



SPRINGWOOD COUNTRY CLUB LIMITED
ABN: 84 000 169 826

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018



SPRINGWOOD COUNTRY CLUB LIMITED

ABN: 84 000 169 826

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SPRINGWOOD COUNTRY CLUB LIMITED

ABN: 84 000 169 826

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2018

The directors present their report on Springwood Country Club Limited ("the Company") for the financial year ended 30 June 2018.

Directors

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

Names	Occupation	Appointed
Anne Arnott	Program Manager	25/10/2015
Roy Bowyer	Businessman (Retired)	25/10/2015
Robert Bradley	Financial Controller	27/10/2013
Jeffrey Donley	Businessman	25/10/2015
Christopher Foote	Banker	28/10/2016
Philip French	Retired	12/10/2008
Mark Hogan	Builder	14/10/2007
Claire Murray- Fulton	Accounts Manager	25/10/2015
Elizabeth Paynter	Retired	23/10/2016

Company secretary

Lynda Holden has been the company secretary since 15 March 2017.

Principal activities

The principal activity of Springwood Country Club Limited during the financial year was the operation of a licensed club and golf course.

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

Short term objectives

The Company's short term objectives are to ensure profitability while maintaining minimum debt levels through the provisions of high quality facilities within a secure, friendly and professional environment for our members and guests. This will allow the Company to continue supporting the needs of our community.

Long term objectives

The Company's long term objectives are to provide enhanced facilities to members and guests. The board and management will continue to review our progress and amend where necessary.

Strategy for achieving the objectives

The primary strategies for achieving these objectives is sound financial management through the use of relevant budgets and cash flows that are continually monitored and measured with key performance indicators (KPIs) and ratio analysis.

How principal activities assisted in achieving the objectives

The principal activities assisted the Company in achieving its objectives by generating revenue to fund first class facilities to members.

SPRINGWOOD COUNTRY CLUB LIMITED

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DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2018

Performance measures and key performance indicators ('KPIs')

A number of KPIs are analysed in order to measure the performance of the business. These include gross profits percentages, expenses to sales percentages, current ratio and other ratios. These results are incorporated into a financial report that is reviewed by Management and the Board of Directors monthly.

Dividends

The Company is limited by guarantee and is prohibited from paying dividends.

Operating results

The loss amounted to \$ 55,137 (2017: profit of \$ 8,061). The company is exempt from income tax by virtue of Section 50-45 of the *Income Tax Assessment Act 1997*.

Poker Machine Revenue decreased by 26% and Subscription Revenue increased by 5.6%.

Bar gross profit percentage at 30 June 2018 is 61 % (2017: 61.9%).

Events after the reporting date

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

Future developments and results

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 issues

The Company is subject to significant environmental regulation in respect to its land development. Planning approvals are required for the clearing of land for development under the *New South Wales Environmental Planning and Assessment Act 1979*.

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DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2018

Meetings of directors

During the financial year, 12 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

Directors' Meetings	
Number eligible to attend	Number attended
Anne Arnott	12
Roy Bowyer	11
Robert Bradley	12
Jeffrey Donley	10
Christopher Foote	10
Philip French	8
Mark Hogan	9
Claire Murray- Fulton	10
Elizabeth Paynter	12

Indemnification and insurance of officers and auditors

During the financial year the company paid a premium to insure certain officers of the company. The officers of the company covered include the Directors and General Manager. The liabilities covered include the costs incurred in defending civil or criminal proceedings that may be brought against officers in their capacity as officers of the company. Disclosure of the premium amount and nature of liabilities covered is prohibited by a confidentiality clause in the policy.

