

CASINO GOLF CLUB

A.C.N. 000 471 803

2019 56th ANNUAL REPORT

Notice is hereby given that the Annual General Meeting of the Company will be held at the Casino Golf Club on Tuesday 24th September, 2019 commencing at 7.00 p.m.

DIRECTORS:

President: M.J. GREENTREE
Vice President: A. CAMPBELL
Captain: M. O'NEILL
Treasurer: J. ADAM
Directors: L.J. DEAN, M.A. NORRIS, M. OLIVE
N. VIEL,

Secretary Manager: A.D. PORTER

BUSINESS:

- (1) To confirm the minutes of the previous Annual General Meeting.
- (2) To receive, consider and adopt the Financial Report for the year ended 30th June, 2019.
- (3) No election is required for positions on the Board as nominations were sufficient to fill all positions.
- (4) To set allowances and benefits for Directors for 2019/20.
- (5) General Business

NOTICES TO MEMBERS:

Please note that bonus points accumulated on members' cards at 30 June each year will be reduced to zero.

The 30 June 2019 annual Financial Report including the Directors' Report and Audit Report is available to Members at the Clubhouse and can be viewed online at www.casinogolfclub.com.au

EMAIL ADDRESSES

To allow us to update your records, we ask that Members who have not previously given us an email address, to email your name and email address to the Club at admin@casinogolfclub.com.au

PRESIDENTS REPORT

My second term as President has seen a number of changes for Casino Golf Club. As a result, the board and management have been able to achieve the goals set, after the poor results from the previous year. We started with a number of very successful events, lifting our profile, engaging the local and regional community. A charity day to help those in desperate need in the western areas of New South Wales, to the never heard of before hosting a rodeo, 'Bulls on the Green' on our practice fairway. The family fun night, fireworks and entertainment on New Year's Eve, again show cased to the community, the facilities our club, the course and club house has to offer.

Financially this year we consolidated our position, introducing a tough budget and business plan to turn our trading around, with General Manager Andrew Porter tightening our costs and maintaining oversight on comparison of actual costs to budget. Whilst we recorded a loss of \$78,000.00 for the year, this is a significant turn around from the \$310,000.00 loss from the previous financial year. Part of this year's loss, being the write off two gaming devices that had not been fully been depreciated, which were replaced by up to date games. With this year's budget, the management team and boards goal, is to bring the club back to profit for the first time in number of years. Reducing the club's overall debt, which will see us finalise loans for renovations from previous years, early than accounted for.

The Board have been working hard to ensure the club is in a financially sound position for the future. This involves delivering a strategic plan for the club and course for the next five years. Focusing on the core financial drivers of actively growing the business and increasing member usage.

It also includes a management plan for our course, with the introduction of equipment that will assist the greens staff to better perform their daily tasks and improve the playing surfaces. There will be upgrading of the fairways and greens, with the strategic removal of some of our larger trees impacting on course growth. The strategic plan will be fully budgeted for, over the period, with strict financial controls in place to prevent over expenditure. An exciting time for Casino Golf Club's future.

With our golfing rounds up from the previous year, we held our Ongmac Club Championships in March to avoid the usual wet period. Congratulations to Riley Taylor who was crowned champion in 2019, along with all the divisional winners, runners up and match play champions. Also, a big congratulations to Captain Michael and the golfing team for putting on a sponsored event each week. An effort that members sometimes don't realise is time consuming and requires dedication to the game of golf and this club. Each week our numbers of rounds grows, with the variety of events that our calendar has.

This year we have again successfully hosted a round of Veterans week of Golf with the event growing in numbers from the inaugural event last year. Again, a team of volunteers put together the program, sought sponsors and ran the four rounds with visitors coming from interstate, as well as the northern rivers. Thankyou John Weaver for your leadership and the team that worked tirelessly to make the event a success.

Congratulations to the ladies committee who again have hosted a number of very successful tournaments and Northern Rivers events. Led by President Nora they introduced a new group of women to the game, who come along enjoying the friendship and the new skills learnt to challenge the game of golf. Thankyou for the great foresight and we look forward to seeing some of those ladies competing on Wednesdays.

With a summer of little rain, the team of Michael, Glen and Barry kept the water up to the course daily, which gave us a playing surface to complete our rounds on. This great effort by the team allowed our members to enjoy the challenges that the course presents weekly to them, but also when we finally got the much needed rain, the course prospered from all the work to maintain it. Again, a big thankyou to our volunteers who also maintained our gardens each week and assisted the course staff to make our course what it is, for all members.

Many thanks to the team of directors that volunteered their time over the past 12 months, from assisting with the events we held, doing the odd bus shift when required, attending meeting and workshops and running raffles on Wednesday and Friday nights. Without this passion for the club the required tasks would not have been completed and the club would not be in a better position than we were 12 months prior. We say farewell to our very hard-working Captain Mick O'Neill who has decided to take some time off from board duties and Vice President Andrew Campbell who also has decided not to re-stand for committee. I can assure you we will see both men around the club and working as hard as ever to make the club a better place for all. On behalf of all the members we thank you both for time you have given to make our club a better place for all.

We also say farewell to our golf professional Ian Halliday who made the hard decision not to renew his contract after 20 years. Ian has decided to return to the teaching profession where he started all those years ago as a young man after completing his degree. On behalf of all the members, I thank you for the many years you assisted us and wish you the best for the future.

The team of dedicated staff under the guidance of General Manager Andrew Porter, thank you for the warm welcomes each time we as members walk through the doors, assisting us with our needs and wants, for going the extra mile when the club has held major events at our facility. The extra effort has not gone unnoticed and is greatly appreciated by us all.

Most importantly thankyou to all our member for your continued support and I look forward to seeing you in this great club.

Michael Greentree

President

CAPTAIN'S ANNUAL REPORT 2019

Thank you for the opportunity to present the 2019 Captain's Annual Report.

Over the last 12 months our Saturday fields have averaged about 100 players and our Thursday members competition about 40-50 players. Thank you to all the golfers who have turned out this year to enjoy our weekly competitions. Your participation not only supports the club, but makes the hard work put in by the Board and greens staff worthwhile.

