



Wollongong Golf Club

EST. 1897

(Incorporated in New South Wales)

ABN 20 000 740 983

**ANNUAL REPORT
FOR THE YEAR ENDED 30 JUNE 2015**

TO BE PRESENTED AT THE

ANNUAL MEETING OF MEMBERS

TO BE HELD AT THE CLUBHOUSE ON

Thursday 22nd October 2015

at 6.00pm

Wollongong Golf Club Limited
ABN: 20 000 740 983
(A company limited by guarantee)

Registered office and principal place of business

151-161 Corrimal Street
Wollongong NSW 2500

Other information

Wollongong Golf Club Limited, incorporated and domiciled in Australia, is a company limited by guarantee.

Membership

	2015	2014
Life members	7	8
Full playing members	482	443
Lady members	107	130
Weekday members	62	61
International members	1	0
Social members	2,977	2,883
Junior members	32	19
Totals	3,673	3,544

Wollongong Golf Club Limited
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President:	Adam Giddings
Vice-president:	Lynne Townsend
Captain:	Ralph Stevenson
Treasurer:	Murray Reid
Board members:	Ann Woods John Peedom (Retired 2014) Geoff Jones Paul Fenton Colin Bloomfield Robert Griffiths(Elected Nov 2014)

Sub committees

Match and greens:	Ralph Stevenson(Chair) Lynne Townsend Margret Reid Keenan Hobbs (Appointed March 2015) Colin Bloomfield Greg Kerr Robert Griffiths Ann Woods
Membership committee:	Ann Woods (Chair) Judy Newell Paul Fenton Murray Reid
Ladies' committee:	Judy Newell (Chair) Valerie Leiner Margaret Reid (Capt) Rose Flood Debbie Dunreath-Cooper June Moore Amanda Poidevin Gloria Swift Beth Johnston Heather Maughan
House Committee	Geoff Jones (Chair) Robert Griffiths Murray Reid Paul Fenton

Other positions

General Manager:	Leigh Hingston
Course Superintendent:	Jake Gibbs(Retired Feb 2015) Keenan Hobbs (Appointed March 2015)
Club Professional:	Greg Kerr

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President's report

The trading result this year is evidence that we have consolidated many years of improving results, performance has exceeded budget expectations again and we are now much closer to realising a gross profit result. This is a key metric to our achieving long term viability. I will leave the detailed departmental reporting for committee chairs and the General Manager to relay.

In June this year I wrote to members endorsing the five year strategic plan covering the 2016 - 2020 timeframe. The board has approved an organisational review which aligns with this strategy and will place the club in the position where directors can concentrate on measuring and reviewing club outcomes and higher level strategy building. This in turn, enables our highly experienced club management and staff to manage the day to day operational performance whilst reporting to the detailed expectations for their specific areas of responsibility.

I would like to thank Jake Gibbs for his efforts as Course Superintendent and wish him well for the future. I also offer a warm welcome to Keenan Hobbs as the incoming Course Superintendent.

Also this year will see our current Vice President, Lynne Townsend retiring and not seeking re-election after six year of service in this role. Lynne has been a strong board member showing drive and commitment to the betterment of the club and has always been an advocate for our members. I would like to thank Lynne for her efforts. Thanks also to fellow board members for their hard work throughout the past year. Many thanks go to members for your support.

Yours in Golf
Adam Giddings
President

Wollongong Golf Club Limited
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Treasurer's report

Thank you for the opportunity of presenting my Treasurer's report for the financial year ended 30 June 2015.

The Club enjoyed a very good trading year which resulted in Earnings before depreciation and interest of \$354,759 which was up \$61,911 on the 2014 result of \$292,848. The divisions of Accommodation, Bar and Gaming all showed improvements over the previous year.

With the excellent trading result and good cashflow management we have been able to reduce our debt from a total figure of \$819,612 in 2014 to \$523,273 in 2015. This is a staggering \$296,339 reduction.

The improving trading results do allow the Board to focus on the longer term strategies for the club. Naturally the main areas for that focus are in the Clubhouse and on the Course. Our magnificent Clubhouse is now 10 years old and while a strong maintenance plan over those years has kept the club at a high standard we need to look at what current levels of service and member expectations are and how we can best meet those levels.