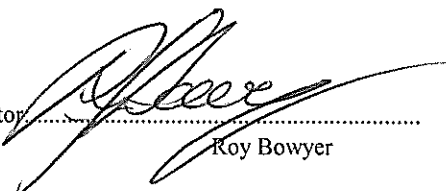
Except for the above, the company has not, during or since the end of the financial year, in respect of any person who is or has been an officer or auditor of the company or of a related body corporate:

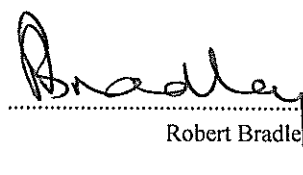
- indemnified or made any relevant agreement for indemnifying against a liability, including costs and expenses in successfully defending legal proceedings; or
- paid or agreed to pay a premium in respect of a contract insuring against a liability for the costs or expenses to defend legal proceedings.

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2018 has been received and can be found on page 4 of the financial report.

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

Director: 
Roy Bowyer

Director: 
Robert Bradley

Dated: 26.9.2018

26.9.2018

VJR
V.J. RYAN
& CO
CHARTERED ACCOUNTANTS
A.B.N. 55 704 784 107

The Board of Directors
Springwood Country Club Limited
PO Box 94
SPRINGWOOD NSW 2777

Dear Board Members

**Lead Auditor's Independence Declaration to the Directors of
Springwood Country Club Limited**

In relation to our audit of the financial report of Springwood Country Club Limited for the year ended 30 June 2018, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

V.J. Ryan & Co

V J RYAN & CO
Chartered Accountants

Level 5
255 George Street
SYDNEY NSW 2000



Peter D Wyr
Partner

Dated at Sydney: 26 SEPTEMBER 2018

SPRINGWOOD COUNTRY CLUB LIMITED

ABN: 84 000 169 826

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
Note	\$	\$
Sales revenue	1,781,110	1,695,919
Cost of sales	(269,440)	(220,748)
Gross profit	1,511,670	1,475,171
Other income	10,404	1,045
Employee benefit expenses	(658,901)	(633,443)
Administrative, member & facility expenses	(683,058)	(574,579)
Repairs and maintenance	(146,893)	(148,790)
Profit before depreciation, finance costs & income tax expense	33,222	119,404
Depreciation	(74,364)	(102,538)
Finance costs	(13,995)	(8,804)
Profit/(loss) before income tax	(55,137)	8,062
Income tax expense	-	-
Profit/(loss) for the year	(55,137)	8,062
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Revaluation of poker machine entitlements	195,000	-
Items that will be reclassified to profit or loss when specific conditions are met	-	-
Total comprehensive income for the year	139,863	8,062

The accompanying notes form part of these financial statements.

SPRINGWOOD COUNTRY CLUB LIMITED

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STATEMENT OF FINANCIAL POSITION**AS AT 30 JUNE 2018**

	Note	2018 \$	2017 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	196,797	181,321
Trade and other receivables	8	21,997	43,291
Inventories	9	24,596	22,060
Other assets	10	23,593	28,069
TOTAL CURRENT ASSETS		<u>266,983</u>	<u>274,741</u>
NON-CURRENT ASSETS			
Property, plant and equipment	12	301,021	271,650
Intangible assets	11	195,000	-
TOTAL NON-CURRENT ASSETS		<u>496,021</u>	<u>271,650</u>
TOTAL ASSETS		<u>763,004</u>	<u>546,391</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	153,933	88,084
Borrowings	14	54,155	43,663
Employee benefits	16	74,896	76,832
Other liabilities	15	29,808	10,255
TOTAL CURRENT LIABILITIES		<u>312,792</u>	<u>218,834</u>
NON-CURRENT LIABILITIES			
Borrowings	14	92,013	102,870
Employee benefits	16	5,704	12,055
TOTAL NON-CURRENT LIABILITIES		<u>97,717</u>	<u>114,925</u>
TOTAL LIABILITIES		<u>410,509</u>	<u>333,759</u>
NET ASSETS		<u>352,495</u>	<u>212,632</u>
EQUITY			
Reserves		195,000	-
Retained earnings		157,495	212,632
TOTAL EQUITY		<u>352,495</u>	<u>212,632</u>

The accompanying notes form part of these financial statements.

