

# CASINO GOLF CLUB

A.C.N. 000 471 803

## 2012

### 49th ANNUAL REPORT

**Notice is hereby given that the Annual General Meeting of the Company will be held at the Casino Golf Club on Tuesday, 25 September, 2012, commencing at 7:00pm**

#### **DIRECTORS:**

President: M.J. OLIVE  
Vice President: M.J. GREENTREE  
Captain: D.F. WYATT  
Treasurer: I.R. WOTHERSPOON  
Directors: A.B. CAMPBELL, G. CARROLL, I.J. ELKERTON,  
G.J. HUMPHRIES, M.Y. McDOWELL  
Secretary Manager: W.W. MORGAN

#### **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, 2012.
- (3) To declare the ballot for election of Executive Officers and Committee for 2012/2013.
- (4) To set allowances and benefits for Directors for 2012/13.
- (5) To consider, and if thought fit, pass as a special resolution.  
"That Tess Croke be made a life member of Casino Golf Club."
- (6) To consider and, if thought fit, pass as a special resolution:  
"That paragraph 72 of the Constitution be deleted and in its place, insert:  
72. Financial, Auditor's and Directors Reports shall be made available to members in accordance with statutory requirements."

As an explanation and not part of the proposed resolution, a member may elect to receive a copy of the reports in paper or electronic form and may elect that the request to receive reports is for one year or is to cover future years.

- (7) General Business

## CASINO GOLF CLUB PRESIDENT'S REPORT

It gives me great pleasure to present the Casino Golf Club annual report for 2011/12.

This year was a time to be responsible on the expenditure side and most projects have been put on hold. We have started a solar project that will save the club up to 20% of its power costs next year.

The club also started to upgrade the toilet area and this will be in use in the near future.

I would like to thank the bar staff, permanent and casuals for their support during the year providing good service and it appears as though the bus run is bringing a number of new patrons to the club.

Once again we had a number of volunteers that helped run Bingo, Morning Melodies, and also run Raffles for charity or to help fund their sport. The volunteers outside on the course continued to make the day out more enjoyable even if the golf was a little hard.

The green staff lost a good friend and colleague John Temple during the year and extra casual workers helped when necessary for mowing. This was a very wet year and we had a lot of days when the fields were affected by a very heavy track. The course is still in good order and our staff is to be congratulated for giving us the chance to play.

I am pleased to inform you that we made a small profit year ending and I am hopeful that better times are ahead. This year we changed the subscriptions to end of June, hoping that this will help with family budgets.

Capital Expenditure in the year was on:

5 new poker machines and four game upgrades	\$136,724
Point of sale terminal	\$3,320
Photocopier and computer	\$2,904
Zipscreen blinds and partitions	\$3,180
Airconditioning (bar) and air curtain	\$9,918
Wall partition	\$1,714
Wire Turf brushes	\$4,200
Kitchen plant	\$1,743
Other	\$766
	<hr/> <u>\$164,469</u>

I would like to thank all of the committee for their support during the year and especially understanding how important it was to be conservative with spending. We were well supported by Wayne and Roanne in providing opportunities to better manage the club.

The biggest change this year was to see Denors end their term as caterers and I thank Nora and Denise for their great food and support for the club during their term.

We now have a new young chef Mario Scholl and his wife and the number of new members indicates he has a good following. I wish Mario and Brenda well in the coming years as our caterers.

I thank all our committees, women, social, and vets for running their respective competitions very well and providing good support to the club.

The Casino Golf Club is very fortunate to have many generous supporters providing great trophies each week and on behalf of the members I thank all our Sponsors and wish them well in their own businesses.

Malcolm Olive  
President

## CAPTAIN'S ANNUAL REPORT 2012

16 Players travelled to Kyogle to contest the Digger Roberts Cup which was won by Casino. Unfortunately only 40 players in total on the day which in my opinion is an indication of the difficult future ahead for the Kyogle Golf Club.

Lismore visited Casino to contest the Michael Cup. Unfortunately the return match had to be Cancelled due to the lack of interest from Casino members. The 17th of April was the Vets open day which was well supported by 140 players from most clubs in the Northern Rivers, and the day was well run by the Casino Vets.

Unfortunately bad weather and the condition of the course forced me to postpone the first 2 rounds of the club championship. The championships were finally completed with the 2012 club champion being Scott Thompson after a torrid battle with Brad McLennan and Mark Bratti.

Riley Taylor was the clubs Junior Champion. Riley while only 13 years old has reduced his handicap from 13 to 4 in the last 12 months which is a great effort. He was selected for the Academy of Sport and was a member of the North Coast Squad. He has also played in Junior championships at Wollongong, South West Rocks, Ocean Shores and Yamba and from all reports has represented the Casino Golf Club well. Riley also made the "A" Grade match play event which saw him take on Mark Bratti which Mark won on the 19th. It was quite a funny sight to see the 2 walking down the fairway together. Riley has had great support from his parents and the Casino Junior Club and I hope he continues the hard work (I see him out here most afternoons practicing) and also hope he has further success in the future.

The ladies club champion was also played with the winner being Jacki Bratti from Teagan Hancock and I think we can expect many more close contests between them in the future.

