

Gosford Golf Club Limited
ABN 29 000 318 187

Financial Report
For The Financial Year Ended
30 June 2016

Gosford Golf Club Limited
ABN 29 000 318 187

Financial Report
For The Financial Year Ended 30 June 2016

	Page Number
<i>Directors' Report</i>	3
<i>Auditor's Independence Declaration</i>	5
<i>Statement of Comprehensive Income</i>	6
<i>Statement of Financial Position</i>	7
<i>Statement of Changes in Members Funds</i>	8
<i>Statement of Cash Flows</i>	9
<i>Notes to the Financial Statements</i>	10
<i>Directors Declaration</i>	25
<i>Independent Auditor's Report</i>	26

Gosford Golf Club Limited
ABN 29 000 318 187

Directors' Report

Your directors present their report on Gosford Golf Club Limited (the company) for the year ended 30 June 2016.

Directors Details

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Name	Qualifications and period of directorship
P Scholberg	President (appointed 20 October, 2015)
M Stimpson	Captain
G Harrison	Treasurer
P Martin	Vice President
D Snelson	Director
P McCabe	Director (resigned 26 August, 2016)
M Crookes	Director
M Snelson	Director
J Harrison	Director

Meeting of Directors

During the financial year, 13 board and 1 special board meetings were held. Attendances by each director were as follows:

Director	Board Meetings		Special	Number attended
	Number eligible to attend	Number Attended	Number eligible to attend	
P Scholberg	9	9	1	1
M Stimpson	13	12	1	1
G Harrison	13	12	1	1
P Martin	13	13	1	1
D Snelson	13	12	1	1
M Snelson	13	10	1	1
P McCabe	13	6	1	1
M Crookes	13	12	1	0
J Harrison	13	12	1	0

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 \$5.00 each towards meeting any outstanding obligations of the company.

Gosford Golf Club Limited
ABN 29 000 318 187

Directors' Report

Principal Activities

The principal activities of the company during the year were the promotion and conduct of the game of Golf, operating of a licensed club, and the general promotion of the objects of Gosford Golf Club Limited.

There were no significant changes in the nature of these activities during the year.

Short-term and long Term Objectives

Short-term

The short-term objectives of the club are to continually improve the golf course, the amenities for the members and their guests and to expand and improve the function centre business.

Long-term

The long-term objective of the club is to provide a quality golf course and associated facilities for the members and the people of the Central Coast. Revenues from the expansion of catering services will assist to finance the maintenance and development of the golf course.

Strategies to Service the Objectives

The Board of Directors will continue to review the short and long term objectives at regular intervals. The Board is cognizant of the dynamic and changing nature of this industry and we will continue to strive to improve the golf experience for all at the Gosford Golf Club Limited.

Operating Result

The net profit for the year amounted to \$100,084 compared to a net loss of \$201,713 for the prior year.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2016 has been received and can be found on page 5 of the financial report.

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

P Scholberg
Director

G Harrison
Director

Dated: 8 September, 2016

Gosford Golf Club Limited
ABN 29 000 318 187

Auditor's Independence Declaration
Under Section 307C of the Corporations Act 2001
To The Directors of Gosford Golf Club Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2016 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

FORTUNITY ASSURANCE

T R Davidson
Partner

155 The Entrance Road
ERINA NSW

Dated: 8 September, 2016

Gosford Golf Club Limited
ABN 29 000 318 187

Statement of Profit or Loss and Comprehensive Income
For The Year Ended 30 June 2016

	Note	2016 \$	2015 \$
Revenue	2	3,200,496	3,433,367
Other income	2	49,447	54,766
		3,249,943	3,488,133
Expenses			
Employee benefits expense		(1,136,732)	(1,352,552)
Depreciation & amortisation expenses	3	(182,523)	(156,524)
Finance costs	3	(41,981)	(51,469)
Bar expenses		(191,338)	(196,914)
Poker machines expenses		(290,643)	(353,507)
Course expenses		(204,916)	(216,216)
House expenses		(238,087)	(244,898)
Match expenses		(96,311)	(93,462)
Keno expenses		(2,044)	(1,888)
Function Centre expenses		(210,684)	(278,336)
Pro Shop expenses		(316,358)	(307,124)
Administration expenses		(238,242)	(392,149)
		100,084	(156,906)
Profit/ (loss) before income tax			
Retrospective adjustments in relation to current and prior year	5	-	(44,807)
		100,084	(201,713)
Profit/ (loss) for the year			
Other comprehensive income after income tax		-	-
		100,084	(201,713)
Total comprehensive income for the year		100,084	(201,713)

The accompanying notes form part of these financial statements.

