

**Nambucca Heads Island Golf Club Ltd**

79 002 470 582

**For the Year Ended 30 June 2019**



**Nambucca Heads Island Golf Club Ltd**

**79 002 470 582**

**ANNUAL REPORT 2019**

**For the Year Ended 30 June 2019**

Notice is hereby given that the Annual General Meeting of the Nambucca Heads Island Golf Club Limited will be held on Sunday 3<sup>rd</sup> November 2019 commencing at 10.00am in the Auditorium at the premises of the Golf Club on Stuart's Island, Nambucca Heads, New South Wales.

**OFFICE BEARERS 2018-2019**

President:	Mr Geoff Harris
Vice President:	Mr Malcolm McGoldrick
Treasurer:	Mr Andrew Johnston
Captain:	Mr Kerry McCoy
Directors:	Mr Christopher Tinson
	Mrs Sue Seymour
	Mrs Gillian Anderson

**Nambucca Heads Island Golf Club Ltd**

79 002 470 582

**For the Year Ended 30 June 2019**

**WE WISH TO THANK OUR SPONSORS FOR THEIR SUPPORT**

Ecomist	Nambucca Local Liquor
Eyecare Plus	Nambucca Newsagency
Golden Sands Tavern	Nambucca Glass – Craig Marsay
Guardian Pharmacy	Nambucca River Caravan Park
Hello World Travel	Nambucca Smash Repairs
HLV Audit Pty Ltd	Nambucca Valley Care
Bernard Laverty Funerals	Nambucca Valley Cranes
Macksville Mitre 10	Nambucca Valley Property
Marcel Towers	Pizza This Pizza That (Steve Ward)
Midcoast Trucks Isuzu	Repco
Midstate Financial Services	Shell Petrol Station and Auto
Miramar Motel	Paul Habgood Golf Professional
Mr Nips	Steve Doherty Painting
Nambucca Heads RSL Club	Tooheys Ltd
Nambucca Formworks	Treasury Wines
Nambucca Leagues and Sports Club	Watson's Caravans & RVs Coffs Harbour
Nambucca Heads Butchery	Wharf Street Café

***We would also like to thank the many members who support us by sponsoring individual days.  
Thank You!***

## **AGENDA - ANNUAL GENERAL MEETING**

**Sunday 3rd November 2019 at 10.00am.**

Copies of the Club's Financial Statements are available from 20<sup>th</sup> October 2019 at the Office, or by email request, and are posted on the Club's website: [www.namgolf.com](http://www.namgolf.com)

### **BUSINESS**

1. Opening and Welcome
2. Attendance, Quorum and Apologies.
3. Receive and confirm the Minutes of the Annual General Meeting held on Sunday 17th November 2017.
4. Receive and adopt the Reports of Directors and Office Bearers.
5. Receive and adopt the Balance Sheet, Statement in Changes of Equity, Income Statement, Cash Flow Statement, Notes to the Accounts, Director's report, Director's Declaration and the Independent Audit Report.
6. Notify the result of Ballot and Declaration of Office Bearers for 2018-2019.
7. To elect Office Bearers to any vacant position following the declaration of Office Bearers.
8. General Business.

## **PRESIDENT'S REPORT**

### **NHIGC ANNUAL REPORT 2018-2019**

It is a pleasure for me to present this report to members of the Nambucca Heads Island Golf Club and to outline and reflect upon the activities of the club during the trading year 2018-2019.

#### **FINANCIAL POSITION**

During the past few months I have reported to you that the financial position of the club has improved considerably during the past trading year. As you reflect on the financial pages in this report it will become extremely obvious that a huge reduction in expenditure has created a trading surplus. This reduction has resulted from stringent and careful cost control and almost \$140,000.00 has been cut from expenses over the trading period. Reductions in almost all expense line items are evident in the profit and loss statement contained in this report.

Whilst the above is very pleasing it is somewhat alarming to note that revenue declined also. To keep the golf club business viable into the future we must strive to grow revenue and I can assure all members that your Board are very focussed on this priority. It would be fair to say that the club is now approaching a turning point. We are consolidating well financially by minimising expenditure but during the next operating period we need to turn our attention to growth. This will, by financial necessity, be a slow process and will not become immediately apparent but we hope by mid-2020 we will notice a solid revenue improvement.

In summary I commend the financial statements to you all and I thank Treasurer Andy for his absolute diligence to duty at our club over the past 24 months. I can assure you that his time and effort has contributed greatly to this excellent result.

#### **BOARD OF DIRECTORS**

It has been a great pleasure for me to work with a Board of Directors so dedicated to their task. Every one of them has made a significant contribution to the club over the past year and each of them have acted with fairness and consideration in all matters of contention. They have shown the dedication, enthusiasm and understanding necessary to fulfil their roles and ensure that the interests of the club and its members are of paramount importance.

I wish to particularly thank Kel and Chris for organising the renovation works completed in the men's toilet area. This area has been of concern to us all for far too long and the result is excellent.

Not so noticeable is the new air conditioning unit on the roof of the club. Again, Kel and Chris were instrumental in managing this project and the old rusted out rattle trap that was a disaster waiting to happen was replaced just in the “nick of time”.

### **COURSE STAFF**

Our thanks and congratulations go to Brendan and his team on the course. There is no doubt that the Nambucca Heads Island Golf Course is unique, and it always will be. It is now being enhanced by Brendan who has brought a new level of operational efficiency to the task and the results are amazing. We all thank him, his team and the volunteers who give their time freely to this function of our club for their dedication to duty. We look forward to further improvements going forward.

### **PRO SHOP**

Paul and his family have added a new dimension to our club and the services from the Pro Shop are first class. There is no doubt that this level of professionalism has assisted the club to benefit financially over the past 24 months. We thank them all for their untiring efforts assisting our members and visitors.

### **MATT AND ASHLEY**

I am pleased to confirm that the club has recently signed a new two-year contract with Matt and Ashley for the supply of catering facilities in our club. The Restaurant runs smoothly and efficiently, and it is regarded highly in the local community for its quality and service. There is no doubt that this part of our facility draws business to our club and adds value to our operations. We are grateful to Matt and Ashley for being supportive of our club particularly during the past 24 months.

### **BAR AND ADMIN STAFF**

The Administration function of the club has improved considerably over the past 24 months. Treasurer Andy has taken a very pro-active role in Administration matters and he has had excellent support from Mick and his team in the Bar, Veronica in the office and the many volunteers who have given their time freely to assist the running of this function in our club. We are indebted to them all.