Casino fielded 2 Pennant teams with the number 2 team making the finals. I would like to congratulate all the players in both teams for having a go and hope we will have more teams next year.

All male members handicaps are to be reviewed using the guidelines provided by NSW Golf.

A proposal was put to the Vets to extend their tee off times which would have allowed an extra 10-20 members to play on Tuesday afternoons in the Vets competition. Knowing how an extra 10-20 players each week would enhance the viability of the Casino Golf Club it was extremely disappointing for this proposal to be rejected by the vets.

The Ladies, Vets and Social Clubs have had their fees adjusted to reflect the same green fees, course maintenance fees, and water levy fees as male members. I would like to thank these clubs for their co-operation and understanding in this matter.

Being new to the job I would like to thank my fellow directors for their support and in particular Grahame for without his help I would not have survived.

Dennis F Wyatt  
Club Captain

## TREASURER'S REPORT

Over the last five years the club has faced a tougher operating environment with the introduction of anti smoking laws and politicians' focus on the gaming industry.

Two extremely wet summers and tightening household budgets have also caused downturns in trade.

While the Committee has always paid close attention to our financial position and spending, we have over the last year had to take additional steps. We have

- Reviewed rosters and casual staff positions;
- Revised prices of bar products and competitions;
- Sought out functions and other income generating opportunities;
- Renegotiated supply contracts;
- Undertaken quarterly reviews of operating results with meetings attended by the President, Treasurer, Secretary Manager, Club Accountant and Auditor;
- Closely monitored operating results and budgets.

Your committee, the Secretary Manager and staff have always been pro-active in addressing challenges facing the Club and with the support of members, work hard to maintain and improve the sporting and leisure experience we provide.

Ian Wotherspoon  
Treasurer

**CASINO GOLF CLUB**

**A.C.N. 000 471 803**

**Financial Report for the Year Ended 30 June 2012**

**DIRECTORS' REPORT**

Your directors present this report on the company for the financial year ended 30 June 2012.

**Directors**

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

Andrew Campbell  
Geoff Carroll  
Ian Elkerton  
Michael Greentree (Appointed 27 September 2011)  
Grahame Humphries  
Greg Martin (Resigned 27 September 2011)  
Myles McDowell  
Malcolm Olive  
Glen Ross (Resigned 27 September 2011)  
Greg Ryan (Resigned 27 September 2011)  
Ian Wotherspoon  
Dennis Wyatt

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 2012**

**DIRECTORS' REPORT**

**Information on Directors**

**Andrew Campbell**

Qualifications	—	Police Officer (Retired)
Experience	—	Director of the Club for three years
Special Responsibilities	—	House Committee

**Geoff Carroll**

Qualifications	—	Council Worker
Experience	—	Director of the Club for fifteen years
Special Responsibilities	—	House Committee

**Ian Elkerton**

Qualifications	—	School Teacher (Retired)
Experience	—	Director of the Club for thirty six years
Special Responsibilities	—	Greens Committee, Match Committee

**Michael Greentree**

Qualifications	—	Business Owner
Experience	—	Director of the Club for five years
Special Responsibilities	—	Vice President, Greens Committee, Finance Committee

**Grahame Humphries**

Qualifications	—	Retired
Experience	—	Director of the Club for twenty one years
Special Responsibilities	—	Handicapper, Match Committee

**Myles McDowell**

Qualifications	—	Logistics Clerk
Experience	—	Director of the Club for two years
Special Responsibilities	—	Vice Captain, Match Committee

**Malcolm Olive**

Qualifications	—	Grazier
Experience	—	Director of the Club for eighteen years
Special Responsibilities	—	President, Finance Committee, Greens Committee

**Ian Wotherspoon**

Qualifications	—	Finance Manager
Experience	—	Director of the Club for two years
Special Responsibilities	—	Treasurer, House & Greens Committee

**Dennis Wyatt**

Qualifications	—	Retired
Experience	—	Director of the Club for twelve years
Special Responsibilities	—	Club Captain, Match Committee

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

**Financial Report for the Year Ended 30 June 2012**

**DIRECTORS' REPORT**

**Meetings of Directors**

During the financial year, 12 ordinary and 2 special meetings of directors were held. Attendances by each director were as follows:

	Directors Meetings		Special Meetings	
	No eligible to attend	Number attended	No eligible to attend	Number attended
Andrew Campbell	12	10	2	1
Geoff Carroll	12	12	2	2
Ian Elkerton	12	11	2	1
Michael Greentree	10	10	2	2
Grahame Humphries	12	11	2	2
Greg Martin	2	2	0	0
Myles McDowell	12	8	2	2
Malcolm Olive	12	12	2	2
Glen Ross	2	2	0	0
Greg Ryan	2	2	0	0
Ian Wotherspoon	12	12	2	2
Dennis Wyatt	12	11	2	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 2012, the total amount that members of the company are liable to contribute if the company is wound up is \$35,620 (2011: \$35,640).

**Auditor's Independence Declaration**

The auditor's independence declaration for the year ended 30 June 2012 has been received and can be found following this report.

