

**COROWA GOLF CLUB LTD**  
**ABN: 59 001 071 110**  
**ANNUAL REPORT**

**30 September 2014**

**COROWA GOLF CLUB LTD  
ABN: 59 001 071 110  
ANNUAL REPORT**

For the year ending 30<sup>th</sup> September, 2014

**NOTICE TO ALL MEMBERS**

Notice is hereby given that the Annual General Meeting of the Corowa Golf Club Limited will be held at the Registered Office, The Clubhouse, South Corowa on Monday, 15<sup>th</sup> December, 2014 at 7.30 pm.

**AGENDA**

1. To confirm the Minutes of the Annual General Meeting of the Corowa Golf Club Limited on 9<sup>th</sup> December, 2013
2. To receive and consider the Financial Reports of the Directors. PLEASE NOTE would members with questions regarding financial statements please submit them in writing to the Secretary Manager seven (7) days prior to the meeting.
3. To receive and consider the Financial Reports and Auditors' Report.
4. Declaration of the ballot for the Election of the Board of Directors 2014/2015 year.
5. General Business for the consideration of the incoming Board.

Corowa NSW  
Board  
18<sup>th</sup> November 2014

By Order of the  
  
Robert Boyd  
Secretary/CEO

**BOARD OF DIRECTORS**

**PRESIDENT**

**Mr S. Rodway**

**VICE-PRESIDENT**

**Mr D. Rosser**

**TREASURER**

**Mr G. Martin**

**CAPTAIN**

**Mr R. Bradford**

**VICE-CAPTAIN**

**Mr A. Nicol**

**DIRECTORS**

**Mr D. Ward, Mrs A. McNamara, Mr B. Glare, Mr G. Witherden**

**CEO**

**Mr R. Boyd**

**MATCH COMMITTEE**

**S. Rodway (C), D. Ward, G. Witherden, R. Bradford, A. Nicol, R. Rowe (Club Professional), B. McLean (Ladies Captain), J. Taylor**

**GREENS/WATER COMMITTEE**

**S. Rodway (C), A. McNamara, D. Harvey (Course Superintendent), J. Taylor, A. Nicol**

**MEMBERSHIP**

**R. Bradford**

**JUNIOR PROMOTIONS**

**R. Rowe**

**MDGA DELEGATE**

**A. Nicol**

**LADIES COMMITTEE**

**PRESIDENT**

**J. Lawler**

**VICE PRESIDENT**

**G. Handberg**

**CAPTAIN**

**B. McLean**

**HANDICAP MANAGER**

**E. King**

**SECRETARY**

**A. Nicol**

**HONORARY TREASURER**

**S. Lewis**

**COMMITTEE**

**E. King, S. Patton, M. Pritchard, M. Jeeves, M. Playford, L. Sargood**

**LADIES MATCH COMMITTEE**

**B. McLean (C), E. King, G. Handberg, S. Patton, A. Nicol**

**AUDITORS**

**Salisbury Audit Services Pty Ltd**

**GOLF PROFESSIONAL**

**Robert Rowe**

**COURSE SUPERINTENDENT**

**Darren Harvey**

## PRESIDENTS REPORT

We had quite an interesting year. Two criminal break-ins cost us \$75,000 in excess insurance. In this tight economic climate with all internet gambling holding sway, our poker machine takings were well down on last year.

On the upside we have just put in place a satellite watering system which will save us in water usage and time taken for operation. Thanks to Ringwood Golf Club for donating 4 satellite boxes, thanks also to Tocumwal Golf Club for donating additional systems. The air-conditioning system is now working well after repair and proper maintenance. A new security upgrade took place with new cameras, all doors re-keyed, new base station and new security firm hired. A 'Glycol' beer system was installed at a cost of \$30,000 this meant better, cooler beer and pipe cleaning only once a month instead of every week with a large reduction in beer wastage. A new beer contract was signed with Lion Nathan. A club courtesy bus was bought for \$39,000, this will save the club \$1000 per month with people putting into the donation box which will cover insurance and running costs. During the year we sold six poker machine entitlements. The club also updated and bought new poker machines. Hiring part of the sporting complex gave us \$75 a week, new social members and more people moving around the club.

Norman and Grant McLeod became our new caterers and appear to be doing well. We wish them luck in their new venture.

On appealing both our general and crown land valuation I am pleased to report that our council rates have gone from \$11,901 to \$4020 a saving of \$7881.00, Crown land rates have been reduced to \$25,616 from \$49,020, a saving of \$23,404. All of this appeal work was carried out by RICHARD SARGOOD. The club owes him a great deal of thanks for this and his weeks of work on the water cart with the dam. We now have photos of our two famous long serving members with their achievements up in the club hallway- thanks goes to all those involved in this concept.

Thanks to MICK KELLY for his donation of the defibrillator in memory of Pat Kelly.

Thanks to all those who helped in the Club's clean up of store rooms and offices. Thanks to the group of Friday volunteers for their excellent work maintaining the gardens.

Thanks to DOUG WARD for installing cameras in his own time. Special thanks to DI CORNELIUS for keeping the office going with JO PAVEY away. Thanks to all the office staff for their efforts during the year. This goes the same for all the bar staff and cleaners. To DARREN HARVEY and his staff thanks again for a job well done. The weather was kind to us as well but the course was at its brilliant best all year.

A special thank you also to MALCOLM MCLEAN for all his time and effort put into supplying all our financial information to ourselves and our auditor ROB SALISBURY.

The \$100,000 borrowed from the R.S.L for the roof panels was paid back.

Most of our pumps for irrigation are well over 40 years old. We have an ideal opportunity of getting Yarrowonga Golf Club pumps for \$12,000. As President, I have appealed to members and visitors of the Club and course to pledge what they can to purchase these. To date of writing, the result has been pleasing. If you love your course please put in what you can afford, any amount is greatly appreciated.

Lastly we hired our new Manager ROB BOYD last year and he has brought his vast experience to bear on this club and instituted new programs, reduced costs related to air conditioning charges, electricity charges and gas charges. He has also, with the Boards help, installed many new items around the club. Thanks ROB.

Thanks to all the Board members that put in a lot of work last year especially the committee chairpersons like the captain ROGER and DAMIEN who also did outstanding work in raising sponsorship money. Thanks also to all members of the club for supporting us and have a Happy Christmas and prosperous New Year

STEVE RODWAY  
CLUB PRESIDENT  
23/10/2014

## TREASURER'S REPORT

2013/14 was another difficult trading year for the club, punctuated by 3 break-ins to the club which resulted in damage to several of the club's poker machines and club property.

The final result shows an underlying loss of \$153,606 compared to last year's loss of \$94,961, an increased loss of \$58,645.