Special mention must be made of the “return and earn” function run by “Chicken” and his band of helpers which has contributed over \$10K to club coffers. This is absolutely fantastic, and our collective thanks go to him for his good work in this area.

## **LADIES COMMITTEE**

Ladies committees are a vital part of all golf clubs as they provide a golf and social facility for ladies to enjoy the sport of golf but to also enjoy the company of other like-minded ladies in their communities.

We are blessed at our club to have very cohesive and supportive group of ladies who run their golf activities with dedication and precision. They thoroughly enjoy the social aspect of golf membership and also add considerable financial value to our club. President Sue is a great contributor at Board level, and we congratulate her and her committee for completing another successful year of ladies' golf. We also thank them for their continuing tangible financial support which assists the club to provide various facilities that are in need from time to time.

The Board offer them our thanks for their support, and we look forward to working closely together during the next phase of our golf club's development.

## **THE SQUASH CLUB**

Bruce and his team of squash players continue to add value to the club and continue to be relevant to the community. Some new signage has been erected during the year to draw attention to the fact that squash still exists in Nambucca. Well done Bruce and keep up the good work.

## **SPONSORS**

Our club cannot survive without sponsors and we have so many that it is impossible to name them all in this report. Some contribute more than others but everyone one of them are valuable to our club. We ask all members to keep our sponsors in mind whilst you are going about your daily business and give them your support. The old saying of "what goes around comes around" is very true and should be remembered by us all.

The thanks of the Board are extended to all sponsors and we look forward to enhancing these relationships into the future.

## **SUMMARY**

It is customary for these reports to reflect on the results of the past year. This is rightly so, and we have plenty to be pleased about. Our club has come a long way in 24 months. We still have a long way to go.

There is no doubt that the way we progress as individuals and as a society is from reflection upon lessons from the past and whilst I am great believer in this reasoning, I also am a great believer in looking where we need to be going.

Your Board are mindful of planning our future in order to grow revenue, attain financial success and to avoid future disasters. We realise that there are many matters that require our attention in order for us to commence this process but we are determined to make this journey as we believe that the Nambucca Heads Island Golf Club has a very strong future if it is developed in a positive and controlled manner.

The support of all members is required to allow us to make this journey and we are grateful for your support during the past 24 months and look forward to it continuing during our next period of growth.

Finally, it is with regret that we note the passing of several past and present members and partners and friends of current members. Our condolences are extended to you all.

Thank you all again and good golfing,

**Geoff Harris**

**President.**

## **TREASURER'S REPORT**

In November 2017 the Board of the Nambucca Heads island Golf Club was faced with many financial challenges. They could be placed in three stages which weren't necessarily sequential or mutually exclusive.

The first stage was defined by our then cash flow; we needed to raise money quickly to avoid having to close our doors; \$100,00 was the amount targeted. It is now history that through donations from members, a membership raffle, the sale of some long-term memberships, and the sale of three computer entitlements we raised enough money to keep our doors open and provided us with a small basis to move forward.

At the same time, we started the second stage. The second stage was to move the club into a financial position where we would return a surplus. We failed to do this by \$20,000 2017-18, however, we achieved a significant surplus this year. This was achieved by reviewing and rewriting our bar roster and using a large number of volunteer bar staff in the first year. By the end of this year this was reduced to 2 or 3 volunteer shifts a week. We also have reviewed most of our contracts; we terminated some and renegotiated others. We also paid off all our short-term debts other than our tax bill which should be paid out in March 2020. The savings started showing in our figures in 2017-18 but have really shown out this year.

Whilst we have returned a record surplus this year our revenue has actually decreased. This highlights the third stage; we have to increase our revenue to be able to generate a surplus in future years. We have started to set the stage for this: improvements on our course, a new air conditioner in the club house, renovation of the gent's toilets and other smaller improvements such as a new compressor for the bar and pump for the toilet system. We are currently working towards replacing our bus.

There are two negatives associated with these changes: they have/will use all of our surplus and we have not been able to prioritise our improvements as we have had to replace items as they have failed. Fortunately, so far, items have failed at times we have been able to afford to replace them.

Our biggest move to place the golf club back in a secure position is the employing of a Secretary Manager. We will have to place a great deal of faith in this person and provide them with ongoing support. I believe that we will do this because in my two years as Treasurer I have been extremely well supported by members of the club and, more importantly, members have generously given money and time to ensure that the club survived, now I believe that you will continue to do this to ensure our club not only survives but prospers.

**Nambucca Heads Island Golf Club Ltd**

79 002 470 582

**For the Year Ended 30 June 2019**

There is a fourth stage which we cannot control: flood. When this happens, we will have to react quickly to minimise the drain on our finances.

Without meaning to disrespect anyone else, and I do appreciate that there are many who have worked hard to ensure our club survives, I must thank publicly Veronica, our Administration Officer, and Julie, our contract bookkeeper. Simply, we would not be operating without their efforts which go well beyond what they are paid to do.

Finally, I would like to echo our President's thanks and appreciation of all the members, sponsors and others who have and are continuing to work hard for our club.

**Andy Johnston**

## **CAPTAIN'S REPORT**

Reporting a good year at long last gives me great pleasure after so many years of survival.

Members like Denys Tobin deserve special mention as he has given so much time into the club over the past couple of years, be it collection of cans and bottles for recycling, behind the bar, running the footy tipping almost every day I find Denys at the club, thank you for your time and efforts. To all the boys who helped with the recycling a grateful thank you.

Others who also deserving of thank you are Peter Miller, every week you will find Peter on the rough mower also Mark Cooney giving their time and making our course presentable.

Turn out for greens renovation this year was poor, but I must make mention of the people who did turn out and allowed us to get the job done in one day, thanks to Peter Miller, Don Wills, Andrew Bagust and Joe Street a big effort by all greens staff to achieve a great result.

Our veterans tournament over the past few years has grown to such an extent that we have to close our bookings weeks prior, to this end we should all be grateful of the efforts of Lyn and Ian Vidler along with Coral McCann as they make it all happen Thank you.

All clubs need a good front person, with the Habgood family we have the best, I thank them for their advice and help with all aspects of our game during the year.

Our office has been run by Veronica Lamb, over the past 18 months and without her help all the committee members would find it difficult, seems nothing is a problem for Veronica she is always most obliging and nothing appears to be too difficult for her thank you, I am most grateful and thank seems too small a word in this case.

