law – Reduced Disclosure Requirements under the Corporations Law and the Registered Clubs Act, including:

- (a) Giving a true and fair view of the registered entity's financial position as at 30th June 2019, and of its financial performance for the year then ended; and
- (b) Complying with Australian Accounting Standards – Reduced Disclosure Requirements.

**Audit Qualification**

The Balance Sheet shows an amount owing by the members called 'Member House Account' being \$155,722. The Company has not identified what this amount comprises of and has not reconciled this amount. In our opinion we believe that this account should be in credit by members paying in advance for facilities being bar, restaurant, etc. The impact of this is that this could increase the reported loss in excess of this amount.

Subject to the above, in our opinion the accompanying financial report of Mudgees Golf Club Ltd, has been prepared in accordance with the Corporations Law – Reduced Disclosure Requirements under the Corporations Law and the Registered Clubs Act, including:

- (a) Giving a true and fair view of the registered entity's financial position as at 30<sup>th</sup> June 2019, and of its financial performance for the year then ended; and
- (b) Complying with Australian Accounting Standards – Reduced Disclosure Requirements.

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the registered entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

**THE MUDGEES GOLF CLUB LTD**

**ABN: 28 001 001 305**

*(A Company Limited by Guarantee)*

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF**  
**THE MUDGEES GOLF CLUB LTD (continued)**

**Information Other than the Financial Report and Auditor's Report Thereon**

The directors are responsible for the other information. The other information comprises the information included in the registered entity's annual report for the year ended 30th June 2019, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of the Directors for the Financial Report**

The directors of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements under the Corporations Law and Registered Clubs Act, 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.

In preparing the financial report, the directors are responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the registered entity or to cease operations, or have no realistic alternative but to do so.

**Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.


**THE MUDGEES GOLF CLUB LTD**  
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**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF**  
**THE MUDGEES GOLF CLUB LTD (continued)**

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during out audit.

**DATED AT SYDNEY**  
**THIS 5<sup>TH</sup> DAY OF**  
**NOVEMBER 2019**

  
.....  
**HARLEY, RUSSELL & DAY**  
Chartered Accountants

**GARRY WILLIAM DAY**  
Registered entity Auditor