After adding non-operating income of \$385,393 (sale of poker machine entitlements of \$80,000 and insurance recoveries of \$205,393) less depreciation of \$233,283, this resulted in a net loss of \$1,496, compared to a net loss of \$270,524 for 2012/13, as summarised below

	2014	2013	Increase	%
Ongoing Business				
- Trading Income	2,252,987	2,240,727	12,260	0.55%
- Expenses	2,406,593	2,335,688	70,905	3.04%
Total Underlying Loss	(153,606)	(94,961)	(58,645)	
Non operating income	385,393	46,760	338,633	
Deprecation	(233,283)	(222,323)	(10,960)	
Net Loss	(1,496)	(270,524)	261,060	

Trading income of \$2,529,992 was pretty much in line with last year over most areas of revenue, with an overall increase of 0.45%. The largest increase was 18.3% on the Course due to tournament, levy and sponsorship income. The largest reduction was a 24.9% drop in gaming, some of which can be blamed on the break-ins during October & December 2013. The gaming revenues for the rest of the year however are disappointing and despite new machines and games, our poker machine installation continues to underperform.

Trading Income	2014	2013	Increase	%
Bar	627,088	611,738	15,350	2.5%
Motel	323,925	302,545	21,380	7.1%
Gaming	569,409	758,130	(188,721)	(24.9%)
Course (Excluding Subs)	574,851	485,905	88,946	18.3%
Subscriptions	254,372	225,567	28,805	12.8%
Kitchen Lease	18,099	12,903	5,196	40.3%
Other Income	162,247	121,759	40,488	33.3%
Total Trading Income	2,529,992	2,518,547	11,445	0.45%

Total expenses of \$2,683,598 were an increase of 2.68% on last year. There was a reduction in promotions and utilities, however this reduction was offset by increases in cost of goods sold, staff costs, maintenance, gaming licences and leasing/renting of poker machines.

A summary of major categories of expenditure is as follows;

Expenses	2014	2013	Increase	%
Staff Costs	1,151,420	1,089,335	62,085	5.7%
Promotion	232,693	242,710	(10,017)	(4.1%)
Maintenance	262,698	257,665	5,033	1.9%
Utilities	219,777	288,532	(68,755)	(23.8%)
Taxes & Rates	169,176	141,998	27,178	19.1%
Financial Services	129,640	114,984	14,656	12.7%
Other Expenses	241,189	200,464	40,725	20.3%
Total Expenditure	2,406,593	2,335,688	70,905	3.04%

Looking forward to 2014-15, the club needs to focus on moving from an underlying loss of (\$153,606), to an underlying profit of around \$50,000 to cover on-going borrowing repayments for 2014-15. This will require a turn-around of at least \$200,000.

The newly installed solar system has significantly reduced electricity costs. Thanks to Richard Sargood's efforts, the Club's rates and Crown Land rentals will be significantly reduced in future years.

The motel continues to contribute to our bottom line but is doing so on low occupancy rates. This is being addressed and hopefully will show improvements in 2014/15. The Club's focus will be on continuing to grow the business through utilisation of social media, cost effective promotions, and competitive "play & stay" packages. There must also be a close watch on all optional expenditure.

Bank current account as at 30<sup>th</sup> September, 2014 was (\$34,596). Summary of cash movements during 2013-14 are as follows:

	Bank balance 30th September 2013		25,890
Add:	Proceeds Non-operating income	385,393	
	Increase subscriptions in advance	4,766	
	Reduced debtors	19,586	
	Reduced cash on hand	23,631	
	Proceeds from borrowings	78,101	
Less:	Underlying loss	(153,606)	
	Capital Expenditure	(209,550)	
	Pay out RSL short term loan	(100,000)	
	Repayment of borrowing	(64,659)	
	Other balance sheet incr./decr.)	(44,148)	
	Net Decrease		60,486
	Bank Balance 30 <sup>th</sup> September, 2014		<u>(34,596)</u>

Finally I would like to acknowledge the efforts of the administration staff in getting through a mountain of paperwork each month to maintain the club's accounting records.

A special thank you to Malcolm McLean for the many voluntary hours he has provided to the Club to ensure that accurate monthly profit and loss, balance sheet statements and financial analysis are provided to the Board.

I would also like to give a special thank you to Di and Jo for their co-operation in providing any information asked for during my year as treasurer.

Glen Martin  
Treasurer

#### MEMBERSHIPS 2014

Life Members	2
Full Golfing Members	385
Country Members	420
7 Day Social Golfing Members	53
21 and Under Member	8
Junior Members	76
Social Members	1070
Honorary Members	7
<u>Total</u>	<u>2021</u>

#### NEW MEMBERSHIP PRICES FOR 2014/2015

Full Member	\$550.00
Country Member	\$175.00
21 and Under Members	\$250.00
7 Day Social Golf	\$370.00
Social Member	\$15.00
Junior Member (12 – 18)	\$40.00

## LADIES PRESIDENT REPORT

Another great year of social events and golf for the ladies. Oaks day was one example of good work done by Kerry Alexander and her committee.

We have had a changeover in the kitchen and welcomed Norman and his family to the Club. The lunch at Oaks Day was applauded by all who attended and we have been getting good reports from patrons at the dining room.

I would like to thank the ladies committee for all their help in my new role as President. Elaine is a hard act to follow, but I have tried to do my best.

We had a very successful Pink Day this year, with more male participants enjoying the fun of the day. We raised more money than we were hoping for and this enabled us to present a sizeable cheque to the Palliative Care of Corowa Hospital, so they can buy much needed equipment for patients who wish to be cared for at home.

Thanks also to Rob and his staff at the pro-shop for helping us run a smooth Ladies comp each week.

The ground staff have done a great job and the course is looking great.

Thanks to all the ladies who have played in tournaments throughout the region, also the Pennant teams.

Maureen Jeeves organized a new group of ladies to learn to play golf with Paul from the Pro-shop. It was once again a successful event.

Last but not least our lovely bar staff who look after us all so well and cheerfully.

Let's hope 2015 will see the Club go from strength to strength.

Jacqui Lawler

Lady President

## CAPTAIN'S REPORT

Another year has gone and the Club has gone through hardships, financially and management changes.

As they say in the classics "There is light at the end of the tunnel", but as a member of the Board, the Club needs new people to participate in the running of this fantastic golf club.

We understand that all costs are increasing in our daily lives and so are the running costs of this golf club. Without increased fees, etc, (and they are not increased without a lot of consideration) to keep operating this great asset, increases are inevitable.

Golf results for board events are nearly all completed, to those golfers, Women and Mens' Champions, congratulations.