Making a huge difference are the members who give their time behind the bar and we all owe Warren Fuller, Bruce Berry Stuart Garvey and Mike Tarleton a huge thank you for time spent in this area. Also, Paul McElhinney for his ever availability to drive the Courtesy bus and the time and effort he puts into the Friday Chicken Run.

Special thanks must go to all our major and minor sponsors for the past year Local Liquor sponsors of the monthly medal thank you, Dolphin Day sponsor the Nambucca R.S.L. thank you. Midcoast Trucks Isuzu for our Island Classic thank you. HLV who sponsor the men's Championships again thank you. Nambucca Leagues and sports club for our Top Ten Shoot-out thank you. To all our tee sponsors and Sunday sponsors thank you for the help, all sponsors we are most grateful.

## **Nambucca Heads Island Golf Club Ltd**

79 002 470 582

### **For the Year Ended 30 June 2019**

Special mention must go to those who help with scoring, our match and greens committees who give time during the year to help run our club. Our greens staff have made many inroads this past year with our superintendent and his staff making it a pleasure to play the course. We get great feedback from all visitors who enjoy the experience playing our course thanks to Brendan Graham and staff.

Great to be able to congratulate our club champions this year with almost all board events completed earlier than in the past years. A changing of the guards as our past Champion Greg McCoy pointed to me. Our new club champion is Peter Farrell, Trevor Peter B grade and Peter Fredricks C grade. Nett winners over the 72 holes we have Greg Smith A grade, Chris Thorndike B grade, and Dennis Ashton C grade. Fine effort from all players who participated to make the championship a success.

Men's foursome's championship was taken out by Bruce Berry and Peter Farrell, with nett winners Glen Crow and Phil Frost. Mixed foursomes again went to Darcy Habgood and Denys Tobin with Warren and Linda Fuller taking out the nett. Division one winner in the men's singles knockout was Mathew Allom., Great golf from all our trophy winner's to date.

After ten years as a board member two as vice- captain ,seven as captain and one President I feel I can give little more and that I most importantly owe my wife some time in leu, therefore I will not be seeking re-election as captain, if needed as a helpers I would be available. I have enjoyed my times with the members and as a board member and I thank all members who have supported me over the past 14 years.

**Kerry McCoy**

## **COURSE SUPERINTENDENT'S REPORT**

It's been another good year for the course, no major flooding or storm events which has allowed plenty of golf to be played. We will be reconstructing the 16<sup>th</sup> and 18<sup>th</sup> Tees and reshaping the 17<sup>th</sup> bunker.

All course staff are doing well, Mathew our apprentice is continuing his studies and is enjoying his time at Kurri Kurri TAFE. We have gained another worker via the Work for the Dole scheme and is with us until the end of the year.

A big thank you to the volunteers who help at renovation time, it makes a big difference when we get help. Also, I would like to thank Peter Miller who mows the rough week in week out. We will continue to improve our course throughout the year with an emphasis on maintaining our trees to a higher standard. The 17<sup>th</sup> fairway has been cored and lime and gypsum applied to amend the PH and salt levels, this is going to be a long process and will take a few applications as the soil is in poor condition.

A practise chipping green has been constructed so that players have a designated practice place rather than use the in-play holes, this should be open by the end of October.

Thank you to the committee and staff in other departments for their support and encouragement throughout the year. I look forward to the year ahead.

**Good golfing!**

**Brendan Graham**

**Course Superintendent**

## **GREENS REPORT**

Greens this year have been most fortunate with the weather, rainfall although down on previous years we have had falls just in time to keep course in good condition. Many visitors comment on just how good our course is for such a small town, we can all be justly proud of the product we have. A big thank you to the greens staff lead by Brendan Graham which consists of Jed, Bruce, Graham and Mathew and the volunteers who every week give time on the rough mower Peter Miller and Mark Coony.

This year some of our main problems have been aging irrigation pipes springing leaks around the course, this of course takes away from the other tasks we would rather be doing around the course. We have almost completed the practice green on the side of the 9<sup>th</sup> fairway, this area will be for mostly chipping practice which will hopefully take players away from the main course leaving it for competition golf. Work is continuing on the 17<sup>th</sup> and 6<sup>th</sup> fairways where staff are working hard to breakdown the salt content in the ground this is a slow process, but we are seeing some improvement. The waterflow is being altered on the 11<sup>th</sup> and 12<sup>th</sup> fairways which will flow into the dam, we expect our ever-efficient stone layers Danny Fleming and Andrew Bagust to complete this job in the next few weeks, a big thank you to them both.

A big thank you to Deidre Burn, Robin Jones and Kerry Naylor for all their work in the gardens around the Club House, Deidre has made it her project and the results are fantastic.

Our course is run on a shoestring budget and we would encourage anybody wishing to help in any way please make yourself known as all help is welcomed.

**Kerry McCoy**

**Chairperson Greens Committee**

## **HOUSE & BUILDING REPORT 2019**

What a year.

It's been a long time but at last the men's toilets have been demolished and new ones have been installed and I am sure everyone agrees that they are a great enhancement to our club. I would like to thank Shane Anderson, Joe Street and Keith Elphick with all their help with the demolition as it always happens everything breaks down at the same time the old air conditioner which has been in place for 35yrs, the hot water system for the kitchen and the temprite for the cool room and beer taps all of these items have been replaced and to top it all the council inspection that was carried out for health and safety condemned the store room for the kitchen, the damage was caused by the old hot water system. this has all been repaired with new vinyl on the floor and the walls painted.

The toilets in the squash courts, hallway to toilets in club and kitchen storeroom have all been painted. i would like to thank Tony Seymour for all his hard work as tony has voluntarily done all the painting.

Some high stools and chairs were purchased for the deck and solar lighting on railings a 300w led floodlight was installed shining over lawn and water for a more appealing ambiance

### **Wednesday and Friday Night Raffles**

We are reverting to having the members draw at the end of each month to encourage more members to attend these nights, if the member is not there it will be shared between 2 members that are in the club.

Chris and I would like to especially thank Chicken (Denys Tobin) and all his helpers who have done a great job with their bottle brigade, the money has helped greatly with all that has been done in the club at the time of writing this report they have raised \$10,735.00 well done to all who helped. We would also like to thank Sue, Kay, Lynn, Glenys and Gillian for their great team effort.

**KELL McGOLDRICK & CHRIS TINSON**

**(HOUSE & BUILDING COMMITTEE)**

## **WOMEN'S GOLF REPORT 2019**

2019 has once again been a year of highlights and achievements. The Lady Golfers have contributed at a variety of levels to the successful operation of the Golf Club.