Congratulations to Riley Taylor for taking out the 2019 Club Championship in March. This is the sixth consecutive year Riley has been Club Champion. Justin Northfield won A Grade, Htin Kyaw A Reserve, Len Lawlor B Grade and Terry Llewellyn C Grade. John Quirk won the Veterans. John Riggall won the A Grade Match Play Championship, Trevor Wood A Reserve, Peter O'Brien B Grade and Terry Llewellyn C Grade. Other results for the year are in the Annual Report.

In 2019 we had two teams represent the club in the NRDGA Pennants competition. Unfortunately neither team progressed to the finals, however they represented Casino Golf Club well. Thank you to all of our pennant players for giving up your Sundays to represent the club.

As far as our inter club competitions against Kyogle, Lismore and Ballina go, to date 2019 is turning out to be a bit like 2018. In the Digger Roberts Jug we had a few matches advantage over Kyogle when we ventured up there for the second round in late July, but on the day we were soundly beaten and Kyogle retained the trophy. In June Lismore visited Casino for the Michael Cup. The matches were drawn and Lismore retained the Cup. At the time of writing Ballina are leading the Bardwell Ellis Trophy by a small margin, with Casino to visit Ballina for the second round on 24th August. Thank you to all members who represented Casino in these events and in particular those that travelled to Kyogle and Ballina.

Once again the Casino Vets organised a well attended and well organised Vets Week of Golf in the middle of May. This is the second year Casino Vets have hosted this event and it was again a great success, entirely due to the hard working Vets committee. No doubt they will put together another great event for 2020.

Graham Coe Memorial Day for juniors was held on Sunday 11th August, with 40 junior golfers from across the North Rivers teeing off. As in past years Casino Golf Club put on a well organised day with great trophies on offer. This junior's day would not be possible without the work that is put in by Margie Norris and Ian Halliday and also those members who volunteered to help out on the day.

The 2019 Pro Am on 12th August attracted a good field of 65 professionals from across Australia and about 60 Casino members. As always the greens staff presented the course in great condition despite the recent dry weather. Thanks to Ian Halliday and the PGA for organising the day and the feedback from all involved in the day was very good.

And now for some thank you's and acknowledgements.

Thanks to President Michael Greentree and all of the Board for their support and encouragement throughout the year. Special thanks to the Match Committee, who have done a great job. To Linda Dean and Nora Veil in particular, thank you so much for your continuing work on our Saturday and Thursday competitions handling the cards and computer. I could not have done my job without your help and support. Thank you to the other Board members who have assisted with presentations and filling in for me on Saturdays when I was not available.

Our professional Ian Halliday has decided to call it a day after more than 20 years with the club. From a Captain's perspective Ian, thank you for all the assistance and support you have provided over this time. It has been comforting to know on a Saturday or Thursday that if something goes wrong with the computer Ian is almost certainly going to be able to fix it. All the best for your future Ian and I know one thing for sure, we will see a lot more of you on the golf course now that you have some time to yourself.

Thank you to our Greens Staff of Mick Greber, Barry Lowe and Glenn Eastment. The weather in 2019 has been no less challenging than other years, particularly the long periods of dry weather we are experiencing at the moment. Mick, Barry and Glen have done a wonderful job in presenting the course in such magnificent condition week in and week out. Thanks also to our volunteers who are out there on a regular basis keeping the course clean and the gardens looking good.

As I often say, Casino Golf Club is so fortunate to have the great sponsors that support not only the members Saturday competitions, but also the ladies and mixed competitions, special events (including the Vets Week of Golf and our annual Pro Am). Not to mention having sponsors for the nearest to pins on all 18 holes, something that I think no other club has. Without sponsors we would have the standard of competitions that we do and undoubtedly we would not to attract the player numbers on a week by week basis. The fact is that good sponsors underpin the success of our golf program.

Finally I have decided to take a break and not to stand for Captain again this year. I have regarded it as an honour to be Captain of Casino Golf Club and I would like to wish all our golfing members all the best for the next 12 months and enjoy your golf on our great course.

Mick O'Neill
Club Captain

TREASURER'S REPORT – 2018/19 AGM

Whilst both the local and national economies have remained stagnant throughout the year and the outlook remains tough with ever increasing regulatory burdens and increasing costs, we have produced some pleasing results.

There has been a significant turnaround in the financials for the 2019 financial year comparing with the 2018 financial year. Most of these positive results I Believe are attributed to our new GM, Andrew Porter and the great work and support he has had from the rest of the board and members alike, here at the Casino Golf Club.

Let me start with total income for the 2019 financial year of \$3,135,358 which shows an increase of \$439,327, or just over 16%, comparing with the 2018 financial year. Of the total income, most departments all recorded increases in revenue. Bar sales were up by 23.5%. Golf course trading had a 12% increase, which has been seen throughout the year with golf competitions attracting larger fields, particularly Saturdays. Poker machine profit is up 29.5% year on year. Various upgrades to machines and rearrangements within this area has helped with providing us with this result.

The restaurant sales have shown a significant increase of 27.4%. However, a loss overall was attributed to this department after stock, wages and incidentals were taken out. This section continues to be a bugbear for the club, but we are continually working very conscientiously and efficiently to get it back into the black. This brings us to an operating result – a loss of \$78,493 for 2019 financial year. Although still in the red, it is a significant improvement on 2018 where we had a loss of \$310,899, representing an improvement of \$232,406, a move in the right direction. This supports the hard work that was put in by your GM, the board and its volunteers over the past 12 months.

Taking into account the loss made on a poker machine due to the depreciated value we have a net loss of \$56,903.

Jason Adam
Treasurer

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West Street | PO Box 106 | Casino NSW 2470



General Manager's Report 2019

Greetings Members,

It is with pleasure that I write my first Annual Report as your General Manager.

Acknowledging prior years losses had grown to a loss last year of \$310k, since my appointment as GM my focus has been to grow our customer base and revenue to turn the club into a more profitable and customer focused business.

Over the past 12 months we have concentrated on the following key initiatives to turn the trading results;

- Engagement with our patrons and community
- Strong financial management
- Strategic planning
- Club culture
- Building a sustainable business model
- Customer experience.