To the Ladies Committee and players, without your contribution to the Club and to events run by you, particularly congratulations to the Pink Day, it was a great success and the money raised for the Corowa Hospital, fantastic.

To those that are present at the end of play and enjoy the ladies' laughter brings a wonderful atmosphere to our Club.

To the ground staff the condition of our golf course is a credit to you all. Sometimes having to work short-handed because of constraints bought about by money issues.

To Darren and your staff a job well done.

To the pro-shop, Rob and his staff, many thanks for your contribution to the running of events and to which many just take for granted. Your input to the MATCH Committee is a great asset and your knowledge is of real value.

This year will see some changes to the running of the Club. The old format booklet will cease, and events can be obtained off Facebook, Club website and will be printed monthly, and will be available at the pro-shop and front desk.

The honour of being Captain has given me the opportunity to know more players and to be known by more people in the Club.

Many thanks go to everyone who has helped me during the year, Vice-captain Alan and wife Anne, I have a greater understanding of what takes place in running a golf club.

Roger Bradford  
Captain  
18<sup>th</sup> November 2014



## LADIES CAPTAIN REPORT

As a first time Captain this year has been a steep learning curve, there have been quite a few challenges but with the help of the Ladies Match Committee and the Ladies committee we have managed to have a successful year.

The postponement of our 20<sup>th</sup> Chomley Davidson Bowl due to inclement weather was an extremely difficult decision. We were however able to hold a very successful event in June with over 100 players in attendance. This number was slightly down on our original date but we actually had more clubs represented. Yarrawonga were once again the winning team.

Our "Think Pink" Charity Day was an amazing success raising almost twice the amount of money we set out to raise for our local palliative care service. This year the number of players was up from 50 to 70 players. Next year's event will be a shotgun start and hopefully will be bigger and better again. The ladies Committee would like to say a big thank you to everyone who supported this event so generously!!

With the number of lady golfers declining, the difficult decision to adjust the championship grades to suit our playing group was made. We had 33 players participate in 3 grades, with approximately equal numbers in each. It was very pleasing that this number is about 85% of our regular playing group but this steady decline is very much a concern.

Trish Lethbridge was our Club Champion, Jeanette Alyward the B grade Champion making it a family affair. Jackie Lawler took out the C grade & 54 hole events and Melissa Coghill won our 36 hole junior event. Well done to these players and thank you to everyone who did participate.

Our Club played in the NEDLGA and Riverina Pennant and despite lots of enthusiasm we were unsuccessful. Our club was represented in the MDGA Business Women's Pennant and were successful in making the final but could not overcome Howlong on the day. We also have a team participating in the summer four ball pennant.

Our beginners program had 8 ladies participate. Thanks to Maureen Jeeves and the Pro Shop for their organisation. We hope these ladies will join our 9 hole or 18 hole competitions in the future.

Our club has been represented at many other clubs events and district tournaments. We have had some success with Jo Pavey and Bernie Mclean winning the Riverina Foursomes Championship and Bernie McLean also winning the Riverina Sand Green Championship. Elaine King also picked up the Handicap prize for her division at the Riverina Sand greens. A big thank you to all our players who travelled to participate in all these events.

Thanks to Rob and the Pro Shop staff for their invaluable assistance and advice, Darren and all the boys for the presentation of our magnificent golf course, the club office staff and the Corowa Golf Club board for their work over the last 12 months.

Finally a huge thank you to the Ladies committee and all the golfing ladies for their support. I hope the 2014/15 golfing season is even more successful.

Bernadette McLean

# **COROWA GOLF CLUB LTD**

**ABN: 59 001 071 110**

**Financial Report For The Year Ended  
30 September 2014**

**COROWA GOLF CLUB LTD**

**ABN: 59 001 071 110**

**Financial Report For The Year Ended  
30 September 2014**

<b>CONTENTS</b>	<b>Page</b>
<b>Directors' Report</b>	<b>1</b>
<b>Auditor's Independence Declaration</b>	<b>3</b>
<b>Statement of Profit or Loss and Other Comprehensive Income</b>	<b>4</b>
<b>Statement of Financial Position</b>	<b>5</b>
<b>Statement of Changes in Equity</b>	<b>6</b>
<b>Statement of Cash Flows</b>	<b>7</b>
<b>Notes to the Financial Statements</b>	<b>8</b>
<b>Directors' Declaration</b>	<b>18</b>
<b>Independent Audit Report</b>	<b>19</b>

COROWA GOLF CLUB LTD  
 ABN: 59 001 071 110  
 DIRECTORS' REPORT

Your directors present their report on the company for the financial year ended 30 September 2014.

Directors

The names of the directors in office at any time during, or since the end of, the year are:

	Position	Occupation	Age	Meetings Attended
Mr Stephen Rodway	President	Retired	73	12
Mr Mick Kelly resigned (9/12/2013)	Vice President	Retired	75	2
Mr Neville Aughtie resigned (9/12/2013)	Treasurer	Accountant	72	1
Mr Alan Nicol	Director	Retired	70	13
Mr Roger Bradford	Captain	Retired	75	14
Mrs Anne McNamara	Director	Motel Operator	55	13
Mr Damien Rosser	Vice President	Retail Operator	34	13
Mr Glen Martin	Treasurer	Auto Electrician	40	12
Mr Phillip Dunning resigned (9/12/2013)	Captain	Bus Driver	61	1
Mr Douglas Ward appointed (9/12/2013)	Director	Motel Operator	55	12
Mr Gregory Witherden appointed (9/12/2013)	Director	Retired	59	7
Mr Bradley Glare appointed (29/10/2014)	Director	Marketing	35	1

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

Review of Operations

The loss of the company for the financial year after providing for income tax amounted to \$1,496 (2013: Loss \$270,524). The loss is calculated after the disposal of poker machine entitlements for \$80,000 and \$288,210 profit on asset disposal resulting from the insurance proceeds shown as non-operating income.

The operating revenue achieved by the Club for 2014 was \$2,544,867 compared with \$2,518,548 recorded in 2013. The main areas of revenue compared to last year show the following trends:

	2014	2013
Interest Revenue	1,633	6,382
Gaming Revenue	575,232	795,498
Bar Revenue	626,623	611,377
Subscriptions	254,372	225,567
Course Fees	509,117	469,107
Venue Hire	3,855	2,955
Kitchen Lease	18,200	13,382
Accommodation Receipts	330,002	302,545
Other Revenue	225,834	91,735
Total Revenue	<u>2,544,867</u>	<u>2,518,548</u>

The accommodation units continue to trade profitably, contributing \$165,193 to the Club's bottom line for the year (2013: \$126,257). These results are before taking depreciation into account.