With the Course we are always trying to achieve our goal of having the best golf course in the Illawarra. For a long time we have had the reputation of having the best greens but we strive to be the best course in the region. Strong performance and sound financial management will see us achieve this goal.

I would like to congratulate Leigh and his team for all the hard work and dedication that they have displayed over the last 12 months. They are always looking for new and innovative ways of improving the monthly results whether that is by increasing revenue or saving costs in their divisions, while still maintaining high service standards. The Management team have worked very hard in implementing the strategic plan developed in conjunction with the Board and the results are starting to be seen in all areas.

Looking forward to the continuation of our good trading results

Murray Reid
Treasurer

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Match Committee Report

Dear Members,

Course

In the 2014 report there was reference the year that had passed and the temporary disruption to play and the tolerance by members to the course changes. The inconvenience was warranted and I am sure you will all agree the changes have resulted in a course which is more challenging, satisfying and weatherproof. Whilst other competing golf courses in the Illawarra Golf area have been struggling with the damp conditions, the Wollongong Golf Club course has been playable and enjoyed by members. In addition the debt on the modifications has been rested and there is potential for upgrading and enhancements with plans to make bunkers on the 2nd, 5th, 6th and 18th holes more playable and the course more enjoyable

Jake Gibbs, the previous course Superintendent departed during the year and there was a recruitment process enacted which resulted in Keenan Hobbs, Jake's deputy being selected to undertake the arduous role. Since his appointment, Keenan has worked most professionally and has managed and motivated his dedicated team to ensure standards were maintained in course development resulting in members gaining maximum returns from their investment. He has managed within a restricted budget and purchased capital equipment to engender quality outcomes in terms of course maintenance. If you as members view certain areas as progressing slowly, it will be related to budget constraints and allocation of resources on a time framed course maintenance plan. It would be ideal to address all developments immediately. The club is restricted by limited funds and minimisation of debt on costly course maintenance.

Keenan and his team continued with allocated projects related to tee design, path developments, drainage works and vegetation management which has resulted in a vastly improved course with greater playability under a variety of weather conditions. We are indebted to the course superintendent and greens staff who take pride in their work.

The efforts of the volunteers are once again recognised and valued, adding value to the course and decreasing costs. They turn up and work tirelessly on Mondays, providing assistance in vegetation management, grass cutting and course beautification. The coring of the greens is much simpler with their involvement and commitment.

The donations of the Vets is once again appreciated in purchasing assets for the course.

We have the best greens on the coast and that is a result of the professionalism of greens staff and their educated decision making. Daniel Guerin is a real asset on the greens staff in fostering the development of areas and assisting in making timely, educated decisions.

Courses are only as good as the staff who nurture them and the members who repair the course during use. Are you taking pride in your course and repairing pitch and divot marks as well as raking bunkers?

Professional Shop

The golfing membership, continues to be encouraged by the variety and quality of stock, in the professional shop, in addition to the prompt service they receive by the Manager of Golf Operations and his team. Greg Kerr is a consummate professional who has heightened business acumen. He and his team continue their customer focus for the benefits of members and the bottom line of their budget. In addition the staff provide a high level of expertise in developing the skill of golfers through lessons. We are indebted to the commitment and customer focus of the professional shop team.

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Match Committee Report (continued)

Darius Gear continues to support juniors and his commitment is invaluable in promoting junior membership which is so important for the future of the club. This year was the first year for many years of the club fielding a Junior Pennant side in addition to two Encourage Shield sides. Numbers of juniors are increasing which augurs well for the club's future. Your encouragement of juniors joining the club would be appreciated.

Competitions

There are organised competitions seven days per week on the course. Saturday, Thursday and Wednesday competitions continue to be supported by members with fields up to 180 on Saturdays and Wednesdays. The Match and Greens committee with the Manager of Golf Operations is focused upon maximum course utilisation. This has resulted in enhanced competitions such as the Peter Fitzgerald Real Estate mixed competition which again proved very popular and accordingly, many thanks are extended to the firm for its continuing support of medley golf at Wollongong Golf Club. In addition Martin Morris and Jones has sponsored the Monster Monday black tees event on Mondays. This is a most lucrative event for players from WGC and visiting golf players. Thank you to Geoff Jones, the MMJ firm for its commitment.