Gosford Golf Club Limited
ABN 29 000 318 187

Statement of Financial Position
As At 30 June 2016

	Note	2016 \$	2015 \$
Current Assets			
Cash and cash equivalents	6	135,887	38,926
Trade & other receivables	7	30,804	57,763
Inventories	8	94,682	100,866
Other assets	9	13,482	7,474
Total Current Assets		274,855	205,029
Non-Current Assets			
Property plant and equipment	10	2,137,133	2,252,276
Total Assets		2,411,988	2,457,305
Current Liabilities			
Trade & other payables	11	229,216	218,846
Employee benefits	13	190,206	208,000
Other liabilities	14	312,148	354,910
Borrowings	12	59,652	77,375
Total Current Liabilities		791,222	859,131
Non-Current Liabilities			
Employee benefits	13	9,631	17,519
Borrowings	12	617,496	651,107
Other liabilities	14	211,422	247,415
Total Non-Current Liabilities		838,549	916,041
Total Liabilities		1,629,771	1,775,172
Net Assets		782,217	682,133
Members Funds			
Reserves		265,185	265,185
Retained earnings		517,032	416,948
Total Members Funds		782,217	682,133

The accompanying notes form part of these financial statements.

Gosford Golf Club Limited
ABN 29 000 318 187

Statement of Changes in Members' Funds
For The Year Ended 30 June 2016

	Reserves \$	Retained Earnings \$	Total \$
Balance 1 July 2014	265,185	618,661	883,846
Loss for year	-	(201,713)	(201,713)
Balance 30 June 2015	<u>265,185</u>	<u>416,948</u>	<u>682,133</u>
Profit for year	-	100,084	100,084
Balance 30 June 2016	<u>265,185</u>	<u>517,032</u>	<u>782,217</u>

The accompanying notes form part of these financial statements

Gosford Golf Club Limited
ABN 29 000 318 187

Statement of Cash Flows
For The Year Ended 30 June 2016

	Note	2016 \$	2015 \$
Cash flows from operating activities			
Receipts from poker machines		460,912	498,084
Receipts from bar trading		439,432	460,487
Other receipts from members and customers		2,369,588	2,523,292
Interest received		201	76
Payments to suppliers and employees		(3,012,477)	(3,777,237)
Interest and other costs of finance paid		(41,981)	(51,469)
Net cash provided by operating activities	19	215,675	(346,767)
Cash flows from investing activities			
Payments for property, plant & equipment			
- Buildings		(1,374)	(28,680)
- Plant and equipment		(60,981)	(101,216)
Proceeds from sale of property, plant and equipment		-	11,955
Net cash used in investing activities		(67,380)	(117,941)
Cash flows from financing activities			
Repayment of borrowings		(44,450)	(9,640)
Proceeds of borrowings		42,500	45,100
Net cash provided by financing activities		(1,950)	35,460
Net increase/(decrease) in cash held		146,345	(429,248)
Cash at beginning of the financial year		(10,458)	418,790
Cash at the end of the financial year	6	135,887	(10,458)

The accompanying notes form part of these financial statements.

Gosford Golf Club Limited
ABN 29 000 318 187

Notes To The Financial Statements
for The Year Ended 30 June 2016

Note 1. Statement of Significant Accounting Policies

Basis of Preparation

Gosford Golf Club Limited applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Reporting Requirements of 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.

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.

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) Revenue

Revenue of sale of goods is recognised upon the delivery of that good to the customer.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from rendering a service is recognised upon delivery of that service to the customers.

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

(b) Inventories

Inventories are measured at the lower of cost and current replacement cost. Inventories held for distribution are measured at cost adjusted, when applicable, for any loss of service potential.

Gosford Golf Club Limited
ABN 29 000 318 187

Notes To The Financial Statements
for The Year Ended 30 June 2016

Note 1. Statement of Significant Accounting Policies (cont'd)

Accounting Policies

(c) Property, Plant and Equipment

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

Freehold Property

Freehold land is measured on the cost basis. Buildings are measured on the cost basis 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 accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its 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. A formal assessment of recoverable amount is made when the impairment indicators are present (refer to note 1(e) for details of impairment).