Financially the annual contribution to a significant improvement around the course or the clubhouse, has so far seen work on the 18<sup>th</sup> bunkers progress, the computer system upgraded, the refurbishment of the office and administration area of the Club, the putting green applicators, and most recently, the room dividers providing privacy for special events.

Socially, the ladies have been the backbone of organised events at the Club, contributing everything from decorations, and catering and gardening, to regularly selling raffle tickets on Wednesday and Fridays. Without our willing volunteers, they just wouldn't happen.

On a golfing front, congratulations go to many of our lady members. There have been improvements in handicaps, and successes in the pennant competitions. Our playing membership numbers have increased, as new members are immediately welcomed and included in all activities. Once again, our regular "trip away" was a huge success, (thanks to our organising guru Di Hopkins). The Country Women's Championship event in Sydney saw golf played at Stonecutters Ridge, Pennant Hills, and Cumberland Golf Courses. Sue O'Donnell and Leslie Buxton had success in the single Stableford event. These "excursions" provide opportunities to form firm friendships with players from other towns, as well as playing access to Sydney courses.

Another highlight has been the willingness of our major sponsors to continue to support our competitions year after year. This year we have relied financially on the good will of Hello World, Eye Care Plus, Nambucca Valley Cranes, Mid Cost Trucks, Pizza This Pizza That, Liberty Petrol Station, and Wharf Street Café. Our own lady golfers also support our raffles by both buying tickets and providing the prizes. This goes a long way to covering our costs for competition prizes and allows us to make the donations to the Club for expenditure in areas of need.

The outstanding playing conditions, we have the pleasure of enjoying every week are maintained by a group of hardworking Ground staff and volunteers, to whom as a whole we say, "Thank You". The 18 holes are both challenging and picturesque. It is a huge drawcard to the local area, enjoyed by locals and visitors alike.

**Nambucca Heads Island Golf Club Ltd**

79 002 470 582

**For the Year Ended 30 June 2019**

The Ladies Committee I have worked with this year are remarkable. They have supported one another, and multitasked, running everything from many and varied golf competitions to Breast Cancer Days, Lotto, publicity, and raffles. They have liaised with other clubs, the Greens staff, the Board, and Community Sponsors. They are approachable, reliable, and skilled. They are a group with a lot of experience from many different areas, drawn together with the one main aim of continuing to make the Nambucca Ladies Golf an enjoyable experience for everyone. For that I thank them.

**Sue Seymour**

**President**

## **SQUASH REPORT**

This has been a great year for the Squash Club. We have more players, participating in the current competition, than at any time in the last 10-12 years. Our Thursday Social group is keen, and the numbers are steady without being huge. The number of active Juniors is growing and very pleasing.

Throughout the year we have had a pool of over 60 Competition players. Many players come and go throughout the year. Work commitments, study and family come first and as a Committee, we fully understand what is important. When viewed as an overall group, squash players number over 70.

A number of our Junior Squash players continue to get valuable tournament experience under their belts. It is very exciting when we see the level of improvement gained, after a full weekend of Squash, against top-level tournament competitors. A special mention to Nick Gough, who represented the NSW Combined High Schools (CHS) team on the recent tour to New Zealand.

Grant Gough has had a surge in Coaching activity in recent months. Such is the effectiveness of Grant's coaching technique, that many of our A-Grade players now get Grant to coach their own children. The rate of improvement is astounding. Not to be outdone by the Juniors, quite a few of our adult players have been sneaking a few lessons from Grant. Whenever Grant is actively coaching, local Squash is in a healthy position.

We had unsuccessfully applied for a government Sporting Grant, to repair the ceiling in the Squash Court building. Making the courts more attractive, fresh and safer for players was the primary goal. We will continue to monitor the availability of Grant Funds for facility upgrades.

On a positive note, the placement of the 'Squash' sign on the front wall of the Squash Court building has had a positive impact. Feedback from 'locals' and 'tourists', who were unaware of the existence of the courts, has been very encouraging. Now what we need to do is thin-out the dead trees and scrub from the creek near the rickety bridge. It would be wonderful if people crossing the causeway could actually see the Golf Clubhouse. Exposure is important for the whole Golf Club.

**Bruce Graham**  
**President**  
**Squash Sub-Committee**

**28 September 2019**

# **Nambucca Heads Island Golf Club Limited**

ABN 79 002 470 582

## **Financial Statements**

For the Year Ended 30 June 2019

## **Contents**

**For the Year Ended 30 June 2019**

	Page
<b>Financial Statements</b>	
Directors' Report	1
Auditor's Independence Declaration under Section 307C of the Corporations Act 2001	5
Statement of Profit or Loss and Other Comprehensive Income	6
Detailed Profit and Loss Statement	7
Statement of Financial Position	9
Statement of Changes in Equity	10
Statement of Cash Flows	11
Notes to the Financial Statements	12
Directors' Declaration	23
Independent Audit Report	24

## **Directors' Report**

**30 June 2019**

The directors present their report on Nambucca Heads Island Golf Club Ltd for the financial year ended 30 June 2019.

### **1. Information on directors**

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

Geoffrey Harris

Qualifications Retired  
Special responsibilities President  
Appointed 4 November 2018

Kerry McCoy

Qualifications Previous Company Manager  
Experience Previous Company President and Director  
Special responsibilities Captain  
Appointed: 27 November 2016

Andrew Johnston

Qualifications Retired Secondary School Principal  
Experience Previous Company Director  
Special responsibilities Treasurer  
Appointed 19 November 2017

Christopher Tinson

Qualifications Fitter & Turner  
Experience Previous Board Member of Richmond Golf Club  
Special responsibilities Director  
Appointed 19 November 2017

Susan Seymour

Qualifications Retired School Principal  
Experience Previous Company Director  
Special responsibilities Director  
Appointed 4 November 2018

Gillian Anderson

Qualifications Financial Counsellor  
Experience Previous Board Member Bellingen Golf Club  
Special Responsibilities: Director  
Appointed: 4 November 2018

Malcom McGoldrick

Qualifications Electrical Contractor  
Experience Previous Company Director  
Special Responsibilities Vice President  
Appointed 4 November 2018

## Nambucca Heads Island Golf Club Ltd

79 002 470 582

### Directors' Report

30 June 2019

Linne Street

Qualifications	Diploma of Business Management
Experience	Company Director
Special responsibilities	Vice President
Appointed	19 November 2017
Resigned	20 September 2018

Rodney Robertson

Qualifications	Professional Driver
Experience	Previous Captain of Golf
Special responsibilities	Captain
Appointed	19 November 2017
Resigned	4 November 2018

Warren Fuller

Qualifications	Civil Engineer Design Draftsman
Experience	20 years as a Club Supervisor
Special responsibilities	Director
Appointed	22 January 2018
Resigned	4 November 2018

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

#### Principal activities

The principal activity of Nambucca Heads Island Golf Club Ltd during the financial year was the provision of a first-class golf course and other recreational facilities and services at an affordable price to its members and visitors.