Involvement in the Masters Breakfast competition continues to grow and the success of the event is measured by numbers attending. The event will be fostered again next year for member enjoyment and participation. Once again sponsorship has been of immense value to the club and accordingly, those who have generously undertaken support are appreciated. Members who have sponsored events will be contacted later in the year for ongoing support. In addition, those who are seeking to sponsor in any way will be welcomed and recognised.

Ongoing thanks must go to Paul Fenton of Fenton and Associates, financial planners, for his generous ongoing sponsorship of the WGC club championships and junior golf in the club. The funding has certainly acted as a stimulus for the golf professional staff to attract, develop and promote a junior membership and potential members with the 'come and try' approach.

Club Champions for 2015:

Club Champion	Chris Barrett
A Reserve	Jason Case
B Grade	Troy Hawkins
C Grade	Ryan Mullard
Men's Foursomes	Chris Barrett / Daniel Guerin
Wollongong Open	Mark Johnston (Shoalhaven Heads)
South Coast Amateur Open	Chris Barrett
Ladies' Champion	Colleen Bell
Ladies' Foursomes	Lynnette Robinson / Lisa Jones
Ladies 4BBB Championship	Val Leiner / Mary Hasiuk
Mixed Foursomes	Lynne Townsend / Stephen Webb
Men's Gold Medal (combines grades)	Ray Williams
Ladies' South Coast Champion	Lynne Townsend
Bob McEwan	Ron Davison / Robert Girdali

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Match Committee Report (continued)

Pennants

Once again the club pennant teams performed very well this year and there is an inherent pride in being a member of a competitive team representing Wollongong Golf Club. Each team was in a distinctive club gear and two sponsors, Mark Wilson and Murray McConnell were most supportive in providing funding for shorts for two teams. The Committee would like to extend a warm thank you to managers who managed teams and facilitated communication and a spirited approach to a long standing tradition.

The WGC was not successful in winning a pennant during the year. The question arises as to how do you measure success. We were in there competing and the opposition teams respected the commitment of the WGC teams and their tenacity on the courses.

The club realised how important pennants are to the culture of the club and allocated \$1,000 to each team.

I would also like to thank all players who gave their time to represent the club in the women and men's pennants, and trust we have ongoing pride in the club to field strong sides to achieve greater heights in 2016

The Wollongong Golf Club continues to survive and thrive. We have lost some valuable members during the year, none held in more esteem than Reg Ellis who became the media face of Wollongong Golf Club. Reg and colleagues who have passed away will continue to be remembered by golfers from the Club.

Conversely we welcome the many new members who are coming into the Club to enjoy the game of golf and benefit from the positive interaction on the golf course. None enjoy the game more than the lady golfers who support the club, its activities and continue to raise valuable funds for the local nominated charities. Thank you all for your comradeship and support for colleagues in the game.

This is your club, a recreation gem which most cherish and gain enjoyable recreation time during their valuable lives. The club is in good hands with the Board having a sound strategic plan based on measurable outcomes to be recognised as regional Australia's strongest member owned golf organisation.

Ralph Stevenson
Captain

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Marketing & Membership Committee Report

In my report last year I was delighted to report that we had reached our target for the year in monetary terms but that I was hoping we would do better this year.

Well ... we have! It has been another good year for membership. We achieved our targets in most golf playing categories – even exceeding them in some. Thank you to all our members for your ongoing support.

The Committee understands that at the end of each year we will lose some members who either retire from golf completely or who move away from the area. There is nothing we can do about this. It is a fact of life. What we are conscious of is the need to ensure that members are not leaving our club because they are dissatisfied with the course/the club or due to a perceived lack of membership value. The Membership Committee is committed to ensuring that our members receive value for money for their fees.