Financially, we ended the year with a loss of approx. \$78k, well down on prior year losses, acknowledging more will need to be done in future years to make the club financially sustainable. Importantly, we have paid down some \$200k in debts whilst also raising cash at bank by approx. \$40k. The club's depreciation schedule should be noted, currently at approx. \$325k per annum including some 1990's assets being amortised, provides a challenge for profitability at 10.3% of total revenue. Revenues grew by 17% year on year (YOY) to a total of \$3.13M, Cost of Sale remained steady YOY, whilst payroll to revenue reduced slightly. EBITDA percentage grew from 1% last year to 9% this year, still down on the 15% benchmark.

All revenue streams of the club have seen good growth this year along with rounds, covers, visitors and member patronage increasing. Marketing has focused on community engagement and has promoted all areas of the club, both golfing and non-golfing. Facebook has been a key instrument with a 2nd Golfers page created to focus the main page on general advertising. All social media has been enhanced, along with other digital marketing avenues explored. Print and radio has continued, with regular advertising in local papers and radio stations. In House advertising has been strengthened and consistent 'touch points' have been implemented.

In conjunction with the board, we have been developing a 5-year strategic plan which will address key areas for the club's growth into the future. The plan is still in draft format and will be put forward to the incoming board for adoption. There will be some exciting times to come with a number of

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opportunities to progress both inside the clubhouse and also on the golf course. We plan to provide an overview at the upcoming AGM. The strategic plan will cover;

- Golf course maintenance and improvements
- Clubhouse maintenance and improvements
- Additional revenue generating opportunities
- Membership and patronage targets.

Some of the highlights this year have been several successful community-based initiatives, such as;

- Over the Range Drought Fundraiser
- Bulls on the Greens Rodeo
- NYE @ the Golfy
- Tabulam Fires Fundraiser
- Casino Let's Celebrate.

It has been very refreshing to see the strong sense of community here at Casino Golf Club with patronage and support for all club events and fundraising.

Golfing wise, we have seen several great events, be it the Club Championships, Vets Week of Golf, Pro-Am or the several charity golf days. Congratulations goes to all winners and participants in all our events and thank you for your continued support.

I would like to thank all the staff – past and present, for their dedicated work over the past 12 months, the board – for their many hours of volunteering and dedication to moving the club forward in a positive direction, the volunteers – many of whom are behind the scenes and regularly go unnoticed, the members and patrons for continuing to support and help build this club stronger.

Thank you to the board members that have served in the past few years that are stepping down this year and welcome to those that are coming onboard. I would like to acknowledge the support given by board, led by Michael Greentree as President in all the fantastic achievements we have made this year, with many more exciting changes to come.

As the General Manager of your club, I would like to thank everyone for their support over the past 12 months and confirm my commitment to working with the board, staff and members to build and grow our club into the future.

Regards

Andrew Porter

General Manager

CASINO GOLF CLUB

A.C.N. 000 471 803

Financial Report for the Year Ended 30 June 2019

DIRECTORS' REPORT

Your directors present this report on the company for the financial year ended 30 June 2019.

Directors

The names of each person who has been a director during the year and to the date of this report are:

Jason Adam

Andrew Campbell

Linda Dean

Michael Greentree

Margaret Norris

Malcolm Olive - appointed 25th September 2018

Michael O'Neill

Ronald Thorne - appointed 25th September 2018, resigned 10th December 2018

Wayne Underhill Jr - resigned 25th September 2018

Nora Viel

Dennis Wyatt - resigned 25th September 2018

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

Principal Activities

The principal activity of the entity during the financial year was operation of a Golf Club.

No significant changes in the nature of the entity's activity occurred during the financial year.

The company's short term objectives are:

- Our primary objective is to promote the game of golf in the Casino district.
- To provide social facilities that are attractive to current and prospective members.
- To operate profitably so as to generate cash funds to repay borrowings and improve the course and clubhouse.
- To encourage people to play golf.

The company's long term objectives are:

- To provide quality facilities for the game of golf in Casino.
- Ensure that the golf and social facilities are maintained so they remain attractive to our members and prospective members.
- To encourage people to play golf.
- To continually endeavour to improve the quality of our course.

To achieve these objectives the company has adopted the following strategies:

- To be alert and responsive to the requirements of our members.
- To keep up to date with developments in our industry.
- To operate from a position of financial strength so that financial risks can be minimised and opportunities that arise can be taken.
- To encourage our staff to have a "customer focus" and to train to keep their skills up to date.

The Club board and management measure performance by reviewing financial statements prepared monthly and presented to board meetings along with reports from the Greenkeeper and Golf Professional.

Key performance indicators are also used, including

The number of golfers playing in weekly competitions

The amount of sponsorship income received for competition prizes

An ongoing oversight of the condition of the golf course, including fairways, rough bunkers and greens

Bar sales and trading percentages

Customer counts

Gaming revenue and the comparative performance of individual gaming machines,

Review of customer comments and staff performance and morale assessments and

Trends in membership numbers.

CASINO GOLF CLUB
A.C.N. 000 471 803

Financial Report for the Year Ended 30 June 2019

DIRECTORS' REPORT

Information on Directors

Jason Adam

Qualifications	—	Pharmacist
Experience	—	Director of the club three years
Special Responsibilities	—	Treasurer, Match Committee

Andrew Campbell

Qualifications	—	Retired
Experience	—	Director of the Club for six years
Special Responsibilities	—	Vice President

Linda Dean

Qualifications	—	Retired
Experience	—	Director of the Club for six years
Special Responsibilities	—	House Committee, Match Committee, Ladies Committee

Michael Greentree

Qualifications	—	Retail and service industry
Experience	—	Director of the Club for eight years
Special Responsibilities	—	President

Margaret Norris

Qualifications	—	Public Servant
Experience	—	Director of the Club for four years
Special Responsibilities	—	House Committee

Malcolm Olive

Qualifications	—	Grazier
Experience	—	Director of the Club for twenty four years
Special Responsibilities	—	Greens committee

Michael O'Neill

Qualifications	—	Consultant
Experience	—	Director of the Club for six years
Special Responsibilities	—	Captain

Nora Viel

Qualifications	—	Retired
Experience	—	Director of the Club for six years
Special Responsibilities	—	Ladies Committee and Match Committee

CASINO GOLF CLUB
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Financial Report for the Year Ended 30 June 2019

DIRECTORS' REPORT

Meetings of Directors

During the financial year, 12 ordinary of directors were held. Attendances by each director were as follows:

	Directors Meetings	
	No eligible to attend	Number attended
Jason Adam	12	11
Andrew Campbell	12	12
Linda Dean	12	12
Michael Greentree	12	12
Margaret Norris	12	11
Malcolm Olive	12	11
Michael O'Neill	12	8
Ronald thorne	2	2
Wayne Underhill Jr.	1	1
Nora Viel	12	11
Dennis Wyatt	1	1


The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the company. At 30 June 2019, the total amount that members of the company are liable to contribute if the company is wound up is \$41,980 (2018: \$39,780).