SPRINGWOOD COUNTRY CLUB LIMITED

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**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018**

2018

	Members' Funds	Retained Earnings	Asset Revaluation Reserve	Total
Note	\$	\$	\$	\$
Balance At 1 July 2017	-	212,632	-	212,632
Loss for the Year	-	(55,137)	-	(55,137)
Other Comprehensive Income				
Other Comprehensive Income for the Year	-	-	195,000	195,000
Balance at 30 June 2018	-	157,495	195,000	352,495

2017

	Members' Funds	Retained Earnings	Asset Realisation Reserve	Total
	\$	\$	\$	\$
Balance At 1 July 2016	-	204,570	-	204,570
Profit for the Year	-	8,062	-	8,062
Other Comprehensive Income				
Other Comprehensive Income for the Year	-	-	-	-
Balance at 30 June 2017	-	212,632	-	212,632

The accompanying notes form part of these financial statements.

SPRINGWOOD COUNTRY CLUB LIMITED

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STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from members & visitors	1,834,841	1,662,998
Payments to suppliers and employees	(1,702,175)	(1,617,073)
Interest received	905	1,122
Interest paid	(13,996)	(8,804)
Net cash provided by operating activities	23 <u>119,575</u>	<u>38,243</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	<u>(56,261)</u>	<u>(20,363)</u>
Net cash (used in) investing activities	<u>(56,261)</u>	<u>(20,363)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payment of finance lease liabilities	<u>(47,837)</u>	<u>(44,680)</u>
Net cash (used in) financing activities	<u>(47,837)</u>	<u>(44,680)</u>
Net increase/(decrease) in cash and cash equivalents held	15,477	(26,800)
Cash and cash equivalents at beginning of year	<u>181,320</u>	<u>208,120</u>
Cash and cash equivalents at end of financial year	7 <u>196,797</u>	<u>181,320</u>

The accompanying notes form part of these financial statements.

SPRINGWOOD COUNTRY CLUB LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

1 Corporate Information

The financial report of Springwood Country Club Limited ("the Company") for the year ended 30 June 2018 were authorised for issue in accordance with a resolution of the directors on the date of authorisation of the directors' declaration.

Springwood Country Club Limited is a company limited by guarantee incorporated in Australia. The nature of the operations and principal activities of the company is a licensed golf club.

Comparatives are consistent with prior years, unless otherwise stated.

2 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the *Australian Accounting Standards - Reduced Disclosure Requirements* (including *Australian Accounting Interpretations* adopted by the *Australian Accounting Standards Board (AASB)* and the *Corporations Act 2001*. The Company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

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. *Australian Accounting Standards* set out accounting policies that the *AASB* has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. All amounts are presented in Australian dollars and have been rounded to the nearest dollar.

3 Summary of Significant Accounting Policies

(a) Revenue

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company. The following specific recognition criteria also apply before revenue is recognised:

Bar, poker machine & green fees

Revenue from bars, poker machines and green fees are recognised on a receipts basis.

Commissions

Keno commission is recognised on an accrual basis.

Interest revenue

Interest revenue is recognised when it accrues.

Gain on disposal of non-current assets

The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal.

Subscriptions

Subscriptions for playing members are allocated to the relevant subscription year.

SPRINGWOOD COUNTRY CLUB LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

3 Summary of Significant Accounting Policies (Continued)

(b) Income Tax

The Company is exempt from income tax under Section 50-45 of the *Income Tax Assessment Act 1997*.

(c) Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash on hand and at bank together with short-term deposits with an original maturity of twelve months or less.

(d) Trade and other receivables

The collectability of debts are assessed at the reporting date and specific provision is made for any doubtful debts.

(e) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payable are stated inclusive of GST. Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(f) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned to inventories on an average cost basis.