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:

- Offer first class golf course and other recreational facilities and services at an affordable price to its members and visitors, with hospitality service to best standards;
- Achieve a trading surplus, so that there is sufficient funding for on-going development and improvements to the course and clubhouse facilities;
- Seeking to diversify the Club's operations to increase revenue and reduce dependence upon golf patronage and good weather;
- Promote the game of golf to people of all ages and abilities

## **Directors' Report**

**30 June 2019**

### **Long term objectives**

The Company's long-term objectives are to:

- Increase golf and social membership of the Club and attract more local patronage;
- Be recognised as a leader in the provision of Golfing events and function services;
- Establish and maintain relationships with local businesses that will foster reciprocal support;
- Be sustainable and strive for continuous improvement so as to offer the best possible outcomes for all activities undertaken.

### **Strategy for achieving the objectives**

To achieve these objectives, the Company has adopted the following strategies:

- Development of a Golf Course Master Plan, and a five-year Financial Business Master Plan which includes a detailed analysis of the Club's strengths, weaknesses, opportunities and threats, and annual budgeting with detailed economic, environmental and other trading assumptions;
- Modernization of the Clubhouse interior to attract new business, and construction of golf cart pathways on the course to allow increased wet weather patronage;
- Attract and retain quality staff and Restaurant contractors that are committed to working with management and the board to implement new strategies, and to achieve the highest standards of service and efficiency;
- Implementation of product specific marketing supported by a focused advertising plan.

### **Performance measures**

The following measures are used within the Company to monitor performance:

- Monthly meetings of various sub-committees and management team with a full review of trading results by the Finance Committee to the Board of Directors;
- Using a variety of statistics, financial ratios and Key Performance Indicators to monitor golf and club patronage levels, and control expenses against income.

### **Property Classification**

In accordance with the Registered Club's Amendment Regulations 2007, the Board has determined the following Club Property Classifications:

Core Property: Stuart Island, Nambucca Heads  
Lot 512 in DP 41534 - on 2023 square metres where the Clubhouse is situated

## Directors' Report

### 30 June 2019

#### Members' guarantee

Nambucca Heads Island Golf Club Ltd is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$ 1 for members, subject to the provisions of the company's constitution.

At 30 June 2019 the collective liability of members was \$1,288 (2018: \$ 1,490).

#### Meetings of directors

During the financial year, 11 meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Geoffrey Harris	7	7
Kerry McCoy	11	10
Andrew Johnston	11	11
Christopher Tinson	11	10
Susan Seymour	7	6
Gillian Anderson	7	5
Malcom McGoldrick	7	5
Linne Street	3	2
Rodney Robertson	4	2
Warren Fuller	4	3

#### 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 2019 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:

Director:   
Geoffrey Harris

Director:   
Andrew Johnston

9 September 2019



## Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

### To the Directors of Nambucca Heads Island Golf Club Ltd

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2019, there have been:

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

HLV Audit Pty Ltd

Aart Hooykaas  
Director

Nambucca Heads, NSW

9 September 2019

#### MACKSVILLE

18 Wallace Street  
PO Box 27  
MACKSVILLE NSW 2447

P 02 6568 3000  
F 02 6568 1600  
E [macksville@hlv.com.au](mailto:macksville@hlv.com.au)

#### NAMBUCCA HEADS

7 Mann Street  
PO Box 8  
NAMBUCCA HEADS NSW 2448

P 02 6568 6197  
F 02 6568 7144  
E [nambucca@hlv.com.au](mailto:nambucca@hlv.com.au)

#### URUNGA

15 Bonville Street  
URUNGA NSW 2455

P 02 6655 5530  
F 02 6655 5530  
E [urunga@hlv.com.au](mailto:urunga@hlv.com.au)

#### HLV AUDIT PTY LTD

ABN 70 606 296 431  
AAC 478051

W [www.hlv.com.au](http://www.hlv.com.au)  
E [info@hlv.com.au](mailto:info@hlv.com.au)

Liability limited by a Scheme approved  
under Professional Standards Legislation.

**Statement of Profit or Loss and Other Comprehensive Income**  
**For the Year Ended 30 June 2019**

	2019	2018
Note	\$	\$
<u>Income</u>		
Revenue	1,490,484	1,538,886
Other income	42,059	100,165
<b>Total revenue and other income</b>	<b>1,532,543</b>	<b>1,639,051</b>
<u>Expenses</u>		
Raw materials and consumables used	(256,972)	(230,817)
Employee benefits expense	(499,066)	(539,186)
Depreciation and amortisation expense	(66,557)	(80,989)
Other expenses	(612,811)	(718,921)
Finance costs	(22,736)	(27,370)
<b>Total expenses</b>	<b>(1,458,142)</b>	<b>(1,597,283)</b>
<b>Profit/ (Loss) before income tax</b>	<b>74,401</b>	<b>41,768</b>
Income tax expense	2(a) -	-
<b>Total comprehensive income for the year</b>	<b>74,401</b>	<b>41,768</b>

The accompanying notes form part of these financial statements.

**Nambucca Heads Island Golf Club Ltd**

79 002 470 582

For the Year Ended 30 June 2019

**Detailed Profit and Loss Statement**

	2019	2018
	\$	\$
<b>Income</b>		
Bar sales	595,309	602,434
Competition and green fees	377,533	382,993
Membership subscriptions	147,844	150,764
Poker machine revenue	178,768	198,465
Poker Machine GST Rebate	17,180	17,180
Raffles and bingo	76,224	86,589
Commissions	20,284	21,159
Sponsorship	25,944	28,912
Cart Shed, Squash and venue hire	18,546	18,244
Restaurant rent	31,818	31,818
Interest income	1,034	329
Grants	14,621	-
Donations	6,782	28,447
Insurance recoveries	-	3,225
Wage Subsidies	12,409	136
Other Income	8,247	3,752
<b>Total income</b>	<b>1,532,543</b>	<b>1,574,447</b>
<b>Less: Expenses</b>		
Cost of sales - bar	256,972	230,817
Accounting & bookkeeping fees	21,502	30,190
Advertising	6,414	12,590
Audit fees	14,760	19,920
Bank charges	5,277	7,410
Computer expenses	10,035	8,219
Commission to agents	45,942	49,016
Consulting and professional fees	-	2,795
Depreciation	66,557	80,989
Electricity	38,243	57,587
Equipment < \$1,000	1,223	-
Fees and permits	14,914	14,671
Finance costs - external	22,736	27,370
Fertilizers, seed & soil	12,209	30,462
Insurance	33,648	22,392
IT Expenses	8,824	10,836
Lease rentals on operating lease	41,882	43,807
Leave pay provision movement	14,103	(7,932)
Petrol and oil	18,631	15,041
Postage	1,203	1,459
Printing and stationery	3,247	6,516
Promotions and entertainment	23,083	42,044
Raffles and bingo	85,861	94,547
Rates	8,801	8,721
Repairs and maintenance	64,303	81,778
Salaries	434,385	492,018
Security costs	11,478	9,282