We understand that our fees are more expensive than other golf clubs in the area. However, we do have the best course and facilities and our members have control over our operations unlike other local clubs. We are the only member owned golf club from Helensburgh to Kiama and we are proud of that achievement. We are even bucking the national trend of shrinking golfing memberships and in the current climate of on-line memberships that is no mean feat.

This year we have also achieved the following:

1. Joined with the Catalina and Richmond Golf Clubs in reciprocal arrangements.
2. Hosted a successful member appreciation night.
3. Updated our policy to allow flexible options for members who cannot play due to injury.
4. Updated our strategic goals to make them more relevant and achievable

We still need to focus on increasing junior memberships. The “play golf for free” days run by the pro shop have been successful as have the regular junior clinics. We particularly thank Darius Gear for his energy and enthusiasm with these children and look forward to converting those attendances to memberships. These juniors are the club's future.

Once again I encourage all members to use and promote the club and its facilities. Word of mouth is the best (not to mention the least expensive) marketing tool and patronization of the club has a direct benefit for us all as members.

I thank the General Manager and his staff for providing our members with friendly and efficient service and thank the other members of the Committee and the Board for their ongoing support.

Ann Woods
Chair - Marketing & Membership Committee

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HOUSE COMMITTEE

The committee comprised 4 Directors, various Department Managers, and General Manager Leigh Hingston. Directors on the Committee were:

- Geoff Jones
- Paul Fenton
- Murray Reid
- Bob Griffiths

The committee continued to meet monthly to oversee the operations of the clubhouse. The various department managers reported on individual performances of Accommodation, Bar, Restaurant, Functions, and Gaming.

Performances of the individual departments are summarised as follows:

Accommodation:

The income for the year was again above budget and accommodation continues to provide strong turnover for the club. With a high occupancy rate approaching 87% and an average room rate at \$145.00 per night, the club continues to benefit from the excellent performance of this department. The board provided support for the ongoing capital requirements to maintain the standard of the rooms. Works including new tiling, screen doors and upgrade of soft furnishings were undertaken to help maintain our current 4.5 star rating.

Bar:

The income from the two main bar areas was again below budget for the year. This is attributed to a decrease in function numbers, a change in the type of functions being booked, i.e. day meetings not requiring or utilising bar, and continued allocation of member levy towards repayment of golf course works loan.

Gaming:

Income for the year from the combined three areas of gaming – Poker Machines, Keno, and TAB was above budget. Poker machines performed well while Keno and TAB were slightly below expectations. The Poker Machine income is considered solid and the board will explore options to improve turnover in this area.

It is considered whilst the Poker Machine area remains in its current location, only minor increases can and will be achieved. It is noted that simply achieving industry averages would have a significant positive impact on Poker Machine turnover.

Restaurant:

Patronage to the Restaurant was good with a total of almost 100,000 covers for the year. Income from this area was to expectations with the club receiving a rental based on turnover. Regular menu changes were undertaken and the Restaurant continues to achieve high customer satisfaction ratings.

Functions:

Again this year, functions were below budget in both numbers and income. A change in the types of functions held in the club during the year was noted with more daytime coffee and sandwich type meetings rather than evening events requiring bar service.

The Board has endorsed a request from the House Committee to commission the preparation of a clubhouse master plan. When finalised, this will be presented to members.

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The new strategic plan was finalised during the year and is anticipated to have a positive impact to Clubhouse operations.

The hard work of Leigh and his Department Managers have resulted in a good year for Clubhouse Operations. Thank you and congratulations on jobs well done.

The input of Directors and all committee members is greatly appreciated. Again thank you for your valued time and input.