(g) Property, plant and equipment

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

Depreciation

Property, plant and equipment is depreciated on a straight-line basis over the assets useful life to the Company, commencing when the asset is ready for use. Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

The estimated useful lives used for each class of depreciable asset are shown below:

Fixed asset class	Useful life
Course plant and equipment	5-25 years
Furniture, Fixtures and Fittings	5 to 25 years
Leasehold improvements	5-25 years
Poker machines	4-6 years

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

3 Summary of Significant Accounting Policies (Continued)

(h) Impairment of financial assets

At the end of the reporting period the Company assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Where an indicator of impairment exists, the company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

(i) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is an evidence of an impairment indicator for non-financial assets. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in *AASB 116: Property, Plant and Equipment*). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

(j) Poker machine entitlements

Poker machine entitlements were originally brought to account at no cost but have been revalued to fair value during the year based on comparable sales of other entitlements.

(k) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the Company are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. 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 of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

(l) Employee Entitlements

Provision is made for entitlements accruing to employees in relation to wages, salaries, annual leave, long service leave and other benefits where the Company has a present obligation to pay resulting from employees' services provided up to reporting date.

- Wages, salaries and annual leave – Liabilities for employee benefits for wages, salaries and annual leave are expected to be settled within 12 months of year-end. The provision has been calculated at current wage and salary rates including related on-costs. Sick leave is expensed as incurred.
- Long Service Leave – The liability for employee benefits for long service leave represents the present value of the estimated future cash outflows to be made resulting from employees' services provided up to reporting date. The portion of the long service leave liability not expected to be settled within 12 months is discounted using the rates applicable to national government securities at reporting date, which most closely match the terms of maturity of the related liability.
- Superannuation – Superannuation contributions by the Company on a defined basis to an employee superannuation fund are charged as expenses when incurred. The Company has no legal obligation to provide benefits to

SPRINGWOOD COUNTRY CLUB LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

3 Summary of Significant Accounting Policies (Continued)

(l) **Employee Entitlements (Continued)**

employees on retirement.

(m) **Adoption of new and revised accounting standards**

At the date of authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective, and have not been adopted early by the Company. The Company will consider the impact in future years.

(n) **Fair value of assets and liabilities**

The Company measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard. "Fair value" is the price the company would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date. As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data..

4 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

(a) **Key estimates - impairment**

The Company assesses impairment at the end of each reporting period by evaluating conditions specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

(b) **Key estimates - employee provisions**

As the Company expects that all of its employees would use all of their annual leave entitlements earned during a reporting period before 12 months after the end of the reporting period, the directors consider that obligations for annual leave entitlements satisfy the definition of short-term employee benefits and, therefore, can be measured at the undiscounted amounts expected to be paid to employees when the obligations are settled.

SPRINGWOOD COUNTRY CLUB LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

5 Revenue and Other Income

	2018	2017
	\$	\$
- sale of goods	687,490	580,089
- rendering of services	1,092,715	1,114,707
- Interest received	905	1,123
- Total revenue	1,781,110	1,695,919
Other Income		
- Gain on Disposal	-	1,045
- Grants and donations	10,404	-
Total other revenue	10,404	1,045

6 Expenses

Other expenses:		
Wages and Salaries	552,962	529,597
Workers compensation	11,720	5,688
Superannuation contributions	55,639	51,164
Rental expense on operating leases:		
- Minimum lease payments	30,052	33,167

7 Cash and Cash Equivalents

Cash on hand	40,068	29,627
Cash at bank	156,729	151,694
	196,797	181,321

8 Trade and Other Receivables

CURRENT

Trade receivables	21,997	26,065
GST receivable	-	8,726
Other receivables	-	8,500
	21,997	43,291

9 Inventories

CURRENT

At cost:

Liquor Stock on Hand	21,916	19,535
Soft Drinks	2,680	2,525
	24,596	22,060

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

10 Other Assets

	2018	2017
	\$	\$
CURRENT		
Prepayments	23,593	28,069

11 Intangible Assets

Poker machine entitlements		
At fair value	195,000	-

12 Property, Plant and Equipment

Course Improvments		
At cost	297,348	297,348
Accumulated depreciation	(292,524)	(290,559)
	4,824	6,789
Furniture, Plant & Equipment		
At cost	788,626	834,291
Accumulated depreciation	(608,498)	(642,670)
	180,128	191,621
Leasehold Improvements		
At cost	784,995	725,915
Accumulated amortisation	(669,937)	(654,902)
	115,058	71,013
Course Watering System		
At cost	213,445	213,445
Course Watering System	(212,434)	(211,218)
	1,011	2,227
Total Property, Plant and Equipment	301,021	271,650

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

12 Property, Plant and Equipment (Continued)

(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:

	Course Improvements	Furniture, Fixtures and Fittings	Leasehold improvements	Course Watering System	Total
	\$	\$	\$	\$	\$
Year ended 30 June 2018					
Carrying Amount at the Beginning of the Year	6,789	191,621	71,013	2,227	271,650
Additions	-	43,075	60,660	-	103,735
Disposals	-	-	-	-	-
Depreciation	(1,965)	(54,568)	(16,615)	(1,216)	(74,364)
Balance at the end of the year	4,824	180,128	115,058	1,011	301,021

13 Trade and Other Payables

	Note	2018 \$	2017 \$
CURRENT			
Trade payables		98,098	36,360
GST payable		5,038	-
Sundry payables and accrued expenses		50,797	51,724
		<u>153,933</u>	<u>88,084</u>

14 Borrowings

CURRENT

Secured liabilities:

Finance lease liability	18	<u>54,155</u>	<u>43,663</u>
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NON-CURRENT

Secured liabilities:

Finance lease liability	18	<u>92,013</u>	<u>102,870</u>
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Total borrowings		<u>146,168</u>	<u>146,533</u>
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Leased liabilities relate to Poker Machines and Course Equipment purchased under Hire Purchase.

SPRINGWOOD COUNTRY CLUB LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

15 Other Liabilities

	2018	2017
	\$	\$
CURRENT		
Subscriptions in advance	22,928	10,255
Deferred income	6,880	-
	<u>29,808</u>	<u>10,255</u>

16 Employee Benefits

CURRENT LIABILITIES

Provision for annual leave	50,249	55,924
Long service leave	24,647	20,908
	<u>74,896</u>	<u>76,832</u>

NON-CURRENT LIABILITIES

Long service leave	5,704	12,055
	<u>5,704</u>	<u>12,055</u>

17 Reserves

(a) Asset revaluation reserve

The asset revaluation reserve records the revaluation of poker machine entitlements.

18 Capital and Leasing Commitments

(a) Finance Leases

Minimum lease payments:

- not later than one year	67,964	51,872
- between one year and five years	53,577	48,146
- later than five years	52,317	64,453

Minimum lease payments	173,858	164,471
Less: finance changes	(27,690)	(17,938)

Present value of minimum lease payments	<u>146,168</u>	<u>146,533</u>
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Finance leases are in place for poker machines, course equipment and the carpet.

(b) Operating Leases

Minimum lease payments under non-cancellable operating leases:

- not later than one year	44,052	30,052
- between one year and five years	102,988	89,293
- later than five years	263,497	277,771

	<u>410,537</u>	<u>397,116</u>
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SPRINGWOOD COUNTRY CLUB LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

18 Capital and Leasing Commitments (Continued)

(b) Operating Leases (Continued)

Operating leases are in place for golf carts and rental of the golf course from Blue Mountains City Council.

19 Members' Guarantee

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 \$ 1 each towards meeting any outstandings and obligations of the Company. At 30 June 2018 the number of members was 1,189 (2017: 1,312).

20 Key Management Personnel Disclosure

The key management personnel include the directors as disclosed in the Directors' Report together with the General Manager. The key management personnel compensation included in employee costs was as follows:

	2018	2017
	\$	\$
Short-term employee benefits	<u>88,072</u>	<u>83,818</u>

There is no income paid or payable, or otherwise made available, to any Directors of the Company from the Company or any related party.