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

Director

\_\_\_\_\_  
M.J. Olive

Director

\_\_\_\_\_  
M.J Greentree

Dated this

\_\_\_\_\_  
13th

day of

\_\_\_\_\_  
August

2012

**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 2012 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

Alan Schier

Registered Company Auditor 3694

Date 13th August 2012

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 2012**

	Note	2012 \$	2011 \$
Revenue - Government grants	2	0	7,000
Other income	2	2,410,777	2,480,985
Employee benefits expense	3	(616,512)	(617,743)
Depreciation and amortisation	3	(267,046)	(290,554)
Finance costs	3	(24,946)	(40,543)
Repairs, maintenance and vehicle running expense		(115,174)	(80,937)
Fuel, light and power expense		(111,123)	(105,857)
Rental expense		(20,050)	(12,672)
Training expense		(4,050)	(1,117)
Audit, legal and consultancy expense		(15,055)	(18,541)
Administration expenses		(53,417)	(96,533)
Cost of goods sold		(809,999)	(894,598)
Other expenses		(358,333)	(331,235)
<b>Profit (Loss) Main club</b>		<u>15,072</u>	<u>(2,345)</u>
Net loss on operation of subsidiary clubs - refer page 23		(2,327)	(10,781)
Profit (Loss) before income tax		12,745	(13,126)
Income tax expense	1j	0	0
<b>Profit (Loss) after income tax - Total Comprehensive Income</b>		<u>12,745</u>	<u>(13,126)</u>

The accompanying notes form part of these financial statements.

**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2012**

	Note	2012 \$	2011 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	528,906	394,851
Trade and other receivables	5	20,011	23,334
Inventories	6	96,244	107,027
Other current assets	7	25,863	24,410
Financial asset	8	9,193	6,732
<b>TOTAL CURRENT ASSETS</b>		<u>680,217</u>	<u>556,354</u>
<b>NON-CURRENT ASSETS</b>			
Financial assets	8	750	750
Property, plant and equipment	9	2,516,712	2,611,427
Intangible assets	10	46,315	62,515
Other Non-Current Asset	7	120,855	0
<b>TOTAL NON-CURRENT ASSETS</b>		<u>2,684,632</u>	<u>2,674,692</u>
<b>TOTAL ASSETS</b>		<u>3,364,849</u>	<u>3,231,046</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	305,018	222,063
Borrowings	12	99,811	73,831
Short term provisions	13	104,373	104,971
<b>TOTAL CURRENT LIABILITIES</b>		<u>509,202</u>	<u>400,865</u>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	12	342,072	329,351
Long term provisions	13	0	0
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>342,072</u>	<u>329,351</u>
<b>TOTAL LIABILITIES</b>		<u>851,274</u>	<u>730,216</u>
<b>NET ASSETS</b>		<u>2,513,575</u>	<u>2,500,830</u>
<b>EQUITY</b>			
Retained Earnings		2,513,575	2,500,830
<b>TOTAL EQUITY</b>		<u>2,513,575</u>	<u>2,500,830</u>

The accompanying notes form part of these financial statements.

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

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2012**

	<b>Retained Earnings</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
<b>Balance at 1 July 2010</b>	2,513,956	2,513,956
Comprehensive income		
Profit (Loss) attributable to the entity for the year to 30 June 2011	(13,126)	(13,126)
<b>Balance at 30 June 2011</b>	<u>2,500,830</u>	<u>2,500,830</u>
Comprehensive income		
Profit attributable to the entity for the year to 30 June 2012	12,745	12,745
<b>Balance at 30 June 2012</b>	<u><u>2,513,575</u></u>	<u><u>2,513,575</u></u>

The accompanying notes form part of these financial statements.

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2012**

	Note	2012	2011
		\$	\$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Receipts from customers		2,643,438	2,761,226
Payments to suppliers and employees		(2,375,427)	(2,476,890)
Interest received		10,881	11,111
Finance costs paid		(24,946)	(40,543)
Net cash generated from operating activities	19(b)	<u>253,946</u>	<u>254,904</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant and equipment		8,338	0
Payment for property, plant and equipment		(164,469)	(95,627)
Net cash (used in) investing activities		<u>(156,131)</u>	<u>(95,627)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Borrowings raised		133,504	0
Repayment of borrowings		(94,803)	(182,708)
Net cash generated from (used in) financing activities		<u>38,701</u>	<u>(182,708)</u>
<b>Net increase (Decrease) in cash held</b>		136,516	(23,431)
Cash and cash equivalents at the beginning of the financial year		401,583	425,014
Cash and cash equivalents at the end of the financial year	19(a)	<u><u>538,099</u></u>	<u><u>401,583</u></u>

The accompanying notes form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012**

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.

**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.

The financial statements were authorised for issue on 13th August 2012 by the directors of the company.

**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 or fair values as indicated, 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.

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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012**

**Note 1: Statement of Significant Accounting Policies**

**Depreciation**

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

<b>Class of Fixed Asset</b>	<b>Depreciation Rate</b>
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 2012**

**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 assets 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 and Cash Equivalents**

Cash and cash equivalents 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 impairment losses and 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 2012

**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**

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the company. The company has decided not to early adopt any of the new and amended pronouncements. The company's assessment of the new and amended pronouncements that are relevant to the company but applicable in future reporting periods is set out below:

AASB 9: Financial Instruments [December 2010] and AASB 20107: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) (applicable for annual reporting periods commencing on or after 1 January 2013).