Significant Changes in the State of Affairs

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

Principal Activities

The principal activities of the company during the financial year were that of a Golf Club. No significant change in the nature of these activities occurred during the year.

Membership

The Club is a company limited by guarantee and without a share capital. The number of members at 30 September 2014 were 2021 (2013: 1,928)

Events Subsequent to the End of the Reporting Period

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

Likely Developments and Expected Results of Operations

Likely developments in the operations of the company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company.

**Environmental Regulation**

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

**Indemnification of Officers**

Insurance premiums were paid of \$2,550 during the financial year, to indemnify officers of the company.

**Proceedings on Behalf of Company**

No person has applied for leave of Court to bring proceedings on behalf of the company or Intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

**Auditor's Independence Declaration**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 3.

This directors' report is signed in accordance with a resolution of the Board of Directors:

Director S. Rodway \_\_\_\_\_  
*Mr Stephen Rodway*

Dated this 20th day of November 2014

**COROWA GOLF CLUB LTD**  
**ABN: 59 001 071 110**  
**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF**  
**THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF COROWA GOLF CLUB LTD**

I declare that, to the best of my knowledge and belief, during the year ended 30 September 2014 there have been no contraventions of:

- (i) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Name of Firm      Salisbury Audit Services Pty Ltd

Name of Partner        
Rob Salisbury - Auditor Reg. No 2378

Date                      20/11/2014

Address                584 David Street  
ALBURY NSW 2640

COROWA GOLF CLUB LTD  
 ABN: 59 001 071 110  
 STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
 FOR THE YEAR ENDED 30 SEPTEMBER 2014

	Note	2014 \$	2013 \$
Sales revenue	2	2,544,867	2,518,548
Other income	2	370,519	46,760
Changes in inventories		-	-
Cost of Goods Sold		(277,005)	(277,820)
Employee benefits expense		(1,151,420)	(1,089,335)
Freight and cartage		-	-
Promotional Expenses		(232,693)	(242,710)
Taxes, Licences & Subscriptions		(169,176)	(141,998)
Maintenance		(262,698)	(257,665)
Utilities		(219,777)	(288,532)
Cleaning		(49,364)	(50,942)
Directors Expenses		(1,021)	(1,123)
Printing, Postage & Stationery		(17,525)	(14,921)
Professional Fees		(80,643)	(75,220)
Depreciation and amortisation expense		(233,283)	(222,323)
Commission paid		-	-
Impairment of property, plant and equipment	9	-	-
Revaluation of property, plant and equipment		-	-
Finance costs	3(a)	(119,276)	(105,940)
Other expenses		(102,999)	(67,302)
Share of net profits of associates and joint venture entities		-	-
Profit before income tax		<u>(1,496)</u>	<u>(270,524)</u>
Profit for the year		<u>(1,496)</u>	<u>(270,524)</u>
Other comprehensive income:			
Items that will not be reclassified subsequently to profit or loss:		<u>-</u>	<u>-</u>
Items that will be reclassified subsequently to profit or loss when specific conditions are met:		<u>-</u>	<u>-</u>
Items that have been reclassified to profit or loss		<u>-</u>	<u>-</u>
Total other comprehensive income for the year		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>(1,496)</u>	<u>(270,524)</u>

The accompanying notes form part of these financial statements.

COROWA GOLF CLUB LTD  
 ABN: 59 001 071 110  
 STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2014

	Note	2014 \$	2013 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	86,499	145,194
Trade and other receivables	6	26,155	41,563
Inventories	7	37,261	37,429
Other current assets	8	63,797	59,662
<b>TOTAL CURRENT ASSETS</b>		<u>213,713</u>	<u>283,848</u>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables	6	-	-
Property, plant and equipment	9	1,594,502	1,619,339
Deferred tax assets		-	-
Intangible assets	10	54,669	54,669
Other non-current assets	8	-	-
<b>TOTAL NON-CURRENT ASSETS</b>		<u>1,649,171</u>	<u>1,674,008</u>
<b>TOTAL ASSETS</b>		<u>1,862,884</u>	<u>1,957,855</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	378,479	414,085
Borrowings	12	72,141	163,810
Provisions	13	56,904	39,370
<b>TOTAL CURRENT LIABILITIES</b>		<u>507,524</u>	<u>617,265</u>
<b>NON-CURRENT LIABILITIES</b>			
Trade and other payables	11	-	-
Borrowings	12	169,847	154,165
Provisions	13	41,001	40,420
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>210,849</u>	<u>194,585</u>
<b>TOTAL LIABILITIES</b>		<u>718,372</u>	<u>811,850</u>
<b>NET ASSETS</b>		<u>1,144,511</u>	<u>1,146,006</u>
<b>EQUITY</b>			
Reserves		-	-
Retained earnings		1,144,511	1,146,006
<b>TOTAL EQUITY</b>		<u>1,144,511</u>	<u>1,146,006</u>

The accompanying notes form part of these financial statements.



**COROWA GOLF CLUB LTD**  
**ABN: 59 001 071 110**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2014**

Note	Share Capital		Retained Earnings (accumulated losses)	Reserves			Total
	Ordinary	Partly paid ordinary shares		Revaluation Surplus	Financial Assets Reserve	General Reserve	
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 October 2012			1,416,530				1,416,530
Retrospective adjustment upon change in accounting policy	1(x)						-
Balance at 1 October 2012 (restated)			1,416,530				1,416,530
Comprehensive income							
Profit for the year			(270,524)				(270,524)
Other comprehensive income for the year	, 17(c)						-
Total comprehensive income for the year attributable to members of the entity			(270,524)				(270,524)
Transactions with owners, in their capacity as owners, and other transfers							
Shares issued during the year							-
Dividends paid or provided for							-
Total transactions with owners and other transfers							-
Balance at 30 September 2013			1,146,006				1,146,006
Balance at 1 October 2013			1,146,006				1,146,006
Comprehensive income							
Profit for the year			(1,496)				(1,496)
Other comprehensive income for the year	, 17(c)						-
Total comprehensive income for the year attributable to members of the entity			(1,496)				(1,496)
Transactions with owners, in their capacity as owners, and other transfers							
Shares issued during the year							-
Dividends paid or provided for							-
Total transactions with owners and other transfers							-
Balance at 30 September 2014			1,144,511				1,144,511

The accompanying notes form part of these financial statements.