Plant and equipment that have been contributed at no cost are recognised at the fair value of the asset at the date it is acquired.

Depreciation

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

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

Class of Fixed Asset	Depreciation Rate
Buildings	2%
Leasehold Course Improvement	4 - 10%
Course Plant & Equipment	15 - 25%
General Plant	7 - 25%
Poker Machines	25%

Gosford Golf Club Limited
ABN 29 000 318 187

Notes To The Financial Statements
for The Year Ended 30 June 2016

Note 1. Statement of Significant Accounting Policies (cont'd)

(c) Property, Plant and Equipment (cont'd)

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise.

When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(d) Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell that asset (i.e. trade date accounting is adopted). Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified "at fair value through profit or loss" in which case transaction costs are expensed to profit or loss immediately.

Classification and Subsequent Measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Gosford Golf Club Limited
ABN 29 000 318 187

Notes To The Financial Statements
for The Year Ended 30 June 2016

Note 1. Statement of Significant Accounting Policies (cont'd)

(d) Financial Instruments (cont'd)

(i) Financial assets at fair value through profit or loss.

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

(ii) Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iii) Held-to-maturity Investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iv) Available-for-sale Financial Assets

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any re-measurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are expected to be sold after 12 months from the end of the reporting period. All other available for sale financial assets are classified as current assets.

Gosford Golf Club Limited
ABN 29 000 318 187

Notes To The Financial Statements
for The Year Ended 30 June 2016

Note 1. Statement of Significant Accounting Policies (cont'd)

(d) Financial Instruments (cont'd)

(v) Financial Liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications in debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter into bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that collate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of the financial assets impaired by credit losses. After having undertaken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance accounts.

When the term financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Gosford Golf Club Limited
ABN 29 000 318 187

Notes To The Financial Statements
for The Year Ended 30 June 2016

Note 1. Statement of Significant Accounting Policies (cont'd)

(d) Financial Instruments (cont'd)

Derecognition

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

(e) Impairment of assets

At the end of each reporting period, the entity assesses whether there is any indication that an asset may be impaired. If such indication exists, an impairment test is carried out on the asset by comparing the recoverable amount if an asset, being the higher of the asset's fair value less costs to sell 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 and loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB 116). Any impairment or loss of a revalued asset is treated as a revaluation decrease in accordance with that other standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs. Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

(f) Employee Benefits

Provision is made for the company's liability for employee benefits from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits

In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Gosford Golf Club Limited
ABN 29 000 318 187

Notes To The Financial Statements
for The Year Ended 30 June 2016

Note 1. Statement of Significant Accounting Policies (cont'd)

(g) 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.

(h) Accounts Receivable and other receivables

Accounts receivable and other receivables include amounts due from members as well as amounts receivable from customers for goods sold in 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. Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method, less any provision for impairment. Refer to note 1(d) for further discussion on the determination of impairment losses.

(i) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax 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.

(j) Income Tax

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

(k) Comparative Figures

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

(l) Accounts Payable and other Payables

Accounts payable and other payables represent the liabilities for goods and services received by the company during the reporting period 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.

Gosford Golf Club Limited
ABN 29 000 318 187

Notes To The Financial Statements
for The Year Ended 30 June 2016

Note 1. Statement of Significant Accounting Policies (cont'd)

(m) Members Subscriptions Received in Advance

Amounts received from members in respect of the year ending 1 July 2016 to 30 June 2017 and beyond are shown in the Balance Sheet as subscriptions in advance.