These standards are applicable retrospectively and include revised requirements for the classification and measurement of financial instruments, as well as recognition and derecognition requirements for financial instruments.

The standard is not expected to impact the Company.

AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 20102: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050 & 1052 and Interpretations 2, 4, 5, 15, 17, 127, 129 & 1052] (applicable for annual reporting periods commencing on or after 1 July 2013).

AASB 1053 establishes a revised differential financial reporting framework consisting of two tiers of financial reporting requirements for those entities preparing general purpose financial statements:

- Tier 1: Australian Accounting Standards; and
- Tier 2: Australian Accounting Standards – Reduced Disclosure Requirements.

Tier 2 of the framework comprises the recognition, measurement and presentation requirements of Tier 1, but contains significantly fewer disclosure requirements.

Since the company is a not-for-profit private sector entity, it qualifies for the reduced disclosure requirements for Tier 2 entities. It is anticipated that the company will take advantage of Tier 2 reporting at a later date.

AASB 20108: Amendments to Australian Accounting Standards Deferred Tax: Recovery of Underlying Assets (applied to periods beginning on or after 1 January 2012).

This Standard makes amendments to AASB 112: Income Taxes and incorporates Interpretation 121: Income Taxes Recovery of Revalued Non-Depreciable Assets into AASB 112.

AASB 10 replaces parts of AASB 127 [March 2008, as amended] and Interpretation 112: Consolidation Special Purpose Entities. AASB 10 provides a revised definition of control and additional application guidance so that a single control model will apply to all investees. This Standard is not expected to impact the company.

AASB 11 replaces AASB 131: Interests in Joint Ventures (July 2004, as amended). AASB 11 requires joint arrangement to be classified as either joint operations or joint ventures. This Standard is not expected to impact the company.

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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012**

**Note 1: Statement of Significant Accounting Policies**

**o. New Accounting Standards for Application in Future Periods**

AASB 12 contains the disclosure requirements applicable to entities that hold an interest in a subsidiary, joint venture, joint operation or associate. This Standard will not significantly impact the company.

To facilitate the application of AASBs 10, 11 and 12, revised versions of AASB 127 and AASB 128 have also been issued. These Standards are not expected to significantly impact the company.

AASB 13: Fair Value Measurement and AASB 20118: Amendments to Australian Accounting Standards arising from AASB 12 (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 13 defines fair value, sets out in a single Standard a framework for measuring fair value, and requires disclosures about fair value measurement.

AASB 13 requires:

- inputs to all fair value measurements to be categorised in accordance with a fair value hierarchy; and
- enhanced disclosures regarding all assets and liabilities (including, but not limited to, financial assets and financial liabilities) measured at fair value.

These Standards are not expected to significantly impact the company.

AASB 20119: Amendments to Australian Accounting Standards Presentation of Items of Other Comprehensive Income (applicable for annual reporting periods commencing on or after 1 July 2012).

The main change arising from this Standard is the requirement for entities to group items presented in other comprehensive income (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently.

This Standard affects presentation only and is therefore not expected to significantly impact the company.

AASB 119: Employee Benefits [September 2011] and AASB 201110: Amendments to Australian Accounting Standards arising from AASB 119 (applicable for annual reporting periods commencing on or after 1 January 2013)

These Standards introduce a number of changes to accounting and presentation of defined benefit plans. The company does not have any defined benefit plans and so is not impacted by the amendment.

AASB 119 [September 2011] also includes changes to:

- (a) require only those benefits that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service to be classified as short-term employee benefits. All other employee benefits are to be classified as either other long-term employee benefits, post-employment benefits or termination benefits, as appropriate; and
- (b) the accounting for termination benefits that require an entity to recognise an obligation for such benefits at the earlier of:
  - (i) where for an offer that may be withdrawn when the employee accepts;
  - (ii) where for an offer that cannot be withdrawn when the offer is communicated to affected employees; and
  - (iii) where the termination is associated with a restructuring of activities under AASB 137 and if earlier than the first two conditions when the related restructuring costs are recognised.

This Standard is not expected to materially impact the company.

**CASINO GOLF CLUB**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012**

	2012	2011
	\$	\$
<b>Note 2: Revenue</b>		
Gain on Disposal of Non Current Assets	0	0
Interest Received from Corporations	10,881	11,111
Sale of Goods	1,301,186	1,356,210
Government Assistance Received - State/Federal	19,348	26,814
Gaming	697,775	728,158
Golfing Competitions	220,527	198,758
Subscriptions	105,984	102,462
Other	55,076	53,691
<b>Total Revenue</b>	<u><u>2,410,777</u></u>	<u><u>2,477,204</u></u>