For the Year Ended 30 June 2019

## Profit and Loss Account

	2019	2018
	\$	\$
Staff training	473	75
Staff amenities	1,261	2,198
Subscriptions	5,030	8,657
Sundry expenses	17,916	22,599
Superannuation contributions	40,608	44,208
Telephone and internet	8,731	10,423
Trophies - golf	43,228	34,368
Uniforms	286	-
Water rates	64,342	71,391
Workers compensation insurance	9,497	10,819
<b>Total Expenses</b>	<b>1,457,605</b>	<b>1,597,283</b>
<b>Operating profit/ (loss)</b>	<b>74,938</b>	<b>(22,836)</b>
<b>Other items:</b>		
Gain on disposal of assets	-	64,604
Loss on disposal of assets	(537)	-
<b>Total profit/ (loss)</b>	<b>74,401</b>	<b>41,768</b>

**Statement of Financial Position**  
**As At 30 June 2019**

	Note	2019 \$	2018 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	232,891	203,920
Trade and other receivables	5	20,586	24,424
Inventories	6	36,319	25,879
Other assets	8	46,699	41,166
<b>TOTAL CURRENT ASSETS</b>		<b>336,495</b>	<b>295,389</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	345,275	402,415
<b>TOTAL NON-CURRENT ASSETS</b>		<b>345,275</b>	<b>402,415</b>
<b>TOTAL ASSETS</b>		<b>681,770</b>	<b>697,804</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	168,889	195,720
Borrowings	10	49,709	63,005
Employee benefits	12	18,734	18,712
Other financial liabilities	11	150,582	139,852
<b>TOTAL CURRENT LIABILITIES</b>		<b>387,914</b>	<b>417,289</b>
<b>NON-CURRENT LIABILITIES</b>			
Trade and other payables	9	-	17,798
Borrowings	10	302,986	352,135
Employee benefits	12	10,418	4,531
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>313,404</b>	<b>374,464</b>
<b>TOTAL LIABILITIES</b>		<b>701,318</b>	<b>791,753</b>
<b>NET ASSETS</b>		<b>(19,548)</b>	<b>(93,949)</b>
<b>EQUITY</b>			
Retained earnings		(19,548)	(93,949)
<b>TOTAL EQUITY</b>		<b>(19,548)</b>	<b>(93,949)</b>

The accompanying notes form part of these financial statements.

## Statement of Changes in Equity For the Year Ended 30 June 2019

### 2019

	<b>Retained Earnings</b>
	<b>\$</b>
<b>Balance at 1 July 2018</b>	<u>(93,949)</u>
Profit/ (loss) for the year	<u>74,401</u>
<b>Balance at 30 June 2019</b>	<u><u>(19,548)</u></u>

### 2018

	<b>Retained Earnings</b>
	<b>\$</b>
<b>Balance at 1 July 2017</b>	<u>(135,717)</u>
Profit/ (loss) for the year	<u>41,768</u>
<b>Balance at 30 June 2018</b>	<u><u>(93,949)</u></u>

**Statement of Cash Flows**  
**For the Year Ended 30 June 2019**

	2019	2018
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers	1,687,815	1,646,217
Payments to suppliers and employees	(1,569,743)	(1,670,380)
Interest received	1,034	329
Interest paid	(22,736)	(27,375)
Net cash provided by/ (used in) operating activities	19 <u>96,370</u>	<u>(51,209)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Proceeds from sale of intangible assets	-	64,604
Proceeds from sale of plant and equipment	-	-
Purchase of property, plant and equipment	(9,954)	(13,833)
Net cash provided by/ (used in) investing activities	<u>(9,954)</u>	<u>50,771</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from borrowings	-	159,274
Repayment of borrowings	(29,507)	(30,111)
Payment of finance lease liabilities	(27,938)	(45,714)
Net cash provided by/ (used in) financing activities	<u>(57,445)</u>	<u>83,449</u>
Net increase/(decrease) in cash and cash equivalents held	28,971	83,011
Cash and cash equivalents at beginning of year	203,920	120,909
Cash and cash equivalents at end of financial year	4 <u>232,891</u>	<u>203,920</u>

The accompanying notes form part of these financial statements.

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2019**

The financial report covers Nambucca Heads Island Golf Club Ltd as an individual entity. Nambucca Heads Island Golf Club Ltd is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Nambucca Heads Island Golf Club Ltd is Australian dollars.

The financial report was authorised for issue by the Directors on 9 September 2019.

Comparatives are consistent with prior years, unless otherwise stated.

### **1 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 and the *Corporations Act 2001*.

### **2 Summary of Significant Accounting Policies**

#### **(a) Income Tax**

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

#### **(b) 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.

#### **(c) Revenue and other income**

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 and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

##### **Sale of goods**

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

##### **Interest revenue**

Interest is recognised using the effective interest method.

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2019**

### **2 Summary of Significant Accounting Policies**

#### **(c) Revenue and other income**

##### **Rental income**

Rental revenue for the leasing of the restaurant is recognised on a straight-line basis over a period of the lease term.

##### **Other income**

Other income is recognised on an accruals basis when the Company is entitled to it.

#### **(d) 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.

#### **(e) Inventories**

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

#### **(f) 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.

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

##### **Land and buildings**

Land and buildings are measured using the cost model.

##### **Plant and equipment**

Plant and equipment are measured using the cost model.

##### **Depreciation**

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line or diminishing value basis over the asset's useful life to the Company, commencing when the asset is ready for use.