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2019 has been received and can be found following this report.

Signed in accordance with a resolution of the Board of Directors.

Director



Michael Greentree

Dated this 26th day of August 2019

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF CASINO GOLF CLUB LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2019 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.

Mulherin Schier

Paul Mulherin

Registered Company Auditor 3431

Date 27th August 2019

155 Centre Street, Casino NSW 2470



CASINO GOLF CLUB
A.C.N. 000 471 803

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
Revenue	2	3,135,358	2,696,031
Employee benefits expense	3	(940,072)	(834,368)
Depreciation and amortisation	3	(344,199)	(324,608)
Finance costs	3	(15,891)	(13,063)
Repairs, maintenance, cleaning and vehicle running expense		(159,835)	(164,937)
Fuel, light and power expense		(91,625)	(92,686)
Rental and rates		(28,885)	(29,461)
Training, licences and subscriptions expense		(111,545)	(108,759)
Audit, bookkeeping, legal and consultancy expense		(46,712)	(57,325)
Administration expenses		(136,042)	(123,956)
Cost of goods sold	3	(994,822)	(968,184)
Other expenses		(336,818)	(282,114)
Profit (Loss) Main club		<u>(71,088)</u>	<u>(303,430)</u>
Net loss on operation of subsidiary clubs - refer page 23		<u>(7,405)</u>	<u>(7,469)</u>
Profit (Loss) before income tax		<u>(78,493)</u>	<u>(310,899)</u>
Income tax expense	1j	<u>0</u>	<u>0</u>
Profit (Loss) after income tax - Total Comprehensive Income		<u><u>(78,493)</u></u>	<u><u>(310,899)</u></u>

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019

	Note	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	271,906	230,445
Trade and other receivables	5	19,662	16,317
Inventories	6	90,246	90,643
Other current assets	7	36,648	32,581
Financial assets	8	9,249	8,979
TOTAL CURRENT ASSETS		<u>427,711</u>	<u>378,965</u>
NON-CURRENT ASSETS			
Financial assets	8	750	750
Property, plant and equipment	9	2,059,668	2,379,120
Intangible assets	10	0	0
TOTAL NON-CURRENT ASSETS		<u>2,060,418</u>	<u>2,379,870</u>
TOTAL ASSETS		<u>2,488,129</u>	<u>2,758,835</u>
CURRENT LIABILITIES			
Trade and other payables	11	275,640	238,015
Borrowings	12	130,817	134,929
Short term provisions	13	141,474	211,137
TOTAL CURRENT LIABILITIES		<u>547,931</u>	<u>584,081</u>
NON-CURRENT LIABILITIES			
Borrowings	12	69,147	225,210
TOTAL NON-CURRENT LIABILITIES		<u>69,147</u>	<u>225,210</u>
TOTAL LIABILITIES		<u>617,078</u>	<u>809,291</u>
NET ASSETS		<u>1,871,051</u>	<u>1,949,544</u>
EQUITY			
Retained Earnings		1,871,051	1,949,544
TOTAL EQUITY		<u>1,871,051</u>	<u>1,949,544</u>

The accompanying notes form part of these financial statements.

CASINO GOLF CLUB
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2017	2,260,443	2,260,443
Comprehensive income		
Profit (Loss) attributable to the entity for the year to 30 June 2018	(310,899)	(310,899)
Balance at 30 June 2018	<u>1,949,544</u>	<u>1,949,544</u>
Comprehensive income		
Profit (Loss) attributable to the entity for the year to 30 June 2019	(78,493)	(78,493)
Balance at 30 June 2019	<u><u>1,871,051</u></u>	<u><u>1,871,051</u></u>

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from customers		3,415,077	2,944,027
Payments to suppliers and employees		(3,196,210)	(2,882,892)
Interest received		2,087	2,537
Finance costs paid		(15,891)	(13,063)
Net cash generated from operating activities	19(b)	<u>205,063</u>	<u>50,609</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		52,195	23,279
Payment for property, plant and equipment		(55,352)	(249,840)
Net cash (used in) investing activities		<u>(3,157)</u>	<u>(226,561)</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Borrowings raised		0	176,372
Repayment of borrowings		(160,175)	(167,565)
Net cash generated from (used in) financing activities		<u>(160,175)</u>	<u>8,807</u>
Net increase (Decrease) in cash held		41,731	(167,145)
Cash and cash equivalents at the beginning of the financial year		239,424	406,569
Cash and cash equivalents at the end of the financial year	19(a)	<u><u>281,155</u></u>	<u><u>239,424</u></u>

The accompanying notes form part of these financial statements.

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

The financial report is for Casino Golf Club as an individual entity, incorporated and domiciled in Australia. Casino Golf Club is a company limited by guarantee.

The financial statements were authorised for issue on 26th August 2019 by the directors of the company.

Note 1: Statement of Significant Accounting Policies

Basis of Preparation

The financial statements are a general purpose financial statement that have been prepared in accordance with Australian Accounting Standards, (including Australian Accounting Interpretations) and the Corporations Act 2001. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

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

The financial statement except for cash flow information has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Accounting Policies

a. Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers. Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Revenue from the rendering of a service is recognised upon the delivery of the service to the customers. All revenue is stated net of the amount of goods and services tax (GST).

b. Inventories

Inventories are measured at the lower of cost and current replacement cost.

c. Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost less accumulated depreciation.