**Note 3: Profit for the year**

**a. Expenses**

Cost of Sales	<u>809,999</u>	<u>894,598</u>
Depreciation and Amortisation - Property Plant and Equipment		
- buildings	86,657	81,834
- furniture and equipment	164,189	192,520
Amortisation - Intangible - Poker machine entitlements	<u>16,200</u>	<u>16,200</u>
Total Depreciation and Amortisation	<u>267,046</u>	<u>290,554</u>
Interest expense on financial liabilities not at fair value through profit or loss	<u>32,889</u>	<u>40,543</u>
Doubtful debts expense	<u>0</u>	<u>0</u>
Total Employee Benefits Expense	<u>616,512</u>	<u>617,743</u>
Rental expense on operating leases		
- minimum lease payments	17,728	11,676
- contingent rentals	<u>0</u>	<u>0</u>
Auditor Remuneration		
- audit	14,300	15,600
- other services	<u>0</u>	<u>0</u>
Total Audit Remuneration	<u>14,300</u>	<u>15,600</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	444,508	334,091
Cash on hand	84,398	60,760
Total cash and cash equivalents in the statement of financial position	<u><u>528,906</u></u>	<u><u>394,851</u></u>

**Note 5: Trade and Other Receivables**

CURRENT		
Trade receivables	20,011	23,334
Provision for impairment of receivables	5(i) 0	0
	<u>20,011</u>	<u>23,334</u>
Other receivables	0	0
	<u><u>20,011</u></u>	<u><u>23,334</u></u>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012**

	2012	2011
	\$	\$
<b>(i) Credit Risk - Trade and Other Receivables</b>		
The company does not have any material credit risk exposure to any single receivable or group or 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.		
<b>Note 6: Inventories</b>		
CURRENT		
At cost		
Stock Held for Resale	96,244	107,027
	<u>96,244</u>	<u>107,027</u>
<b>Note 7: Other Assets</b>		
CURRENT		
Prepayments	25,863	24,410
	<u>25,863</u>	<u>24,410</u>
NON CURRENT		
Capital works under construction at Cost	120,855	0
	<u>120,855</u>	<u>0</u>
<b>Note 8: Financial Assets</b>		
CURRENT		
Term Deposit with Financial Institution at cost	9,193	6,732
	<u>9,193</u>	<u>6,732</u>
NON CURRENT		
Shares in Non-Listed Company at Cost	750	750
	<u>750</u>	<u>750</u>
<b>Note 9: Property, Plant and Equipment</b>		
LAND AND BUILDINGS		
Freehold land:		
At cost	48,028	48,028
Total land	<u>48,028</u>	<u>48,028</u>
Buildings		
At cost	2,286,121	2,284,408
Less accumulated depreciation	921,354	834,697
Total buildings	<u>1,364,767</u>	<u>1,449,711</u>
Total Land and Buildings	<u>1,412,795</u>	<u>1,497,739</u>
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	2,864,092	2,775,119
Less accumulated depreciation	1,771,163	1,676,426
	<u>1,092,929</u>	<u>1,098,693</u>
Leased Plant and Equipment		
Capitalised leased Assets	33,300	33,300
Accumulated depreciation	22,312	18,305
	<u>10,988</u>	<u>14,995</u>
Total plant and equipment	<u>1,103,917</u>	<u>1,113,688</u>
Total property, plant and equipment	<u>2,516,712</u>	<u>2,611,427</u>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012**

2012  
\$                      2011  
\$

**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
	\$	\$	\$
<b>2011</b>			
Balance at the beginning of the year	1,579,573	1,210,580	2,790,153
Additions at cost	0	95,627	95,627
Disposals	0	0	0
Depreciation expense	(81,834)	(192,519)	(274,353)
Carrying amount at end of year	<u>1,497,739</u>	<u>1,113,688</u>	<u>2,611,427</u>
<b>2012</b>			
Balance at the beginning of the year	1,497,739	1,113,688	2,611,427
Additions at cost	1,713	162,756	164,469
Disposals	0	(8,338)	(8,338)
Depreciation expense	(86,657)	(164,189)	(250,846)
Carrying amount at end of year	<u>1,412,795</u>	<u>1,103,917</u>	<u>2,516,712</u>

**Note 10: Intangible Assets**

Poker machine licences		
Cost	112,782	112,782
Accumulated amortisation	(66,467)	(50,267)
Accumulated Impairment	0	0
Net carrying value	<u>46,315</u>	<u>62,515</u>

**2011**

Balance at the beginning of the year		78,715
Additions		0
Disposals		0
Amortisation charge		(16,200)
Impairment losses		0
		<u>62,515</u>

**2012**

Balance at the beginning of the year		62,515
Additions		0
Disposals		0
Amortisation charge		(16,200)
Impairment losses		0
		<u>46,315</u>

**Note 11: Trade and Other Payables**

**CURRENT**

Trade payables	196,315	135,852
Deferred income	36,710	52,805
Other current payables	71,993	33,406
	<u>305,018</u>	<u>222,063</u>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012**

		2012	2011
		\$	\$
<b>Note 12: Borrowings</b>			
	Note		
<b>CURRENT</b>			
Chattel finance		52,857	29,093
Bank loan		46,954	44,738
		<u>99,811</u>	<u>73,831</u>
<b>NON-CURRENT</b>			
Chattel finance		69,817	64,874
Bank loan		272,255	264,477
		<u>342,072</u>	<u>329,351</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.