(n) Critical Accounting Estimates and Judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

	2016	2015
	\$	\$
Note 2. Revenue		
Revenue from ordinary activities		
- bar sales	439,432	460,487
- poker machine takings	460,912	498,084
- keno commission	6,632	6,740
- TAB commission	6,396	3,077
- function centre income	510,750	704,612
- match income	773,026	726,350
- pro shop income	552,299	552,875
- members subscriptions	451,049	481,142
	3,200,496	3,433,367
Other Revenue		
- interest received	201	76
- sundry income	19,267	8,110
- Insurance recovery	29,979	34,625
- Profit on sale of non-current assets	-	11,955
	49,447	54,766
Total Revenue	3,249,943	3,488,133
Note 3. Profit for the Year		
Depreciation and amortisation		
-Clubhouse	79,297	81,479
-House and course plant and equipment	79,544	56,335
-Leasehold Course	12,391	13,368
-Poker Machines	11,291	5,342
	182,523	156,524
Finance costs		
- external	41,981	51,469
	41,981	51,469

Gosford Golf Club Limited
ABN 29 000 318 187

Notes To The Financial Statements
for The Year Ended 30 June 2016

	2016 \$	2015 \$
Note 4. Auditors Remuneration		
Remuneration of the auditor		
For the company for:		
- auditing the financial report	8,000	4,506
- other services	-	-
	<hr/>	<hr/>
Note 5. Retrospective Adjustment		
Unreconciled differences in respect of the current & prior years.	-	44,807
	<hr/>	<hr/>
Note 6. Cash and Cash Equivalents		
Cash at bank	99,765	3,650
Cash on hand	36,122	35,276
	<hr/>	<hr/>
	135,887	38,926
	<hr/>	<hr/>
Note 7. Accounts receivable & other receivables		
Accounts receivable	30,804	57,763
	<hr/>	<hr/>
Note 8. Inventories		
Stock on hand- at cost	94,682	100,866
	<hr/>	<hr/>
Note 9. Other Assets		
Prepayments	13,482	7,474
	<hr/>	<hr/>

Gosford Golf Club Limited
ABN 29 000 318 187

Notes To The Financial Statements
for The Year Ended 30 June 2016

	2016 \$	2015 \$
Note 10. Property Plant and Equipment		
Land and buildings		
Freehold land at cost	10,900	10,900
Clubhouse		
- at valuation	658,500	658,500
- at cost	2,122,756	2,121,382
Less accumulated depreciation	(1,149,622)	(1,067,797)
Total Land and clubhouse	1,642,534	1,722,985
House and		
course plant and equipment – at cost	2,687,705	2,627,942
Accumulated depreciation	(2,315,920)	(2,244,758)
	371,785	383,184
Leasehold course		
Improvements – at cost	1,291,274	1,291,274
Accumulated depreciation	(1,189,770)	(1,177,768)
	101,504	113,506
Poker machines – at cost	199,476	199,476
Accumulated depreciation	(178,166)	(166,875)
	21,310	32,601
Total Plant and Equipment	494,599	529,291
Total Property Plant and Equipment	2,137,133	2,252,276

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.

Gosford Golf Club Limited
ABN 29 000 318 187

Notes To The Financial Statements
for The Year Ended 30 June 2016

2016
\$

2015
\$

Note 10. Property Plant and Equipment (cont'd)

2016	Freehold Land	Club House	Plant & Equipment	Leasehold Course Improvements	Poker Machines	Capital Works	Total
Balance at the beginning of the year	10,900	1,712,085	383,184	113,506	32,601	-	2,252,276
Additions	-	1,374	60,981	-	-	-	62,355
Disposals	-	(2,528)	7,164	389	-	-	5,025
Depreciation expense	-	(79,297)	(79,544)	(12,391)	(11,291)	-	(182,523)
Carrying amount at the end of the year	10,900	1,631,634	371,785	101,504	21,310	-	2,137,133

Note 11. Trade and other payables

Trade and other payables	229,216	218,846
	_____	_____

Note 12. Borrowings

Current		
Bank loan	40,000	20,000
Bank overdraft	-	49,384
Hire purchase liability	19,652	7,991
	_____	_____
	59,652	77,375
	_____	_____

Gosford Golf Club Limited
ABN 29 000 318 187

Notes To The Financial Statements
for The Year Ended 30 June 2016

	2016 \$	2015 \$
Note 12. Borrowings (cont'd)		
Non-current		
Bank loan	564,600	614,600
Hire purchase liability	52,896	36,507
	617,496	651,107
 (a) Total current and non-current' Secured liabilities:		
Bank loan and overdraft	604,600	691,634

(b) The bank loan and overdraft are secured by registered first mortgage over freehold property, mortgage debenture over all the assets and undertakings and a deed of charge over liquor licence.