## COROWA GOLF CLUB LTD

ABN: 59 001 071 110

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 SEPTEMBER 2014

	Note	2014 \$	2013 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		2,552,196	2,536,137
Payments to suppliers and employees		(2,698,200)	(2,545,997)
Dividends received		-	-
Interest received		1,633	7,707
Finance costs		(24,434)	(29,721)
Income tax paid		-	-
Net cash provided by/(used in) operating activities	15(a)	<u>(168,806)</u>	<u>(31,874)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant and equipment		291,622	-
Proceeds from sale of investments		80,000	-
Purchase of property, plant and equipment		(209,550)	(58,945)
Purchase of investments		-	-
Dividends received from equity accounted investments		-	-
Loan payments made to related parties		-	-
Loan repayments received from related parties		-	-
Net cash provided by/(used in) investing activities		<u>162,072</u>	<u>(58,945)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of shares		-	-
Proceeds from borrowings		78,101	111,401
Repayment of borrowings		(164,659)	(128,213)
Dividends paid		-	-
Net cash provided by/(used in) financing activities		<u>(86,558)</u>	<u>(16,811)</u>
Net increase/(decrease) in cash held		(93,292)	(107,630)
Cash at beginning of financial year		145,194	252,824
Cash at end of financial year	5	<u><u>51,902</u></u>	<u><u>145,194</u></u>

The accompanying notes form part of these financial statements.

**COROWA GOLF CLUB LTD**  
ABN: 59 001 071 110  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014**

These financial statements and notes represent COROWA GOLF CLUB LTD. COROWA GOLF CLUB LTD is a company limited by guarantee, incorporated and domiciled in Australia.

The financial statements were authorised for issue on 18/11/2014 by the directors of the company.

**Note 1 Summary of Significant Accounting Policies**

**Basis of Preparation**

These general purpose financial statements have been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

**(a) Goodwill**

Goodwill is carried at cost less any accumulated impairment losses.

**(b) Income Tax**

The Club is exempt from income tax in terms of section 51-45 of the Income Tax Assessment Act 1987.

**(c) Inventories**

Inventories are measured at the lower of cost and net realisable value.

**(d) Property, Plant and Equipment**

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

**Property**

Buildings and improvements are stated at cost or deemed cost less depreciation and impairment losses.

**Plant and equipment**

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset.

**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 company 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.

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

Class of Fixed Asset	Depreciation Rate
Buildings	3-33%
Plant and equipment	15-20%
Leased plant and equipment	3-15%
Poker Machines	20%
Administration & Cleaning Equipmt	15-33%
Bistro & Kitchen Equipment	5-15%
Course & Course Buildings	5-15%
Course Plant & Equipment	15%
Sporting Complex & Equipment	3-15%
Accommodation Units	3-15%
Irrigation Equipment	15%
Motel Furniture	15-20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss when the item is derecognised. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

**(e) Leases**

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

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

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

## (f) Intangibles Other than Goodwill

## Gaming Machine Licences

The Directors consider that an active market does not exist for gaming machine licences in this region and the dollar value of poker machine licences to the Club in an open and unbiased market is unable to be determined. An intangible asset for licences on hand has not been recognised in the Club's Balance Sheet.

## (g) Employee Benefits

## Short-term employee benefits

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination 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, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

## Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as a part of employee benefits expense.

The company's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

## (h) Provisions

Provisions are recognised when the company 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. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

## (i) 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. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

## (j) Revenue and Other Income

Revenue from the sale of goods comprises revenue earned from the provision of food, beverages and other goods and is recognised in the income statement when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

Revenue from gaming facilities together with other services to members and other patrons of the Club including green fees are recognised in the income statement.

Revenue from members' Club and sporting subscriptions are treated as revenue from rendering the services and are accounted for as revenue in the period to which the funds relate and treated as members' subscriptions in advance when received prior to year-end.

All revenue is stated net of the amount of goods and services tax.

## (k) Trade and other receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

## (l) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the company that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

## (m) 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 (ATO).

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

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

## (n) Comparative Figures

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

Where the company retrospectively applies an accounting policy, makes a retrospective restatement of items in the financial statements or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statement is presented.

## COROWA GOLF CLUB LTD

ABN: 59 001 071 110

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

## Note 2 Revenue and Other Income

	Note	2014 \$	2013 \$
Sales revenue:			
— interest received		-	-
— related parties		-	-
— other persons		1,633	6,382
— directors		-	-
Total interest revenue on financial assets not at fair value through profit of loss		<u>1,633</u>	<u>6,382</u>
— construction revenue		-	-
— services revenue		-	-
— dining room revenue		-	-
— gaming revenue		575,232	795,498
— bar revenue		626,623	611,377
— subscriptions		254,372	225,567
— course related income		509,117	469,107
— venue hire		3,855	2,955
— accomodation		330,002	302,545
— kitchen lease		18,200	13,382
— member pledges		-	-
— other revenues		225,834	91,735
Total other revenue		<u>2,544,867</u>	<u>2,518,548</u>
Total sales revenue and other revenue		<u>2,544,867</u>	<u>2,518,548</u>
Other income:			
— gain on disposal of property, plant and equipment		2,309	455
— gains on disposal of non-current investments		-	-
— Sale of Poker Machine Entitlements		80,000	-
— Gain/Profit on Insurance recovery re Poker		288,210	-
— other income		-	46,305
Total other income		<u>370,519</u>	<u>46,760</u>

## Note 3 Profit before Income Tax

	2014 \$	2013 \$
Profit before income tax from continuing operations includes the following specific expenses:		
(a) Expenses		
Cost of sales	<u>277,005</u>	<u>277,820</u>
Interest expense on financial liabilities not at fair value through profit or loss:		
— external entities	24,434	29,721
— related entities	-	-
— other related parties	-	-
— Leasing and Rental	94,842	76,219
Total finance costs	<u>119,276</u>	<u>105,940</u>
Employee benefits expense:		
— contributions to defined contribution superannuation funds	1,151,420	1,089,335
Other expenses:		
Impairment of non-current investments	-	-
Foreign currency translation losses	-	-
Bad and doubtful debts:		
— trade receivables	-	-
Total bad and doubtful debts	<u>-</u>	<u>-</u>
Rental expense on operating leases		
— minimum lease payments	94,842	76,219
— contingent rentals	-	-
— rental expense for sub-lease	-	-
	<u>94,842</u>	<u>76,219</u>
Contingent rentals on finance leases	-	-
Research and development costs	-	-
(b) Significant Revenue and Expenses		
The following significant revenue and expense items are relevant in explaining the financial performance:		
— Write-off of obsolete inventory included within cost of sales	-	-
— Loss on disposal of property, plant and equipment	-	-
— Loss on disposal of non-current investments	-	-

## COROWA GOLF CLUB LTD

ABN: 59 001 071 110

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

## Note 4 Auditors' Remuneration

	2014	2013
	\$	\$
Remuneration of the auditor for:		
— auditing or reviewing the financial statements	18,470	15,000
— taxation services	-	-
— due diligence services	7,610	6,630
— taxation services provided by related practice of auditor	630	1,384
	<u>26,710</u>	<u>23,014</u>

## Note 5 Cash and Cash Equivalents

CURRENT	Note	2014	2013
		\$	\$
Cash at bank and on hand		85,317	145,194
Short-term bank deposits		1,182	-
		<u>86,499</u>	<u>145,194</u>

## Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash and cash equivalents		86,499	145,194
Bank overdrafts	12	(34,597)	-
		<u>51,902</u>	<u>145,194</u>

A floating charge over cash and cash equivalents has been provided for certain debt. Refer to Note 12 for further detail.