**Note 13: Provisions**

	Long-Term Employee Benefits	Total
	\$	\$
Opening balance at 1 July 2011	104,971	104,971
Additional provisions raised during year	39,656	39,656
Amounts used	<u>(40,254)</u>	<u>(40,254)</u>
Balance at 30 June 2012	<u>104,373</u>	<u>104,373</u>
<b>Analysis of Total Provisions</b>		
Current	104,373	104,373
Non-Current	<u>0</u>	<u>0</u>
	<u>104,373</u>	<u>104,373</u>

**Provision for Long-Term 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	14,663	4,378
- later than 12 months but not later than 5 years	11,705	7,298
- greater than 5 years	<u>0</u>	<u>0</u>
	<u>26,368</u>	<u>11,676</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. Increase in lease commitment may occur in line with CPI.

**b. Capital Commitment**

There are no commitments for capital expenditure at 30th June 2012.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012**

	2012	2011
	\$	\$
<b>Note 15: Contingent Liabilities and Assets</b>		

Estimates of the potential financial effect of contingent liabilities that may become payable:	Nil	Nil
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**Note 16: Events After the Balance Date**

The company has not, since the 30th June 2012, 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 \$
<b>2011</b>			
Total Compensation	83,343	0	83,343
<b>2012</b>			
Total compensation	85,355	0	85,355

**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) Director Myles McDowell is son of bar supervisor Mark McDowell. Mark McDowell's total remuneration is in the band \$40,000 to \$50,000.
- (b) Director Myles McDowell was paid \$1,500 for driving the Club's bus.
- (c) Director Michael Greentree is a partner in the business "Country IT" which was paid \$3,097 in the year for computer supplies and services.
- (d) During the year the club paid \$3,200 to director Grahame Humphries for handicapping and other services.

**Note 19: Cash Flow Information**

**a. Reconciliation of Cash**

Cash at bank	444,508	334,091
Deposit with financial institution	9,193	6,732
Other cash	84,398	60,760
Cash and cash equivalents - per the statement of Cash Flows	<u>538,099</u>	<u>401,583</u>

**b. Reconciliation of Cashflow from Operations with after Income Tax**

Profit/(Loss) after income tax	12,745	(13,126)
Non cash flows		
Depreciation and amortisation	267,046	290,553
Increase/(Decrease) in provisions	(598)	1,642
Changes in assets and liabilities		
(Increase)/decrease in receivable and other assets	3,323	44,113
Increase/(decrease) in trade and other payables	(37,900)	(88,975)
(Increase)/decrease in inventories	10,783	20,574
(Increase)/decrease in prepayments	(1,453)	123
Cash flows provided by operating activities	<u>253,946</u>	<u>254,904</u>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012**

	2012	2011
	\$	\$

**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 2012.

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.

Interest rate risk

Interest rate risk is managed with a mixture of fixed and floating rate debt. At 30 June 2012 approximately 28% of debt is fixed.

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 %	%
<b>Financial Assets</b>		
Cash at Bank and held to maturity Investment	2.74%	3.26%
<b>Financial Liabilities</b>		
Bank Loans	8.94%	8.70%
Finance lease	6.06%	6.80%
	Variable Interest Rate Maturing Within 1 Year	
<b>Financial Assets</b>		
Cash at Bank	444,508	334,091
Held to maturity investment	9,193	6,732
Total Financial Assets	<u>453,701</u>	<u>340,823</u>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012**

2012  
\$                      2011  
\$

**Note 20: Financial risk management**

**Financial Liability and financial asset maturity analysis**

	Within 1 year \$	1 to 5 years \$	Over 5 years \$	Total \$
<b>30 June 2012</b>				
<b>Financial liabilities due for repayment</b>				
Trade and other payables (excluding employee entitlements and deferred income)	268,308	0	0	268,308
Chattel Mortgages	52,857	69,817	0	122,674
Bank Loan	46,954	230,869	41,386	319,209
<b>Total expected outflows</b>	<u>368,119</u>	<u>300,686</u>	<u>41,386</u>	<u>710,191</u>
<b>Financial Assets - cash flows realisable</b>				
Cash & Cash Equivalents	528,906	0	0	528,906
Trade, term and loan receivables	20,011	0	0	20,011
Other investments	9,193	0	750	9,943
<b>Total anticipated inflows (2012)</b>	<u>558,110</u>	<u>0</u>	<u>750</u>	<u>558,860</u>
<b>Net (outflow) inflow on financial instruments</b>	<u>189,991</u>	<u>(300,686)</u>	<u>(40,636)</u>	<u>(151,331)</u>
<b>30 June 2011</b>				
<b>Financial liabilities due for repayment</b>				
Trade and other payables (excluding employee entitlements and deferred income)	135,852	0	0	135,852
Chattel Mortgages	29,093	64,874	0	93,967
Bank Loan	44,738	225,727	38,750	309,215
<b>Total expected outflows</b>	<u>209,683</u>	<u>290,601</u>	<u>38,750</u>	<u>539,034</u>
<b>Financial Assets - cash flows realisable</b>				
Cash & Cash Equivalents	394,851	0	0	394,851
Trade, term and loan receivables	23,334	0	0	23,334
Other investments	6,732	0	750	7,482
<b>Total anticipated inflows (2011)</b>	<u>424,917</u>	<u>0</u>	<u>750</u>	<u>425,667</u>
<b>Net (outflow) inflow on financial instruments</b>	<u>215,234</u>	<u>(290,601)</u>	<u>(38,000)</u>	<u>(113,367)</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 2012