Property

Freehold land is shown at cost. Buildings and improvements are shown at cost less accumulated depreciation

Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Note 1: Statement of Significant Accounting Policies

Depreciation

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

Class of Fixed Asset	Depreciation Rate
Buildings	2%
Leasehold improvements	4% to 5%
Plant and equipment	5% to 33%
Leased plant and equipment	10% to 20%

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

d. Leases

Leases of property plant and equipment, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the entity are classified as finance leases.

Finance leases are capitalised, recognising an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the period in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

e. Financial Instruments

Recognition and Initial Measurement

Financial assets and financial liabilities are recognised when the entity become a party to the contractual provisions of the instrument.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Derecognition

Financial asset are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in profit or loss.

Classification and Subsequent Measurement

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effected interest rate method.

(ii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method.

(iii) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

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

Note 1: Statement of Significant Accounting Policies

Impairment

At each reporting date, the entity assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the Income Statement.

f. Impairment of Assets

The Club is a not for profit entity and the Directors consider that the future economic benefits of Club assets are not primarily dependant on the assets' ability to generate net cash inflows.

The Directors also consider that the Club would, if deprived of an asset, replace its remaining future economic benefits.

On this basis the Club recognises depreciated replacement cost as each asset's value in use and accordingly no further consideration of impairment of assets is undertaken.

g. Employee Benefits

Provision is made for the entity's liability for employee benefits arising from services rendered by employees to Balance Sheet date. Employee benefits expected to be settled within one year together with benefits arising from wages, salaries and annual leave which may be settled after one year, have been measured at the amounts expected to be paid when the liability is settled. Other employee benefits payable later than one year have been measured at the net present value.

Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

h. Cash on Hand

Cash on Hand include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

i. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

Cash flows are presented in the Cashflow Statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

j. Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

k. Intangibles

Poker Machine Licences

Poker machine licences are carried at cost less provision for accumulated amortisation.

l. Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

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

Note 1: Statement of Significant Accounting Policies

m. Comparative Figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

n. Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

o. New Accounting Standards for Application in Future Periods

A number of new and revised accounting standards are effective for the annual periods beginning on or after 1 July 2019. None of these standards has a material impact on the Club's financial statements.

CASINO GOLF CLUB
A.C.N. 000 471 803

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

	2019 \$	2018 \$
Note 2: Revenue		
Gain on Disposal of Non Current Assets	0	17,105
Interest Received from Corporations	2,087	2,537
Sale of Goods	1,763,415	1,510,248
Government Assistance Received - State/Federal	28,617	29,239
Gaming	887,073	758,402
Golfing Competitions	265,108	216,833
Subscriptions	116,752	110,605
Other	72,306	51,062
Total Revenue	<u>3,135,358</u>	<u>2,696,031</u>

Note 3: Profit for the year

a. Expenses

Cost of Sales	994,822	968,184
Depreciation and Amortisation - Property Plant and Equipment		
- buildings	115,759	118,436
- furniture and equipment	206,850	206,172
Amortisation - Intangible - Poker machine entitlements	0	0
Total Depreciation and Amortisation	<u>322,609</u>	<u>324,608</u>
Interest expense on financial liabilities not at fair value through profit or loss	14,091	13,063
Doubtful debts expense	0	0
Total Employee Benefits Expense	940,072	834,368
Rental expense on operating leases		
- minimum lease payments	45,990	4,224
- contingent rentals	0	0
Auditor Remuneration		
- audit	16,500	16,800
- other services	0	0
Total Audit Remuneration	<u>16,500</u>	<u>16,800</u>

b. Significant Revenue and Expenses

There are no significant revenue and expense items significant in explaining the financial performance.

Note 4: Cash and Cash Equivalents

CURRENT		
Cash at bank	157,595	117,597
Cash on hand	114,311	112,848
Total cash and cash equivalents in the statement of financial position	<u>271,906</u>	<u>230,445</u>

Note 5: Trade and Other Receivables

Note

CURRENT		
Trade receivables	19,662	16,317
Provision for impairment of receivables	0	0
	19,662	16,317
Other receivables	0	0
	<u>19,662</u>	<u>16,317</u>

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

	2019 \$	2018 \$
(i) Credit Risk - Trade and Other Receivables		
The company does not have any material credit risk exposure to any single receivable or group of receivables.		
There are no balances within trade receivables that contain assets that are impaired and are past due. It is expected that these balances will be received when due.		
Note 6: Inventories		
CURRENT		
At cost		
Stock Held for Resale	90,246	90,643
	<u>90,246</u>	<u>90,643</u>
Note 7: Other Assets		
CURRENT		
Prepayments	36,648	32,581
	<u>36,648</u>	<u>32,581</u>
Note 8: Financial Assets		
CURRENT		
Term Deposit with Financial Institution at cost	9,249	8,979
	<u>9,249</u>	<u>8,979</u>
NON CURRENT		
Shares in Non-Listed Company at Cost	750	750
	<u>750</u>	<u>750</u>
Note 9: Property, Plant and Equipment		
LAND AND BUILDINGS		
Freehold land:		
At cost	48,028	48,028
Total land	<u>48,028</u>	<u>48,028</u>
Buildings		
At cost	3,046,175	3,039,348
Less accumulated depreciation	1,816,165	1,700,407
Total buildings	<u>1,230,010</u>	<u>1,338,941</u>
Total Land and Buildings	<u>1,278,038</u>	<u>1,386,969</u>
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	3,412,334	3,448,939
Less accumulated depreciation	2,630,705	2,456,788
	<u>781,629</u>	<u>992,151</u>
Leased Plant and Equipment		
Capitalised leased Assets	33,300	33,300
Accumulated depreciation	33,300	33,300
	<u>0</u>	<u>0</u>
Total plant and equipment	<u>781,629</u>	<u>992,151</u>
Total property, plant and equipment	<u>2,059,667</u>	<u>2,379,120</u>

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

	2019	2018
	\$	\$

Note 9: Property, Plant and Equipment

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Land and Buildings	Plant and Equipment	Total
	\$	\$	\$
2018			
Balance at the beginning of the year	1,503,758	956,304	2,460,062
Additions at cost	0	249,840	249,840
Disposals	0	(23,279)	(23,279)
Depreciation expense net of Profit on Sale	(116,789)	(190,714)	(307,503)
Carrying amount at end of year	<u>1,386,969</u>	<u>992,151</u>	<u>2,379,120</u>
2019			
Balance at the beginning of the year	1,386,969	992,151	2,379,120
Additions at cost	6,827	48,587	55,414
Disposals		(53,683)	(53,683)
Depreciation expense net of Profit on Sale	(115,759)	(206,850)	(322,609)
Carrying amount at end of year	<u>1,278,037</u>	<u>780,205</u>	<u>2,058,242</u>