Leased assets and leasehold improvements including the golf course reconstruction and cart shed construction are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

## Notes to the Financial Statements

### For the Year Ended 30 June 2019

#### 2 Summary of Significant Accounting Policies

##### (f) Property, plant and equipment

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Buildings	2.5% - 20%
Plant and Equipment	5% - 100%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

Gains or losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the Statement of Profit and Loss and Other Comprehensive Income.

##### (g) Financial instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

##### *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.

Impairment on loans and receivables is reduced through the use of an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

##### (h) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

##### (i) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period 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 satisfy vesting requirements. The effect of discounting is not considered material and has not been performed. Changes in the measurement of the liability are recognised in profit or loss.

## Notes to the Financial Statements For the Year Ended 30 June 2019

### 2 Summary of Significant Accounting Policies

#### (j) Adoption of new and revised accounting standards

The Club has not adopted any new or revised accounting standards during the year that would have a material effect on the financial statements or disclosures in this report.

### 3 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.

Key estimates - impairment of property, plant and equipment

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.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

### 4 Cash and Cash Equivalents

	2019	2018
	\$	\$
Cash at bank and in hand	232,891	203,920
Total cash and cash equivalents	<u>232,891</u>	<u>203,920</u>

### 5 Trade and Other Receivables

	2019	2018
	\$	\$
CURRENT		
Trade receivables	15,682	14,600
ATM settlement receivable	4,090	8,420
EFTPOS settlement receivable	814	1,404
Total current trade and other receivables	<u>20,586</u>	<u>24,424</u>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

**Notes to the Financial Statements**  
**For the Year Ended 30 June 2019**

**6 Inventories**

	2019	2018
	\$	\$
CURRENT		
At cost:		
Bar Inventory	19,158	17,034
Course Stock	17,161	8,845
<b>Total inventories</b>	<b>36,319</b>	<b>25,879</b>

**7 Property, plant and equipment**

	2019	2018
	\$	\$
LAND AND BUILDINGS		
Freehold land		
At cost	42,594	42,594
Total Land	42,594	42,594
Buildings		
At cost	512,261	511,435
Accumulated depreciation	(368,954)	(357,804)
Total buildings	143,307	153,631
Total land and buildings	185,901	196,225
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	1,135,938	1,438,719
Accumulated depreciation	(992,213)	(1,249,420)
Total plant and equipment	143,725	189,299
Leasehold Improvements		
At cost	650,861	650,861
Accumulated amortisation	(635,212)	(633,970)
Total leasehold improvements	15,649	16,891
Total plant and equipment	159,374	206,190
<b>Total property, plant and equipment</b>	<b>345,275</b>	<b>402,415</b>

## Notes to the Financial Statements

### For the Year Ended 30 June 2019

#### 7 Property, plant and equipment

##### (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:

	Land	Buildings	Plant and Equipment	Leasehold Improvements	Total
	\$	\$	\$	\$	\$
<b>Year ended 30 June 2019</b>					
Balance at the beginning of the year	42,594	153,631	189,299	16,891	402,415
Additions	-	825	9,129	-	9,954
Disposals at WDV	-	-	(537)	-	(537)
Depreciation expense	-	(11,149)	(54,166)	(1,242)	(66,557)
<b>Balance at the end of the year</b>	<b>42,594</b>	<b>143,307</b>	<b>143,725</b>	<b>15,649</b>	<b>345,275</b>

#### 8 Other Assets

	2019	2018
	\$	\$
<b>CURRENT</b>		
Prepayments	45,311	40,106
Sub-Club assets	1,388	1,060
	<b>46,699</b>	<b>41,166</b>

#### 9 Trade and Other Payables

	2019	2018
	\$	\$
<b>Current</b>		
Trade payables	81,474	92,136
GST and PAYG payable	23,583	31,486
Accrued annual leave	31,349	23,154
Sundry payables and accrued expenses	10,223	8,348
Superannuation payable	5,122	4,596
ATO Debt - current	17,138	36,000
<b>Total current trade and other payables</b>	<b>168,889</b>	<b>195,720</b>
<b>Non-Current</b>		
ATO Debt	-	17,798
<b>Total non-current trade and other payables</b>	<b>-</b>	<b>17,798</b>

## Notes to the Financial Statements

For the Year Ended 30 June 2019

### 10 Borrowings

		2019	2018
		\$	\$
<b>CURRENT</b>			
Other loans - unsecured		-	5,000
Lease liability secured	13	24,662	27,938
Bank loan		25,047	23,710
Equipment loan - Solar		-	6,357
<b>Total current borrowings</b>		<b>49,709</b>	<b>63,005</b>
		2019	2018
		\$	\$
<b>NON-CURRENT</b>			
Lease liability secured	13	6,481	31,143
Bank loan		296,505	320,992
<b>Total non-current borrowings</b>		<b>302,986</b>	<b>352,135</b>
<b>Total borrowings</b>		<b>352,695</b>	<b>415,140</b>

Summary of borrowing arrangements:

i) Lease liabilities at 30 June 2019 relate to the purchase of two Type 4 poker machines and their related licences for a 3-year term effective May 2017 with 36 monthly repayments of \$2,068, and the purchase of a Toro SandPro for a 5 year term effective January 2017 with 60 monthly repayments of \$360.30. Leased liabilities are secured by the underlying leased assets.

ii) A BetterBusiness Loan with the Commonwealth Bank with a facility limit of \$365,380. The loan has a 11 year and 10-month term bearing a variable interest rate and monthly repayments of principal and interest commencing in July 2017. The minimum monthly payment at 30 June 2019 was \$3,505.

iii) An overdraft facility with the Commonwealth Bank with a limit of \$50,000.

iv) An asset finance loan from the Commonwealth Bank to finance the purchase of a Perlight Solar Panel system. The loan amount was \$37,090 for a 5 year term commencing April 2014, bearing a fixed interest rate of 6.78% and requiring monthly principal and interest payments of \$726.48. This loan was paid in full in April 2019.

The security for the Commonwealth Bank facilities consists of a registered first mortgage over the land and buildings owned by the Club, as well as a registered equitable mortgage and floating charge over the assets and undertakings of the Club.

(a) Defaults and breaches

During the current and prior year, there were no defaults or breaches on any of the loans.