### Note 20: Financial risk management (continued)

As at 30 June 2012, 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:

		2012	2011
		\$	\$
<b>Change in profit</b>			
- Increase in interest rate by 2%	reduces by	8,838	13,204
- Decrease in interest rate by 2%	increases by	8,838	13,204
<b>Change in equity</b>			
- Increase in interest rate by 2%	reduces by	8,838	13,204
- Decrease in interest rate by 2%	increases by	8,838	13,204

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 2012 and 30 June 2011 are as follows:

Total borrowings	441,883	403,182
less cash and cash equivalents	538,099	394,851
Net debt	0	8,331
Total equity	2,513,575	2,500,830
Total Capital	2,513,575	2,509,161
Gearing ratio	0.00%	0.33%

### 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 7 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 2012 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.

---

Malcolm Olive (Director)

Dated this \_\_\_\_\_ 13th \_\_\_\_\_ day of August 2012

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF  
CASINO GOLF CLUB**

**Report on the Financial Report**

We have audited the accompanying financial report of Casino Golf Club (the company), which comprises the statement of financial position as at 30 June 2012, the 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.

*Directors' Responsibility for the Financial Report*

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

*Auditors' Responsibility*

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

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

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

*Independence*

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Casino Golf Club, would be in the same terms if given to the directors as at the time of this auditor's report.

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF  
CASINO GOLF CLUB**

*Opinion*

In our opinion, the financial report of Casino Golf Club is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2012 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Name of firm: MULHERIN SCHIER

Name of partner: Alan Schier

Registered Company Auditor 3694

Address: 155 Centre Street, CASINO NSW 2470

Dated this 13th day of August 2012

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

**INCOME & EXPENDITURE STATEMENT FOR THE YEAR ENDED 30 JUNE 2012**

	2012	2011
	\$	\$
<b>INCOME</b>		
Bar & Packaged Trading	(115,080)	(102,826)
Golf Course Trading	(53,825)	(86,921)
Interest Received	10,881	11,111
Poker Machine Trading	521,137	534,220
Profit on sale of plant items	5,336	0
Rent Kitchen	17,000	18,200
Subscriptions - Social	8,962	2,960
Sundry Income	18,894	20,209
Keno, TAB & ATM Commission	74,246	63,931
Government Grants	0	7,000
Insurance Claims	9,964	12,748
	<u>497,515</u>	<u>480,632</u>
<b>LESS EXPENDITURE</b>		
Audit & Accountancy Fees	14,300	15,600
Bank Charges	2,858	2,649
Computer costs	5,301	5,314
Depreciation Administration	91,199	88,417
Employee Fringe Benefits	10,377	9,970
General Expenses	14,528	30,819
Insurances	38,558	39,603
Interest Expense	24,946	33,184
Keno, TAB and ATM costs	52,895	38,140
Kitchen direct costs	34,254	40,160
Officers Expense Reimbursement	11,686	12,763
Rates	6,288	10,053
Seminars, Training & Subscriptions	6,610	8,854
Stationery, Advertising, Postage and Telephone	18,314	20,835
Superannuation	12,672	9,960
Wages Administration	137,657	116,656
	<u>482,443</u>	<u>482,977</u>
<b>OPERATING PROFIT (LOSS) - MAIN CLUB</b>	<u>15,072</u>	<u>(2,345)</u>
<b>RESULTS ON OPERATION OF SUBSIDIARY CLUBS</b>		
Bingo Profit (Loss)	(6,395)	(7,245)
Junior Golfers Profit (Loss)	2,413	2,502
Lady Golfers Profit (Loss)	1,002	(5,316)
Social Golfers Profit (Loss)	80	(2,019)
Veteran Golfers Profit (Loss)	573	1,297
	<u>(2,327)</u>	<u>(10,781)</u>
<b>OPERATING PROFIT (LOSS)</b>	<u>12,745</u>	<u>(13,126)</u>