Note 10: Intangible Assets

Poker machine licences		
Cost	112,782	112,782
Accumulated amortisation	(112,782)	(112,782)
Accumulated Impairment	0	0
Net carrying value	<u>0</u>	<u>0</u>
2018		
Balance at the beginning of the year	0	0
Additions	0	0
Disposals	0	0
Amortisation charge	0	0
Impairment losses	0	0
Balance at the end of the year	<u>0</u>	<u>0</u>

Note 11: Trade and Other Payables

CURRENT		
Trade payables	180,681	147,614
Deferred income	57,139	50,044
Other current payables	37,820	40,357
	<u>275,640</u>	<u>238,015</u>

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

	2019 \$	2018 \$
Note 12: Borrowings		
CURRENT		
Chattel finance	51,655	64,585
Bank loan	79,162	70,344
	<u>130,817</u>	<u>134,929</u>
NON-CURRENT		
Chattel finance	28,626	153,909
Bank loan	40,521	71,301
	<u>69,147</u>	<u>225,210</u>

Lease Liabilities and Chattel finance are secured by charge over the underlying leased asset. Bank overdraft and Bank Loan are secured by a registered mortgage over freehold land and a fixed floating charge over the assets of the Club.

	Employee Benefits	Total
	\$	\$
Opening balance at 1 July 2018	211,137	211,137
Additional provisions raised during year	38,686	38,686
Amounts used	(108,349)	(108,349)
Balance at 30 June 2019	<u>141,474</u>	<u>141,474</u>
Analysis of Total Provisions		
Current	141,474	141,474
Non-Current	0	0
	<u>141,474</u>	<u>141,474</u>

Provision for Employee Benefits

A provision has been recognised for employee entitlements relating to annual leave and long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been included in Note 1 to this report.

Note 14: Capital and Leasing Commitments

a. Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements.

Payable — minimum lease payments

- not later than 12 months	26,280	0
- later than 12 months but not later than 5 years	19,710	0
- greater than 5 years	0	0
	<u>45,990</u>	<u>0</u>

The property lease commitments are non-cancellable operating leases contracted for but not capitalised in the financial statements with a ten-year term. No capital commitments exist in regards to the operating lease commitments at year-end.

b. Capital Commitment

nil nil

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

	2019	2018
	\$	\$
Note 15: Contingent Liabilities and Assets		
Estimates of the potential financial effect of contingent liabilities that may become payable:	Nil	Nil

Note 16: Events After the Balance Date

The company has not, since the 30th June 2019, received information that would materially affect any disclosure made in the financial report.

Note 17: Key Management Personnel Compensation

	Short Term Benefits \$	Post- Employ- ment Benefits \$	Total \$
2019			
Total Compensation (includes long service leave and annual leave paid to former Manager)	147,684	0	147,684
2018			
Total compensation	146,305	0	146,305

Note 18: Related Party Transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated. The Club made no gifts to Directors or Top Employees.

(a) Neil Gillett, partner of Director Margaret Norris, was paid a salary in accordance with Award conditions as a full time Club employee.

(b) Country IT, a business in which Director Michael Greentree is a partner provided computer supplies and services to the Club at rates normal market rates.

Note 19: Cash Flow Information

a. Reconciliation of Cash

Cash at bank	157,595	197,697
Deposit with financial institution	9,249	8,979
Other cash	114,311	32,748
Cash and cash equivalents - per the statement of Cash Flows	<u>281,155</u>	<u>239,424</u>

b. Reconciliation of Cashflow from Operations with after Income Tax

Profit/(Loss) after income tax	(78,493)	(310,899)
Non cash flows		
Depreciation and amortisation	322,609	307,503
Changes in assets and liabilities		
Increase/(Decrease) in provisions	(69,663)	29,227
(Increase)/decrease in receivable and other assets	(3,345)	(4,619)
Increase/(decrease) in trade and other payables	37,625	9,735
(Increase)/decrease in inventories	397	4,080
(Increase)/decrease in prepayments	(4,067)	15,582
Cash flows provided by operating activities	<u>205,063</u>	<u>50,609</u>

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

2019	2018
\$	\$

Note 20: Financial risk management

a. Financial Risk Management Policies

The company's financial instruments consist mainly of deposits with banks, short-term investments, bank and finance company borrowings and accounts receivable and payable.

The entity does not have any derivative instruments at 30 June 2019.

i Treasury Risk Management

A finance committee consisting of senior committee members meet on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

ii Financial Risk Exposures and Management

The main risks the entity is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

risk

Interest rate risk is managed with a mixture of fixed and floating rate debt. The directors consider that risk is controlled essentially through being lowly geared.

Foreign currency risk

The entity is not exposed to fluctuations in foreign currencies.

Liquidity risk

The entity manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. The entity does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the entity.

Credit risk is managed by the entity and reviewed regularly by the finance committee. It arises from exposure to customers as well as through deposits with financial institutions.

The entity monitors the credit risk by actively assessing the rating quality and liquidity of counterparties.

Price risk

The entity is not exposed to any material commodity price risk.

b. Financial Instruments Composition and Maturity Analysis

The table below reflects the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the balance sheet.