## Note 6 Trade and Other Receivables

CURRENT	Note	2014	2013
		\$	\$
Trade receivables		7,912	27,499
Provision for impairment	6(a)	-	-
		<u>7,912</u>	<u>27,499</u>
Other receivables		18,243	14,064
Loans to directors		-	-
Other related parties		-	-
Total current trade and other receivables	6(b)	<u>26,155</u>	<u>41,563</u>
NON-CURRENT			
Trade receivables		-	-
Provision for impairment	6(a)	-	-
Total non-current trade and other receivables		<u>-</u>	<u>-</u>

## (a) Provision For Impairment of Receivables

Movement in the provision for impairment of receivables is as follows:

	Opening Balance	Charge for the Year	Amounts Written Off	Closing Balance 30 September
	1 October 2012			2013
	\$	\$	\$	\$
Current trade receivables	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Opening Balance	Charge for the Year	Amounts Written Off	Closing Balance 30 September
	1 October 2013			2014
	\$	\$	\$	\$
Current trade receivables	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

## Credit risk

The company has no significant concentration of credit risk with respect to any single counterparty or group of counterparties other than those receivables specifically provided for and mentioned within Note 6. The main source of credit risk to the company is considered to relate to the class of assets described as 'trade and other receivables'.

The following table details the company's trade and other receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the company and the customer or counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the company.

The balances of receivables that remain within initial trade terms (as detailed in the table below) are considered to be of high credit quality.

COROWA GOLF CLUB LTD

ABN: 59 001 071 110

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

2014	Gross Amount	Past due and impaired	Past due but not impaired (days overdue)				Within initial trade terms
			< 30	31 – 60	61 – 90	>90	
	\$	\$	\$	\$	\$	\$	\$
Trade and term receivables	7,912		550		4,050	3,105	207
Other receivables	18,243						18,243
<b>Total</b>	<b>26,155</b>	<b>-</b>	<b>550</b>	<b>-</b>	<b>4,050</b>	<b>3,105</b>	<b>18,450</b>

2013	Gross Amount	Past due and impaired	Past due but not impaired (days overdue)				Within initial trade terms
			< 30	31 – 60	61 – 90	>90	
	\$	\$	\$	\$	\$	\$	\$
Trade and term receivables	27,499		1,310	2,375	1,500	839	21,475
Other receivables	14,064						14,064
<b>Total</b>	<b>41,563</b>	<b>-</b>	<b>1,310</b>	<b>2,375</b>	<b>1,500</b>	<b>839</b>	<b>35,539</b>

The company does not hold any financial assets whose terms have been renegotiated, but which would otherwise be past due or impaired.

(b) Financial assets classified as loans and receivables

	Note	2014 \$	2013 \$
Trade and other Receivables			
— Total Current		26,155	41,563
— Total Non-Current		-	-
<b>Total financial assets classified as loans and receivables</b>	<b>17</b>	<b>26,155</b>	<b>41,563</b>

(c) Collateral pledged

No collateral is held over trade and other receivables.

Note 7 Inventories

	Note	2014 \$	2013 \$
<b>CURRENT</b>			
At cost:			
Bar & Course		37,261	37,429
		<u>37,261</u>	<u>37,429</u>
At net realisable value:			
Raw materials and stores		-	-
Work in progress		-	-
Finished goods		-	-
		<u>-</u>	<u>-</u>
		<u>37,261</u>	<u>37,429</u>

Note 8 Other Assets

		2014 \$	2013 \$
<b>CURRENT</b>			
Calls in arrears		-	-
Prepayments		63,797	59,662
		<u>63,797</u>	<u>59,662</u>
<b>NON-CURRENT</b>			
Calls in arrears		-	-
Prepayments		-	-
		<u>-</u>	<u>-</u>

## COROWA GOLF CLUB LTD

ABN: 59 001 071 110

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

## Note 9 Property, Plant and Equipment

	2014 \$	2013 \$
<b>LAND AND BUILDINGS</b>		
Buildings at:		
— at cost	5,749,756	5,739,285
Accumulated depreciation	(5,143,430)	(5,025,463)
Total buildings	<u>606,326</u>	<u>713,823</u>
Total land and buildings	<u><u>606,326</u></u>	<u><u>713,823</u></u>
<b>PLANT AND EQUIPMENT</b>		
Plant and equipment:		
At cost	3,314,802	3,268,226
Accumulated depreciation	(2,675,675)	(2,711,759)
Accumulated impairment losses	-	-
	<u>639,127</u>	<u>556,467</u>
Water Rights	<u>349,049</u>	<u>349,049</u>
	<u><u>349,049</u></u>	<u><u>349,049</u></u>
Total plant and equipment	<u><u>988,176</u></u>	<u><u>905,516</u></u>
Total property, plant and equipment	<u><u>1,594,502</u></u>	<u><u>1,619,339</u></u>

## (a) 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

	Freehold Land \$	Buildings \$	Plant and Equipment \$	Leased Plant and Equipment \$	Total \$
Balance at 1 October 2012		832,924	949,793		1,782,717
Additions			58,945		58,945
Disposals - written down value					-
Revaluation increments/(decrements)					-
Impairment losses					-
Depreciation expense		(119,101)	(103,222)		(222,323)
Capitalised borrowing cost and depreciation					-
Carrying amount at 30 September 2013	-	<u>713,823</u>	<u>905,516</u>	-	<u>1,619,339</u>
Additions		10,471	199,079		209,550
Disposals - written down value			(1,103)		(1,103)
Revaluation increments/(decrements)					-
Impairment losses					-
Depreciation expense		(117,967)	(115,316)		(233,283)
Capitalised borrowing cost and depreciation					-
Carrying amount at 30 September 2014	<u>-</u>	<u><u>606,327</u></u>	<u><u>988,176</u></u>	<u>-</u>	<u><u>1,594,502</u></u>

## (b) Core and Non-core Property

In accordance with Section (41J(2) of the Registered Clubs Act 1976, all of the Club's real property is classified as core.