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

**INCOME & EXPENDITURE STATEMENT FOR THE YEAR ENDED 30 JUNE 2012**

	2012	2011
	\$	\$
<b>BAR TRADING STATEMENT</b>		
<b>Sales</b>	<u>847,994</u>	<u>826,905</u>
Less: Cost of Sales		
Opening Stock	46,896	50,800
Purchases	<u>420,649</u>	<u>429,172</u>
	467,545	479,972
Less: Closing Stock	<u>43,408</u>	<u>46,896</u>
Cost of Sales	<u>424,137</u>	<u>433,076</u>
<b>Gross Profit Before Direct Expenses</b>	<u>423,857</u>	<u>393,829</u>
<b>PACKAGE/BOTTLE TRADING</b>		
<b>Sales</b>	<u>453,191</u>	<u>529,305</u>
Less: Cost of Sales		
Opening Stock	56,518	69,710
Purchases	<u>379,429</u>	<u>448,330</u>
	435,947	518,040
Less Closing Stock	<u>50,086</u>	<u>56,518</u>
Cost of Sales	<u>385,861</u>	<u>461,522</u>
<b>Gross Profit Before Direct Expenses</b>	<u>67,330</u>	<u>67,783</u>
<b>Gross Profit - Bar and Package</b>	<u>491,187</u>	<u>461,612</u>
<b>Less: Direct Expenses</b>		
Advertising and Promotions	27,060	19,509
Bar and Cleaning Wages	276,404	279,640
Cleaning and Laundry	14,837	10,161
Depreciation	36,919	33,139
Electricity	90,122	81,354
Entertainment and Social Event	65,724	66,085
Repairs and Sundries	72,516	51,449
Superannuation	<u>22,685</u>	<u>23,101</u>
	606,267	564,438
<b>NET PROFIT (LOSS) Bar and Bottle</b>	<u>(115,080)</u>	<u>(102,826)</u>
<b>POKER MACHINE TRADING STATEMENT</b>		
<b>Income</b>		
Gross Receipts	630,295	666,758
GST Subsidy	<u>15,618</u>	<u>15,618</u>
Gross Income	<u>645,913</u>	<u>682,376</u>
<b>Less: Direct Expenses</b>		
Amortisation Cost of Poker Machine Licences	16,200	16,200
Depreciation Poker Machines	58,154	75,291
Monthly Reporting	12,543	11,201
Repairs and other	29,479	27,464
Salaries and wages	<u>8,400</u>	<u>18,000</u>
	124,776	148,156
<b>GROSS PROFIT - POKER MACHINES</b>	<u>521,137</u>	<u>534,220</u>

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

**INCOME & EXPENDITURE STATEMENT FOR THE YEAR ENDED 30 JUNE 2012**

	2012	2011
	\$	\$
<b>COURSE TRADING STATEMENT</b>		
<b>Income</b>		
Course Levy & Cart Levy	60,856	41,646
Fuel Rebate	3,730	4,196
Green fees and Competition fees	139,538	144,498
Members Subscriptions	97,022	99,502
Pro Am Sponsorship	11,173	11,834
Sponsorship	7,583	10,689
Sundry income	3,829	872
	<u>323,731</u>	<u>313,237</u>
<b>Less: Direct Expenses</b>		
Advertising	5,374	9,386
Affiliation	10,457	10,269
Computer costs	2,274	1,824
Course upkeep costs	34,579	29,150
Depreciation	62,670	70,104
Fuel and Oil	14,096	14,193
Insurances	6,963	6,423
Pro Am Costs	10,371	10,000
Professional Commission	26,215	32,211
Equipment Finance Interest	7,943	7,359
Rent and Lease	12,107	12,672
Sundry	14,793	4,561
Superannuation	10,216	12,889
Trophies and competition costs	37,836	39,873
Wages	121,662	139,244
	<u>377,556</u>	<u>400,158</u>
<b>Course Trading Loss</b>	<u>(53,825)</u>	<u>(86,921)</u>

## MEMBERSHIP

	2012	2011
MEMBERS:		
Life Members	5	6
Ordinary	300	300
Junior	5	7
Honorary	2	2
SPORTS/COUNTRY MEMBERS	48	35
SOCIAL GOLFERS	16	30
SOCIAL MEMBERS	1,405	1,402
	1,781	1,782

## MAJOR EVENT WINNERS

Ongmac Trading Club Championship:	
Club Champion.....	S. Thomson
"A" Reserve.....	D. Kennedy
"B" Grade.....	G. O'Leary
"C" Grade.....	A. Shaw
Club Championship - nett winners	
"A" Grade.....	M. Bratti
"A" Reserve.....	N. Gillett
"B" Grade.....	T. O'Brien
"C" Grade.....	S. Hogan
Lady Champion - Div 1.....	
- Div 2.....	J. Bratti
- Div 3.....	R. Kinsley
Lady Championship Nett - Div 1.....	
- Div 2.....	L. Porter
- Div 3.....	J. Bratti
Ladies Foursome.....	
Naggers Cup.....	J. Bratti & T. Hancock
Hudson Donnelly Mixed Day.....	J. & M. Bratti
Digger Roberts Jug.....	D. Eastment & J. Anderson
Michael Cup.....	Casino
Match Play Championships - Ladies Div 1.....	Not Played
Match Play Championships - Ladies Div 2.....	N/A
Match Play Championships - Ladies Div 3.....	L. Vagne
Veteran Champion - Ladies.....	N/A
Veteran Champion.....	N/A
Junior Champion.....	T. Wood
Bardwell Ellis.....	R. Taylor
Mens Foursome.....	Ballina (2011)
Match Play Championships - A Grade.....	S. Thomson & L. Bodley
Match Play Championships - A Reserve.....	N/A
Match Play Championships - B Grade.....	N. Kinsley
Match Play Championships - C Grade.....	N/A
Alex Armstrong 4 ball knockout.....	N/A
JD Fabrication Vardon-Men.....	M. McDowell & R. Wells (2011)
Claude Viel Vardon - Womens.....	Andrew Fulwood (2011)
Mixed Foursomes.....	N/A
Mulherin Schier Spring Cup.....	K. Fraser & W. Jackson
Kyogle v Casino - Ladies.....	M. McDowell (2011)
Lismore v Casino - Ladies.....	Casino
Interclub Teams Event - Ladies.....	Casino - 2011
	Ballina