	Weighted Average Effective Interest	
	%	%
Financial Assets		
Cash at Bank and held to maturity Investment	1.25%	1.23%
Financial Liabilities		
Bank Loans	6.60%	6.50%
Finance lease	1.56%	2.09%
	Variable Interest Rate Maturing Within 1 Year	
Financial Assets		
Cash at Bank	157,595	197,697
Held to maturity investment	9,249	8,979
Total Financial Assets	166,844	206,676

Note 20: Financial risk management

Financial Liability and financial asset maturity analysis

	Within 1 year \$	1 to 5 years \$	Over 5 years \$	Total \$
30 June 2019				
Financial liabilities due for repayment				
Trade and other payables (excluding employee entitlements and deferred income)	180,681			180,681
Chattel Mortgages	44,231	28,626		72,857
Bank Loans	86,586	28,032	12,489	127,107
Total expected outflows	<u>311,498</u>	<u>56,658</u>	<u>12,489</u>	<u>380,645</u>
Financial Assets - cash flows realisable				
Cash & Cash Equivalents	281,155			281,155
Trade, term and loan receivables	19,662			19,662
Other investments			750	750
Total anticipated inflows (2020)	<u>300,817</u>	<u>0</u>	<u>750</u>	<u>301,567</u>
Net (outflow) inflow on financial instruments	<u>(10,681)</u>	<u>(56,658)</u>	<u>(11,739)</u>	<u>(79,078)</u>
30 June 2018				
Financial liabilities due for repayment				
Trade and other payables (excluding employee entitlements and deferred income)	187,971			187,971
Chattel Mortgages	57,385	106,109		163,494
Bank Loan	77,544	100,101		177,645
Total expected outflows	<u>322,900</u>	<u>206,210</u>	<u>0</u>	<u>529,110</u>
Financial Assets - cash flows realisable				
Cash & Cash Equivalents	230,445			230,445
Trade, term and loan receivables	48,898			48,898
Other investments	8,711		750	9,461
Total anticipated inflows (2019)	<u>288,054</u>	<u>0</u>	<u>750</u>	<u>288,804</u>
Net (outflow) inflow on financial instruments	<u>(34,846)</u>	<u>(206,210)</u>	<u>750</u>	<u>(240,306)</u>

Fair values are in line with carrying values.

Sensitivity analysis:

Interest rate risk

The entity has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on current year results and equity which could result from a change in this risk.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Note 20: Financial risk management (continued)

As at 30 June 2019, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant, would be as follows:

		2019 \$	2018 \$
Change in profit			
- Increase in interest rate by 2%	increases (reduces) by	(662)	(2,414)
- Decrease in interest rate by 2%	increases (reduces) by	<u>2,992</u>	<u>2,414</u>
Change in equity			
- Increase in interest rate by 2%	increases (reduces) by	(662)	(2,414)
- Decrease in interest rate by 2%	increases (reduces) by	<u>2,992</u>	<u>2,414</u>

This sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

No sensitivity analysis has been performed for foreign exchange risk, as the entity is not exposed to fluctuations in foreign exchange.

Note 21: Capital Management

Management control the capital of the entity to ensure that adequate cash flows are generated to fund its operations and that returns from investments are maximised. The finance committee ensures that the overall risk management strategy is in line with this objective.

The finance committee operates under policies approved by the board of directors. Risk management policies are approved and reviewed by the board on a regular bases. These include credit risk policies and future cash flow requirements.

The entity's capital consists of financial liabilities, supported by financial assets.

Management effectively manage the entity's capital by assessing the entity's financial risks and responding to changes in these risks and in the market. These responses may include the consideration of debt levels.

There have been no changes to the strategy adopted by management to control the capital of the entity since previous year. The strategy of the entity is to maintain a gearing ratio of less than 30%.

The gearing ratios for the years ended 30 June 2019 and 30 June 2018 are as follows:

Total borrowings	199,964	360,139
less cash and cash equivalents	<u>166,844</u>	<u>239,424</u>
Net debt	33,120	120,715
Total equity	<u>1,871,051</u>	<u>1,949,544</u>
Total Capital	<u>1,904,171</u>	<u>2,070,259</u>
Gearing ratio	1.74%	5.83%

Note 22: Entity Details

The registered office of the entity is:

West Street Casino N.S.W. 2470

The principal place of business is:

West Street Casino N.S.W. 2470

**CASINO GOLF CLUB
A.C.N. 000 471 803**

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Casino Golf Club Limited, the directors declare that:

- 1 The financial statements and notes, as set out on pages 8 to 21 are in accordance with the *Corporations Act 2001*:
 - a. comply with Accounting Standards; and
 - b. give a 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 In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.



Michael Greentree (Director)

Dated this 26th day of August 2019

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

Opinion

We have audited the financial report of Casino Golf Club (the entity), which comprises the balance sheet as at 30 June 2019, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statement, including a summary of significant accounting policies, and the declaration by those charged with governance.

In our opinion, the accompanying financial report of the Entity is prepared, in all material respects, in accordance with Corporations Law of Australia.

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. We are independent of the 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 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.

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

Those charged with governance are responsible for the other information. The other information comprises the information including in the Entity's annual report for the year ended 30 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 the fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation of the financial report in accordance with Corporations Law of Australia, and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the 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 management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

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 Australian Auditing Standards will always detect a material misstatement when it exists. Misstatement 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 the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

Name of firm: MULHERIN SCHIER

Name of partner: Paul Mulherin

Registered Company Auditor 3431

Address: 155 Centre Street, CASINO NSW 2470

Dated this 26th day of August 2019

CASINO GOLF CLUB
A.C.N. 000 471 803

INCOME & EXPENDITURE STATEMENT FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
INCOME		
Clubhouse Trading - Bar, Bottle and Poker Machines	337,002	149,387
Golf Course Trading	(28,145)	(109,428)
Interest Received	2,087	2,537
Profit on sale of plant items	0	17,105
Kitchen revenue	473,087	371,295
Less Kitchen direct costs	(548,156)	(429,255)
Subscriptions - Social	7,581	9,462
Bingo & Raffles	109,671	114,555
Sundry Income	19,924	39,271
Keno, TAB & ATM Commission	95,288	85,182
Insurance Claims	0	5,261
	<u>468,339</u>	<u>255,372</u>
LESS EXPENDITURE		
Audit & Accountancy Fees	46,712	57,325
Bank Charges	7,369	6,346
Computer costs	12,021	16,032
Depreciation	120,766	130,327
Employee Fringe Benefits	0	12,229
General Expenses	31,842	19,332
Insurances	42,418	39,431
Interest Expense	14,091	13,063
Keno, TAB and ATM costs	37,813	30,473
Licences	16,763	16,643
Officers Expense Reimbursement	6,480	6,765
Payroll tax	6,776	3,020
Rates	16,167	14,576
Seminars, Training, Licences & Subscriptions	21,720	29,499
Stationery, Advertising, Postage and Telephone	23,134	30,984
Superannuation	10,963	20,814
Wages Administration	124,392	111,943
	<u>539,427</u>	<u>558,802</u>
OPERATING PROFIT (LOSS) - MAIN CLUB	<u>(71,088)</u>	<u>(303,430)</u>
RESULTS ON OPERATION OF SUBSIDIARY CLUBS		
Net loss	<u>(7,405)</u>	<u>(7,469)</u>
	<u>(7,405)</u>	<u>(7,469)</u>
OPERATING PROFIT (LOSS)	<u>(78,493)</u>	<u>(310,899)</u>