**Notes to the Financial Statements**  
**For the Year Ended 30 June 2019**

**11 Income in Advance**

	2019	2018
	\$	\$
CURRENT		
Membership subscriptions in advance	116,666	110,562
Sponsorships in advance	10,591	2,386
Other income in advance	23,325	26,904
<b>Total income in advance</b>	<b>150,582</b>	<b>139,852</b>

**12 Employee Benefits**

	2019	2018
	\$	\$
Long service leave – current	18,734	18,712
Long service leave – non-current	10,418	4,531
<b>Total Long service leave provision</b>	<b>29,152</b>	<b>23,243</b>

**13 Capital Commitments**

(a) Contracted Commitments

From the end of the financial year and until the date of this report, the Club has committed to the following capital expenditure:

Replace the air conditioning system	29,300
Renovate the Men's toilets	20,000
	<b>49,300</b>

**14 Leasing Commitments**

(a) Finance leases

Minimum lease payments:

- not later than one year	25,000	29,136
- between one year and five years	6,481	31,481
Less unexpired interest	(338)	(1,536)
<b>Minimum lease payments</b>	<b>31,143</b>	<b>59,081</b>

Finance leases are in place for poker machines and course equipment and normally have a term between 3 and 5 years and are secured by the underlying assets. The carrying amount of the leased assets at 30 June 2019 is \$49,736.

**Notes to the Financial Statements**  
**For the Year Ended 30 June 2019**

**14 Leasing Commitments**

(b) Operating leases

	2019	2018
	\$	\$
Minimum lease payments under non-cancellable operating leases:		
- not later than one year	31,476	41,881
- between one year and five years	711	21,882
<b>Minimum lease payments</b>	<b>32,187</b>	<b>63,763</b>

Operating leases relate to:

(i) The lease of the land on Stuart Island where the golf course has been constructed. The annual lease amount is \$7,500 plus GST. The Nambucca Shire Council (as Trust Managers for the Stuart Island Reserve Trust) have signed an extension to this lease which expires on 4 August 2020. Council have also supported the Nambucca Heads Island Golf Club being provided with a 5-year lease to occupy the land on Stuart Island where the golf course is constructed. This is currently under consideration by the Department of Lands and expected to be enacted within the term of the existing short-term lease.

(ii) The rental of a photocopier for a period of 5 years commencing in July 2016 with monthly payments of \$710.76.

(iii) The lease of a Toro 2WD Groundsmaster Mower and a Greensmaster Mower for a period of 5 years commencing in January 2015 with monthly payments of \$993.63.

(iv) The lease of a Toro Sidewinder, Reelmaster and Workman for a period of 5 years commencing in March 2015 with monthly payments of \$1,812.26.

**15 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 outstanding debts and obligations of the Company. At 30 June 2019 the number of members was 1,288 (2018: 1,490).

**16 Key Management Personnel Remuneration**

The total remuneration paid to key management personnel of the Company is \$ 135,273 (2018: \$ 130,220).

**17 Contingencies**

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2019 (30 June 2018: None).

**18 Related Parties**

(a) The Company's main related parties are as follows:

Key management personnel and the Board of Director's.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

## Notes to the Financial Statements

For the Year Ended 30 June 2019

### 18 Related Parties

(b) Transactions with related parties:

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. During the year, there were no related party transactions.

### 19 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

	2019	2018
	\$	\$
Profit for the year	74,401	41,769
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- amortisation	1,243	1,376
- depreciation	65,313	79,613
- net (gain)/ loss on disposal of property, plant and equipment	537	(64,604)
- (gain)/loss on debt waived	(5,000)	-
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	3,511	(20,814)
- (increase)/decrease in prepayments	(5,205)	(35,824)
- (increase)/decrease in inventories	(10,439)	2,848
- increase/(decrease) in income in advance	10,730	(12,606)
- increase/(decrease) in trade and other payables	(44,628)	(42,476)
- increase/(decrease) in employee benefits	5,907	(491)
Cashflows from operations	<u>96,370</u>	<u>(51,209)</u>

### 20 Going Concern Assumption

At 30 June 2019 the Club's current liabilities exceeded the current assets by \$51,419 (2018: \$121,900) and the current ratio was 0.87 (2018: 0.71).

During the year the club generated positive operating cash flow which enabled debt obligations to be reduced.

The company's ability to continue to pay its debts when they become due and payable is dependent on its ability to increase existing revenue and generate new revenue sources to improve operating cash flows, as well as maintain expenses. The directors have prepared a profit and loss and cash flow forecast for the next year and will continue to monitor the trading results and cash position closely. It is on this basis that the Directors have assessed it is appropriate to adopt the going concern basis in the preparation of these financial statements.

### 21 Events after the end of the Reporting Period

The financial report was authorised for issue on the 9<sup>th</sup> September 2019 by the Board of Directors.

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.

**Notes to the Financial Statements**  
**For the Year Ended 30 June 2019**

**22 Statutory Information**

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

Nambucca Heads Island Golf Club Ltd  
Stuart Island  
Nambucca Heads NSW 2448

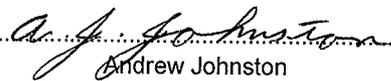
## Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 6 to 22, are in accordance with the *Corporations Act 2001* and:
  - 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 2019 and of the performance for the year ended on that date of the Company.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Director .....   
Geoffrey Harris

Director .....   
Andrew Johnston

Dated: 9 September 2019



## Independent Audit Report

### To the Members of the Nambucca Heads Island Golf Club Ltd

#### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Nambucca Heads Island Golf Club Ltd (the Company), which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company 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 2019 and of its financial performance for the year ended; 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 the Company, 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.

#### Responsibilities of 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.

#### MACKSVILLE

18 Wallace Street  
PO Box 27  
MACKSVILLE NSW 2447

P 02 6568 3000  
F 02 6568 1600  
E [macksville@hlv.com.au](mailto:macksville@hlv.com.au)

#### NAMBUCCA HEADS

7 Mann Street  
PO Box 8  
NAMBUCCA HEADS NSW 2448

P 02 6568 6197  
F 02 6568 7144  
E [nambucca@hlv.com.au](mailto:nambucca@hlv.com.au)

#### URUNGA

15 Bonville Street  
URUNGA NSW 2455

P 02 6655 5530  
F 02 6655 5530  
E [urunga@hlv.com.au](mailto:urunga@hlv.com.au)

#### HLV AUDIT PTY LTD

ABN 70 606 296 431  
AAC 478051

W [www.hlv.com.au](http://www.hlv.com.au)  
E [info@hlv.com.au](mailto:info@hlv.com.au)

Liability limited by a Scheme approved  
under Professional Standards Legislation.

## Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. 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 the 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.
- 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.

We 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.

We also 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.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

HLV Audit Pty Ltd



Aart Hooykaas,  
Director

Nambucca Heads, NSW

9 September 2019