Note 13. Employee Benefits

Current		
Annual leave	118,629	141,477
Long service leave	71,577	66,523
	190,206	208,000
Non-current		
Long service leave	9,631	17,519
	9,631	17,519
Total Provisions	199,837	225,519

Gosford Golf Club Limited
ABN 29 000 318 187

Notes To The Financial Statements
for The Year Ended 30 June 2016

	2016	2015
	\$	\$
Note 14. Other Liabilities		
Current		
Income in advance	49,012	56,754
Ladies committee	4,690	4,860
Subscriptions in advance	258,446	293,296
	<u>312,148</u>	<u>354,910</u>
Non-current		
Subscriptions in advance - Life	204,184	231,733
Subscriptions in advance – 5 years	7,238	15,682
	<u>211,422</u>	<u>247,415</u>
Total other liabilities	<u>523,570</u>	<u>597,144</u>

Note 15. Operating Lease Commitments

In addition to the amount of \$32,517 paid this period, the Club has the following future commitments on the current course lease:

- no later than 12 months	32,517	31,831
- later than 12 months but no later than 5 years	130,068	127,324
	<u>162,585</u>	<u>259,155</u>

Gosford Golf Club Limited
ABN 29 000 318 187

Notes To The Financial Statements
for The Year Ended 30 June 2016

	2016	2015
	\$	\$

Note 16. Remuneration of Directors

The Directors of Gosford Golf Club Limited during the year were:

P Scholberg
M Stimpson
G Harrison
P Martin
D Snelson
P McCabe
M Cookes
M Snelson
J Harrison

Aggregate income received, or due and receivable, by the directors of Gosford Golf Club Limited from the company

Nil

Nil

Note 17. Related Party Disclosures

The directors also purchased goods from the company on the same terms and conditions available to the company's employees, members and guests.

Note 18. Financial Reporting by Segments

The Club operates predominantly in one industry. The principal activity of the Club is that of operating a Golf Club registered under the Registered Club Act, 1976. The Club operates predominantly in one geographical area being Gosford, NSW.

Gosford Golf Club Limited
ABN 29 000 318 187

Notes To The Financial Statements
for The Year Ended 30 June 2016

	2016	2015
	\$	\$
Note 19. Cash Flow Information		
(a) Reconciliation of Cash Flow from Operations With Profit from Ordinary Activities after Income Tax		
Profit from ordinary activities after income tax	100,084	(201,713)
Non-cash flows in profit from ordinary activities		
Depreciation	182,523	156,524
Changes in assets and liabilities		
Profit on sale of non-current assets	-	(11,955)
(Increase)/decrease in accounts receivable	26,959	(11,154)
(Increase)/decrease in inventories	6,184	1,809
(Increase)/decrease in other assets	(6,008)	110,679
Increase/(decrease) in accounts payable	10,370	(210,155)
Increase/(decrease) in provisions	(25,682)	(57,257)
Increase/(decrease) in other liabilities	(78,755)	(123,545)
Cash flow from operations	<u>215,675</u>	<u>(346,767)</u>

Note 20. Events After the Reporting Period

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

Note 21. Registered Office

The registered office address of the company is:

Racecourse Road
Gosford NSW 2250

Gosford Golf Club Limited
ABN 29 000 318 187

Directors' Declaration

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

1. The financial statements and notes, as set out on pages 6 to 24, are in accordance with the Corporations Act 2001:
 - (a) comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
 - (b) give a true and fair view of the financial position as at 30 June 2016 and of its performance for the year ended on that date.
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.

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

P Scholberg
Director

G Harrison
Director

Dated: 8 September, 2016

Gosford Golf Club Limited
ABN 29 000 318 187

**Independent Auditors Report to the Members
of Gosford Golf Club Limited**

Report on the Financial Report

We have audited the accompanying financial report of Gosford Golf Club Limited (the company), which comprises the statement of financial position as at 30 June 2016, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – 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 is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives 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 Australian professional and ethical pronouncements and the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Gosford Golf Club Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Gosford Golf Club Limited
ABN 29 000 318 187

**Independent Auditors Report to the Members
of Gosford Golf Club Limited**

Opinion

In our opinion the financial report of Gosford Golf 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 2016 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Regulations 2001.

FORTUNITY ASSURANCE

T R Davidson
Partner

ERINA NSW 2250

Dated: 8 September, 2016