CASINO GOLF CLUB
A.C.N. 000 471 803
INCOME & EXPENDITURE STATEMENT FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
BAR TRADING STATEMENT			
Sales		813,883	658,702
Less: Cost of Sales			
Opening Stock		40,493	51,133
Purchases		349,562	283,785
		390,055	334,918
Less: Closing Stock		42,121	40,463
Cost of Sales		347,934	294,455
Gross Profit Before Direct Expenses - Bar		465,949	364,247
PACKAGE/BOTTLE TRADING			
Sales		476,444	480,251
Less: Cost of Sales			
Opening Stock		42,978	41,123
Purchases		382,024	397,849
		425,002	438,972
Less Closing Stock		44,054	42,978
Cost of Sales		380,948	395,994
Gross Profit Before Direct Expenses - Bottle		95,496	84,257
POKER MACHINE TRADING STATEMENT			
Income			
Gross Receipts		723,491	558,665
GST Subsidy		17,180	17,180
Gross Income		740,671	575,845
Less: Direct Expenses			
Depreciation		138,166	107,496
Monthly Reporting		14,985	28,498
Repairs and other		44,034	15,289
Salaries and wages		18,000	18,000
		215,185	169,283
GROSS PROFIT - POKER MACHINES		525,486	406,562
GROSS PROFIT - CLUBHOUSE OPERATIONS		1,086,931	855,066
Less: Direct Expenses - Clubhouse			
Advertising and Promotions, Entertainments and Social events		224,339	165,297
Bar, TAB, Keno and Cleaning Wages		276,145	288,849
Cleaning and Laundry		65,920	66,759
Depreciation		31,028	29,323
Electricity		76,820	81,546
Repairs and Sundries		44,411	50,912
Superannuation		31,266	22,993
		749,929	705,679
NET PROFIT CLUBHOUSE OPERATIONS		337,002	149,387

CASINO GOLF CLUB
A.C.N. 000 471 803

INCOME & EXPENDITURE STATEMENT FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
COURSE TRADING STATEMENT		
Income		
Course Levy & Cart Levy	100,580	74,091
Fuel Rebate	2,347	3,204
Green fees and Competition fees	136,943	134,031
Members Subscriptions	109,170	101,143
Sponsorship (does not include Trophies donated)	11,214	8,711
Sundry income	16,370	15,385
	<u>376,624</u>	<u>336,565</u>
Less: Direct Expenses		
Advertising	8,307	12,120
Affiliation	18,817	34,101
Computer costs	7,306	9,588
Course upkeep costs	26,316	31,977
Depreciation	48,710	57,462
Fuel and Oil	11,812	11,140
Insurances	18,213	16,479
Professional Commission	26,115	25,017
Rent and Lease	12,718	18,579
Sundry	7,370	5,096
Superannuation	15,414	13,130
Trophies and competition costs	29,852	40,251
Wages	173,819	171,053
	<u>404,769</u>	<u>445,993</u>
Course Trading Loss	<u>(28,145)</u>	<u>(109,428)</u>

MEMBERSHIP

	2019	2018
MEMBERS:		
Life Members	5	5
Ordinary	359	362
Junior	4	2
Honorary	6	5
SOCIAL GOLFERS	22	18
SOCIAL MEMBERS	1,703	1,597
	<u>2,099</u>	<u>1,989</u>

MAJOR EVENT WINNERS

Ongmac Trading Club Championship:

Club Champion	Riley Taylor
"A" Grade	Justin Northfield
"A" Reserve	Htin Kyaw
"B" Grade	Len Lawlor
"C" Grade	Terry Llewellyn

Club Championship - nett winners

"A" Grade	John Quirk
"A" Reserve	Benjamin Leeson
"B" Grade	Noel Urane
"C" Grade	Stephen Humphrys

Lady Champion - Div 1

- Div 2	Nora Viel
- Div 3	Loretta Transton

Lady Championship Nett - Div 1

- Div 2	Jean Ellis
- Div 3	Nora Viel

Ladies Foursome

Naggers Cup

Hudson Donnelly Mixed Day

Digger Roberts Jug

Michael Cup

Match Play Championships - Ladies Div 1

Match Play Championships - Ladies Div 2

Match Play Championships - Ladies Div 3

Veteran Champion - Ladies

Veteran Champion

Junior Champion

Bardwell Ellis

Match Play Championships - A Grade

Match Play Championships - A Reserve

Match Play Championships - B Grade

Match Play Championships - C Grade

Alex Armstrong 4 ball knockout

Northern NSW Forestry Services Vardon-Men

Mixed Foursomes

Mulherin Schier Spring Cup

Kyogle v Casino - Ladies

Lismore v Casino - Ladies

Interclub Teams Event - Ladies

Mens Newstead Automative Beef Week Cup

Ladies Medal - Div 1

Ladies Medal - Div 2

Ladies Medal - Div 3

Ladies Captains Trophy

Ladies Presidents Trophy

Linda Dean and Janet Halliday

Wayne Underhill and Judy Karam

Col and Janelle Godfrey

Kyogle

Casino and Lismore - square

Nora Viel

Roanne Lenton

Kay Clapham

Margaret King

John Quirk

Brielle Wenham

Ballina

John Riggall

Trevor Wood

Peter O'Brien

Terry Llewellyn

Michael Greentree, Stephen Nelson

Russell Charlton

Mark and Jackie Bratti

Mick Montgomery

Kyogle

Casino

Casino

Justin Doughty

Linda Dean

Kay Clapham

Dorothy Willis

Judith McHugh

Margaret King