21 Auditors' Remuneration

Remuneration of the auditor - V J Ryan & Co for:

- Audit of the financial statements	12,000	12,000
- other services	<u>5,000</u>	<u>5,000</u>
Total	<u>17,000</u>	<u>17,000</u>

22 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2018 (30 June 2017:None).

SPRINGWOOD COUNTRY CLUB LIMITED

ABN: 84 000 169 826

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

23 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities		
(Loss)/profit for the year	(55,137)	8,061
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	74,364	102,538
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	24,679	(10,678)
- (increase)/decrease in other assets	4,476	(23,284)
- (increase)/decrease in inventories	(2,536)	2,283
- increase/(decrease) in trade and other payables	62,463	(23,161)
- increase/(decrease) in provisions	(8,287)	13,905
- increase/(decrease) in employee benefits	19,553	(31,421)
Cashflows from operations	<u>119,575</u>	<u>38,243</u>

(b) Non-Cash financing and investing activities

Property, Plant and Equipment:

During the financial year, the company acquired plant and equipment with an aggregate fair value of \$47,473 (2017: \$96,828) by means of finance lease agreements. These acquisitions are not reflected in the Statement of Cash Flows.

24 Events after 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.

25 Statutory Information

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

Springwood Country Club Limited
68 Hawkesbury Road
Springwood NSW 2777

SPRINGWOOD COUNTRY CLUB LIMITED

ABN: 84 000 169 826

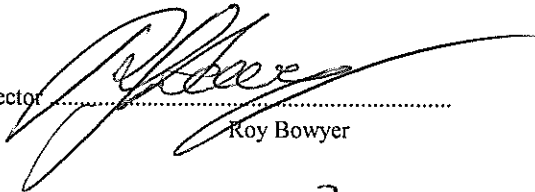
DIRECTORS' DECLARATION

The directors of Springwood Country Club Limited ("the Company") declare that:

1. The financial statements and notes, as set out on pages 5 to 18, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*; and
 - b. give a true and fair view of the financial position as at 30 June 2018 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.

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

Director

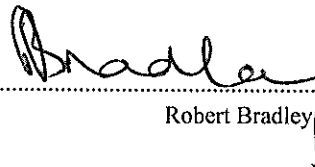


Roy Bowyer

Dated:

26.9.2018

Director



Robert Bradley

26.9.2018

VJR
V.J. RYAN
& CO
CHARTERED ACCOUNTANTS
A.B.N. 55 704 784 107

AUDITOR'S REPORT TO THE MEMBERS OF

SPRINGWOOD COUNTRY CLUB LIMITED

(A Company limited by Guarantee)

ABN 84 000 169 826

Opinion

We have audited the financial report of Springwood Country Club Limited ("the Company") which comprises the statement of financial position as at 30 June 2018, 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.

In our opinion, the accompanying financial report of Springwood Country Club Limited is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2018 and its performance for the financial year ended on that date; and
- (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Springwood Country Club Limited would be in the same terms if given to the directors as at the time of this auditor's report.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

SPRINGWOOD COUNTRY CLUB LIMITED (Continued)

(A Company limited by Guarantee)

ABN 84 000 169 826

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

The directors are responsible for the other information. The other information comprises the information included in the directors' report for the year ended 30 June 2018, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements 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 preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

SPRINGWOOD COUNTRY CLUB LIMITED (Continued)

(A Company limited by Guarantee)

ABN 84 000 169 826

Auditor's Responsibilities for the Audit of the Financial Report (continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

V J RYAN & CO
Chartered Accountants



Peter D Wyr
Partner

Level 5
255 George Street
SYDNEY NSW 2000

Dated at Sydney 24 SEPTEMBER 2018

SPRINGWOOD COUNTRY CLUB LIMITED

ABN: 84 000 169 826


FOR THE YEAR ENDED 30 JUNE 2018

COMPILATION REPORT

The additional financial data presented on pages 24-29 is in accordance with the books and records of the Company which have been subjected to the auditing procedures applied in our statutory audit of the Company for the year ended 30 June 2018. It will be appreciated that our statutory audit did not cover all details of the additional financial data.

Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Springwood Country Club Limited) in respect of such data, including any errors or omissions therein however caused.

V J RYAN & CO
Chartered Accountants

V. J. Ryan - 6


Peter D Wyer
Partner

Dated at Sydney *26 SEPTEMBER 2018*

Level 5
255 George Street
SYDNEY NSW 2000

SPRINGWOOD COUNTRY CLUB LIMITED

ABN: 84 000 169 826

FOR THE YEAR ENDED 30 JUNE 2018

DETAILED TRADING STATEMENT

	2018	2017
	\$	\$
INCOME		
Income (net)		
Poker machines	163,586	225,481
Bar Trading	185,884	125,800
Course and Golf	246,792	279,173
Keno	5,993	8,965
Raffle	(16,863)	(13,797)
Squash	18,227	17,054
Interest Income	905	1,122
ATM Commission	3,138	3,117
Coffee Machine & Vending Machine Commission	23,683	15,654
Functions	29,295	12,566
Advertising & Sponsorships	37,136	27,823
Sundry	19,243	13,558
	<hr/>	<hr/>
	717,019	716,516
LESS EXPENSES		
Administration expenses	581,602	553,450
Clubhouse Expenses	190,554	155,005
	<hr/>	<hr/>
	772,156	708,455
NET PROFIT / (LOSS)	<hr/> <hr/>	<hr/> <hr/>
	(55,137)	8,061

These statements have not been audited.

SPRINGWOOD COUNTRY CLUB LIMITED

ABN: 84 000 169 826

FOR THE YEAR ENDED 30 JUNE 2018

DETAILED TRADING STATEMENT

	2018	2017
	\$	\$
COURSE & GOLF TRADING STATEMENT		
REVENUE		
Charity Events	-	2,456
Competition Fees	55,153	50,214
Golf Prize Sponsorships	-	1,399
Hire & Cart Storage Fees	33,629	39,598
Internet Promo Golf Deals	4,723	6,648
Ladies Capital Contribution	587	9,992
Ladies Operating Income	-	3,741
Members Levy Income	137,893	121,052
Pro Am Income	18,973	20,268
Representative Golf	7,141	6,798
Subscriptions - Members	318,105	301,294
Veterans Tournament Income	5,230	3,405
Visitors and Social Club Fees	129,878	136,026
	<hr/>	<hr/>
	711,312	702,891
EXPENSES		
Competition Trophy Expenses	50,519	37,685
Depreciation	3,181	4,826
Fuel & Oil	15,359	12,615
Functions Expenses	16,217	2,088
Interest - Asset Purchase	11,870	8,804
Hire costs	28,997	22,870
Junior Expenses	-	32
Ladies Operating Expenses	162	4,891
Ladies Capital Expenditure	-	1,364
Member Amenities and Affiliation Fees	20,154	21,086
Pro Am Tournament Expenses	19,103	15,333
Repair & Maintenance Course	87,275	83,216
Repairs & Maintenance - Machinery & tools	14,176	19,669
Representative Golf Expenses	8,422	6,155
Sundry	104	355
Wages and Salaries	188,981	182,729
	<hr/>	<hr/>
	464,520	423,718
	<hr/>	<hr/>
NET PROFIT	246,792	279,173

These statements have not been audited.