## Note 10 Intangible Assets

	2014 \$	2013 \$
<b>GOODWILL</b>		
Cost	54,669	54,669
Accumulated impairment losses	-	-
Net carrying amount	<u>54,669</u>	<u>54,669</u>
Reconciliation of Goodwill		
Balance at the beginning of year	54,669	54,669
Additions		
Disposals		
Amortisation charge		
Impairment losses		
Closing carrying amount at 30 September 2014	<u>54,669</u>	<u>54,669</u>
Impairment Disclosures		
Goodwill is allocated to cash-generating units which are based on the company's operating divisions.		
Motel	54,669	54,669
Total	<u>54,669</u>	<u>54,669</u>



## COROWA GOLF CLUB LTD

ABN: 59 001 071 110

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

## Note 11 Trade and Other Payables

	Note	2014 \$	2013 \$
<b>CURRENT</b>			
Unsecured liabilities			
Trade payables		142,081	198,659
Sundry payables and accrued expenses		30,248	34,793
Unsecured loans		-	-
Other payables (net amount of GST payable)		-	-
— Subscriptions in Advance		97,829	93,064
— Security Deposits held		52,698	54,772
— Amounts owing to ATO		55,623	32,798
	11(a)	<u>378,479</u>	<u>414,085</u>
<b>NON-CURRENT</b>			
Unsecured liabilities			
Trade payables		-	-
Sundry payables and accrued expenses		-	-
Unsecured loans		-	-
Other payables (net amount of GST payable)		-	-
	11(a)	<u>-</u>	<u>-</u>
(a) Financial liabilities at amortised cost classified as trade and other payables			
Trade and other payables			
— Total Current		378,479	414,085
— Total Non-Current		-	-
		<u>378,479</u>	<u>414,085</u>
Less: other payables (net amount of GST payable)		-	-
Financial liabilities as trade and other payables	17	<u>378,479</u>	<u>414,085</u>

## Note 12 Borrowings

	Note	2014 \$	2013 \$
<b>CURRENT</b>			
Bank loan secured	12(c)	-	-
Bank overdraft secured	12(c)	34,597	-
Unsecured loans		-	100,000
Chattel Mortgages		37,544	63,810
Total current borrowings		<u>72,141</u>	<u>163,810</u>
<b>NON-CURRENT</b>			
Bank loan secured	12(c)	100,000	100,000
Chattel Mortgages		69,847	54,165
Total non-current borrowings		<u>169,847</u>	<u>154,165</u>
Total borrowings	17	<u>241,988</u>	<u>317,975</u>
(a) Total current and non-current secured liabilities:			
Bank overdraft		34,597	-
Bank loan		100,000	100,000
Bank bills		-	-
		<u>134,597</u>	<u>100,000</u>
(b) The carrying amounts of non-current assets pledged as security are:			
Freehold land and buildings	9	606,326	713,823
Leased plant and equipment	9	-	-
Floating charge			
— trade receivables	6	7,912	27,499
		<u>614,239</u>	<u>741,322</u>

(c) The bank debt is secured by a floating charge over the assets of the company.

Lease liabilities are secured by the underlying leased assets.

Financial assets that have been pledged as part of the total collateral for the benefit of bank debt are as follows:

	Note	2014 \$	2013 \$
Cash and cash equivalents	5	86,499	145,194
Trade receivables	6	7,912	27,499
Listed investments		-	-
Total financial assets pledged		<u>94,412</u>	<u>172,694</u>

The pledge over cash and cash equivalents represents a floating charge. Listed investments cannot be disposed of without the consent of banks.

## COROWA GOLF CLUB LTD

ABN: 59 001 071 110

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

## Note 13 Provisions

## Analysis of Provisions

CURRENT	2014	2013
Employee Benefits	\$	\$
Opening balance at 1 October 2013	39,370	58,166
Additional provisions raised during year	17,534	-
Amounts used	-	(18,796)
Balance at 30 September 2014	56,904	39,370
<b>Total current provisions</b>	<b>56,904</b>	<b>39,370</b>
NON-CURRENT		
Employee Benefits		
Opening balance at 1 October 2013	40,420	42,443
Additional provisions raised during year	582	-
Amounts used	-	(2,023)
Balance at 30 September 2014	41,001	40,420
<b>Total non-current provisions</b>	<b>41,001</b>	<b>40,420</b>

## Provision for Employee Benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience the Company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

## Note 14 Capital and Leasing Commitments

	Note	2014	2013
		\$	\$
(a) Operating Lease Commitments			
Non-cancellable operating leases contracted for but not recognised in the financial statements			
Payable — minimum lease payments			
— not later than 12 months		126,246	82,898
— between 12 months and five years		278,029	247,954
— later than five years		42,384	80,104
		446,660	410,957

## Note 15 Cash Flow Information

	2014	2013
	\$	\$
(a) Reconciliation of cash flow from operations		
with profit after income tax		
Profit after income tax	(1,496)	(270,524)
Non-cash flows in profit		
— depreciation	233,283	222,323
— bad and doubtful debts		
— net (gain)/loss on disposal of property, plant and equipment	(2,309)	
— revaluation of property, plant and equipment		
— net (gain)/loss on disposal of investments	-	-
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries		
— increase/(decrease) in trade and term debtors	15,408	(35,467)
— increase/(decrease) in other assets		
— increase/(decrease) in inventories	168	(6,706)
— increase/(decrease) in deferred tax receivable		
— increase/(decrease) in payables	(63,767)	79,319
— increase/(decrease) in income taxes payable		
— increase/(decrease) in deferred taxes payable		
— increase/(decrease) in provisions	18,115	(20,819)
Net cash provided by operating activities	199,404	(31,874)

## (b) Credit standby arrangement and loan facilities

The company has a bank overdraft and commercial bill facility amounting to \$200,000 (2013: \$300,000). This may be terminated at any time at the option of the bank. At 30 September 2014, \$134,597 of this facility was used (2013: \$100,000). Interest rates are variable.

## Note 16 Events After the Reporting Period

The directors are not aware of any significant events since the end of the reporting period.

## COROWA GOLF CLUB LTD

ABN: 59 001 071 110

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

## Note 17 Financial Risk Management

The company's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable, loans, bills and leases.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2014 \$	2013 \$
<b>Financial Assets</b>			
Cash and cash equivalents	5	86,499	145,194
Loans and receivables	6(b)	26,155	41,563
<b>Total Financial Assets</b>		<b>112,654</b>	<b>186,758</b>
<b>Financial Liabilities</b>			
<b>Financial liabilities at amortised cost</b>			
— Trade and other payables	11(a)	378,479	414,085
— Borrowings	12	241,988	317,975
<b>Total Financial Liabilities</b>		<b>620,467</b>	<b>732,060</b>

## Financial Risk Management Policies

The directors' overall risk management strategy seeks to assist the company in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the Board of Directors on a regular basis. These include the credit risk policies and future cash flow requirements.