SPRINGWOOD COUNTRY CLUB LIMITED

ABN: 84 000 169 826

FOR THE YEAR ENDED 30 JUNE 2018

DETAILED TRADING STATEMENT

	2018	2017
	\$	\$
POKER MACHINES		
INCOME		
Poker machines	180,356	240,074
LESS: DIRECT EXPENSES		
Repairs and maintenance	16,770	14,593
NET PROFIT	<u>163,586</u>	<u>225,481</u>
BAR TRADING		
SALES REVENUE		
Sales	687,490	580,089
	<u>687,490</u>	<u>580,089</u>
COST OF SALES		
Opening stock	22,060	24,343
Purchases	271,976	218,465
Closing stock	(24,597)	(22,060)
Cost of goods sold	<u>269,439</u>	<u>220,748</u>
Gross profit	<u>418,051</u>	<u>359,341</u>
Gross profit (%)	60.81 %	61.95 %
LESS: EXPENSES		
Repairs and maintenance	1,917	6,325
Wages	217,085	217,460
Wastage	4,719	4,191
Other expenses	8,446	5,565
Total expenses	<u>232,167</u>	<u>233,541</u>
NET PROFIT	<u>185,884</u>	<u>125,800</u>

These statements have not been audited.

SPRINGWOOD COUNTRY CLUB LIMITED

ABN: 84 000 169 826

FOR THE YEAR ENDED 30 JUNE 2018

DETAILED TRADING STATEMENT

	2018	2017
	\$	\$
SQUASH COURTS		
INCOME		
Income	18,227	17,054
LESS: DIRECT EXPENSES		
Expenses	-	-
NET PROFIT	<u>18,227</u>	<u>17,054</u>
RAFFLES		
INCOME		
Income	36,284	31,631
LESS: EXPENSES		
Expenses	53,147	45,428
NET (LOSS)	<u>(16,863)</u>	<u>(13,797)</u>
KENO		
INCOME		
Income	44,445	51,387
LESS: DIRECT EXPENSES		
Expenses	38,452	42,422
NET PROFIT	<u>5,993</u>	<u>8,965</u>

These statements have not been audited.

SPRINGWOOD COUNTRY CLUB LIMITED

ABN: 84 000 169 826

FOR THE YEAR ENDED 30 JUNE 2018

DETAILED TRADING STATEMENT

	2018	2017
	\$	\$
ADMINISTRATION EXPENSES		
Audit fees	17,000	17,000
Bad debt expenses	800	1,955
Bank charges	2,697	1,783
Computer expenses	3,824	3,422
Damage claims	9,757	3,953
Depreciation Plant & Equipment	54,568	49,583
Ammortisation P & E Leased	-	36,554
Electricity	44,474	35,612
Employee Entitlements	38,580	46,994
Filing fees	418	282
Insurance	51,059	49,925
Interest Expense	2,126	-
Legal fees	780	995
Membership System Expenses	6,942	6,259
Poker Night Expenses	760	1,469
Rates and Taxes	79,604	58,290
Rent	7,182	10,297
Salaries and Wages	146,896	129,408
Staff Amenities and Uniforms	4,984	7,081
Starters Fee	97	21
Stationery, Printing, Postage & Advertising	38,714	21,736
Subscriptions, Sponsorship and Donations	4,742	6,342
Superannuation	55,639	51,164
Telephone	5,420	8,473
Training	908	683
Volunteer Expenses	3,631	4,169
TOTAL ADMINISTRATION EXPENSES	581,602	553,450

These statements have not been audited.

SPRINGWOOD COUNTRY CLUB LIMITED

ABN: 84 000 169 826

FOR THE YEAR ENDED 30 JUNE 2018

DETAILED TRADING STATEMENT

	2018	2017
	\$	\$
CLUBHOUSE EXPENSES		
Badge Draw	20,120	7,750
Contract Cleaners	49,865	42,017
Depreciation - Leasehold Improvements	16,615	11,575
Entertainment	14,472	17,007
Repair & Maintenance	26,755	24,988
Rubbish Removal	13,009	12,216
Security	5,638	8,255
Club Sponsors Expenses	1,993	5,223
Other Expenses	42,087	25,974
	<u>190,554</u>	<u>155,005</u>

These statements have not been audited.