The main purpose of non-derivative financial instruments is to raise finance for company operations. The company does not have any derivative instruments at 30 September 2014.

The finance committee, consisting of senior executives of the company, meets 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. The finance committee's overall risk management strategy seeks to assist the company in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

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 basis. These include credit risk policies and future cash flow requirements.

## Specific Financial Risk Exposures and Management

The main risks the company is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk and other price risk. There have been no substantive changes in the types of risks the company is exposed to, how these risks arise, or the Board's objectives, policies and processes for managing or measuring the risks from the previous period.

## (a) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the company.

Risk is minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the finance committee has otherwise assessed as being financially sound. Where the company is unable to ascertain a satisfactory credit risk profile in relation to a customer or counterparty, the risk may be further managed through title retention clauses over goods or obtaining security by way of personal or commercial guarantees over assets of sufficient value which can be claimed against in the event of any default.

## Credit Risk Exposures

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period, excluding the value of any collateral or other security held is equivalent to the carrying amount and classification of those financial assets (net of any provisions) as presented in the statement of financial position. Credit risk also arises through the provision of financial guarantees, as approved at Board level, given to third parties in relation to obligations under its bank bill facility.

The company has no significant concentration of credit risk with any single counterparty or group of counterparties. Details with respect to credit risk of Trade and Other Receivables is provided in Note 6.

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are detailed at Note 6.

Credit risk related to balances with banks and other financial institutions is managed by the finance committee in accordance with approved Board policy. Such policy requires that surplus funds are only invested with counterparties with a Standard and Poor's rating of at least AA-. The following table provides information regarding the credit risk relating to cash and money market securities based on Standard and Poor's counterparty credit ratings.

	Note	2014 \$	2013 \$
<b>Cash and cash equivalents</b>			
— AA Rated		-	145,194
— A- Rated		86,499	-
	5	<b>86,499</b>	<b>145,194</b>

## COROWA GOLF CLUB LTD

ABN: 59 001 071 110

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

## (b) Liquidity risk

Liquidity risk arises from the possibility that the company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The company manages this risk through the following mechanisms:

- preparing forward-looking cash flow analyses in relation to its operational, investing and financing activities;
- using derivatives that are only traded in highly liquid markets;
- monitoring undrawn credit facilities;
- obtaining funding from a variety of sources;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

## Financial assets pledged as collateral

Certain financial assets have been pledged as security for debt and their realisation into cash may be restricted subject to terms and conditions attached to the relevant debt contracts. Refer to Note 12 for further details.

## c. Market Risk

## i. Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The financial instruments that expose the company to interest rate risk are limited to borrowings, cash and cash equivalents.

The net effective variable interest rate borrowings (i.e. unhedged debt) exposes the company to interest rate risk which will impact future cash flows and interest charges and is indicated by the following floating interest rate financial liabilities:

Floating rate instruments	Note	2014 \$	2013 \$
Bank overdrafts	12	34,597	-
		34,597	-

## Net Fair Values

## Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying amounts as presented in the statement of financial position.

Differences between fair values and carrying amounts of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the company. Most of these instruments, which are carried at amortised cost (ie trade receivables, loan liabilities), are to be held until maturity and therefore the fair value figures calculated bear little relevance to the company.

	Note	2014		2013	
		Carrying Amount \$	Fair Value \$	Carrying Amount \$	Fair Value \$
<b>Financial assets</b>					
Cash and cash equivalents	5, 17(i)	86,499	86,499	145,194	145,194
Trade and other receivables	6, 17(i)	26,155	26,155	41,563	41,563
Loans and advances - related parties	6, 17				
		112,654	112,654	186,758	186,758
<b>Available-for-sale financial assets:</b>					
— at fair value					
— listed investments		-		-	
— unlisted investments		-		-	
Total available-for-sale financial assets	17	-	-	-	-
Total financial assets		112,654	112,654	186,758	186,758
<b>Financial liabilities</b>					
Trade and other payables	11, 17(i)	378,479	361,829	414,085	392,895
Bank debt	12, 17	134,597	134,597	100,000	100,000
Total financial liabilities		513,076	496,426	514,085	492,895

- (i) Cash and cash equivalents, trade and other receivables, and trade and other payables are short-term instruments in nature whose carrying amounts are equivalent to their fair values. The fair values of receivables and payables are determined on the basis of an income approach using a discounted cash flow methodology.

## Note 18 Company Details

The registered office of the company is:

COROWA GOLF CLUB LTD  
Hume Street  
SOUTH COROWA NSW 2646

The principal place of business is:

COROWA GOLF CLUB LTD  
Hume Street  
SOUTH COROWA NSW 2646

COROWA GOLF CLUB LTD  
ABN: 59 001 071 110  
DIRECTORS' DECLARATION

In accordance with a resolution of the directors of COROWA GOLF CLUB LTD, the directors of the company declare that:

1. The financial statements and notes, as set out on pages 4 to 17, are in accordance with the Corporations Act 2001 and:
  - (a) comply with Australian Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards (IFRS);
  - (b) give a true and fair view of the financial position as at 30 September 2014 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.

Director

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Mr Stephen Rodway

Dated this      20th      day of      November      2014

**COROWA GOLF CLUB LTD**  
**ABN: 59 001 071 110**

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

**Report on the Financial Report**

We have audited the accompanying financial report of COROWA GOLF CLUB LTD (the company), which comprises the statement of financial position as at 30 September 2014, the statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the company at the year's end or from time to time during the financial year.

*Directors' Responsibility for the Financial Report*

The directors of the company are responsible for the preparation and fair presentation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that the financial statements comply with International Financial Reporting Standards (IFRS).

*Auditor's Responsibility*

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, 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 and fair presentation 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*

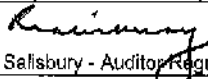
In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of COROWA GOLF CLUB LTD, would be in the same terms if provided to the directors as at the time of this auditor's report.

*Auditor's Opinion*

In our opinion:

- a. the financial report of COROWA GOLF CLUB LTD is in accordance with the Corporations Act 2001, including:
  - (i) giving a true and fair view of the company's financial position as at 30 September 2014 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Regulations 2001.
- b. the financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 1.

Name of Firm: Salisbury Audit Services Pty Ltd

Name of Partner:   
Rob Salisbury - Auditor Regn No 2378

Address: 694 David Street  
ALBURY NSW 2646

Dated this                      20th                      day of                      November                      2014