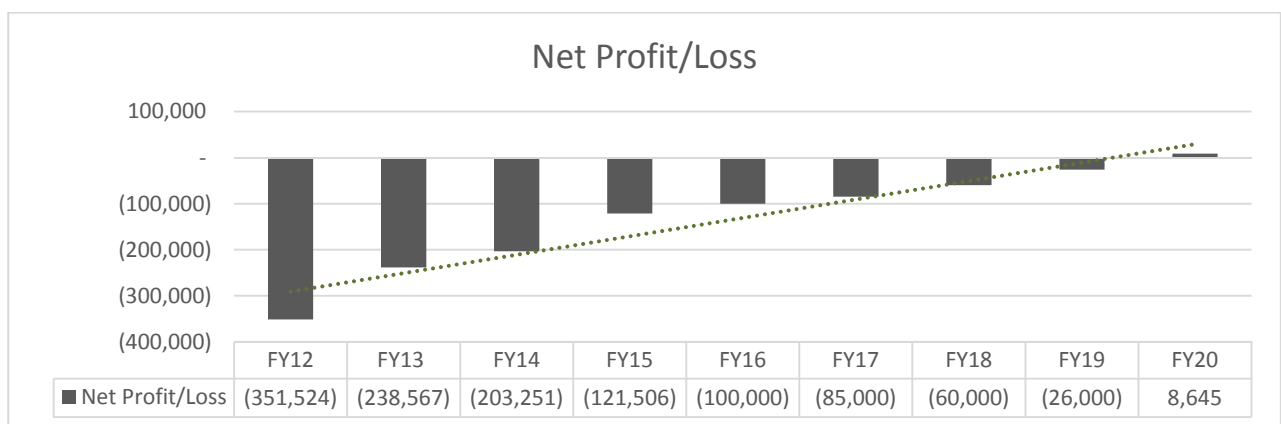
Geoff Jones
Chairman

Wollongong Golf Club Limited
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General Managers Report

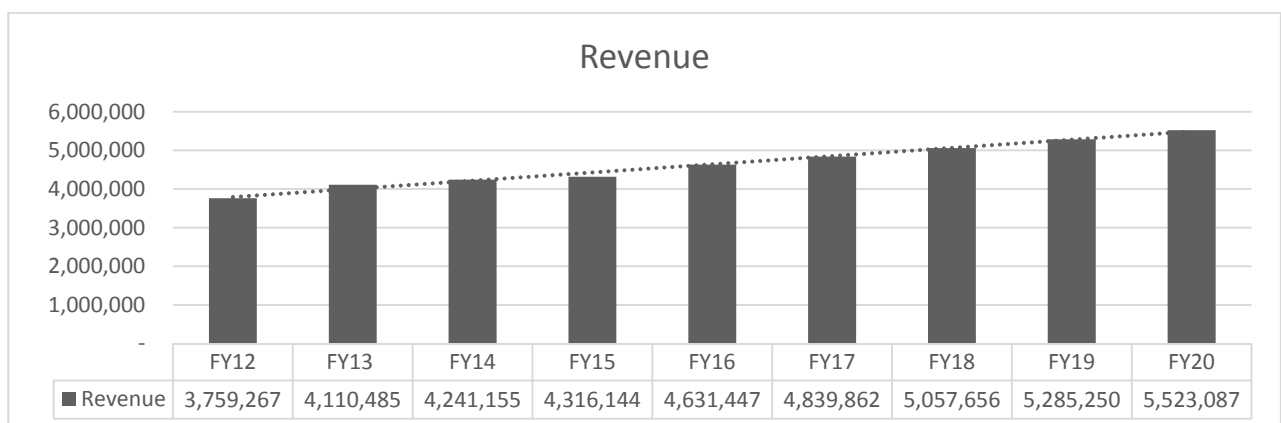
2015 financial year saw the completion of the clubs first five year strategic plan. This plan has guided the organisation to ensure positive outcomes for the members of Wollongong Golf Club. Most notable of these include debt reduction, mitigation of floodwaters with increase return to play, membership retention and an integrated marketing strategy to grow the business overall.

In October 2014 the Board and Management initiated a new strategic planning process. The process was collaborative and the organisation now has a strategic direction underpinned by insightful goals measures and targets. Thank you to the staff for their work throughout the planning process this year. You make Wollongong Golf Club an enjoyable and successful place to work. Thank you to the Board for ensuring good governance at Wollongong Golf Club including your guidance on strategy and planning, risk management, oversight of operations, financial management and people and talent. Your contribution is respected and often unseen.

The below table highlights the clubs historic profit and loss since Financial year 2012. It projects future results based on historical performance. A trend line is included to highlight this result over time. The last quarter of Financial Year 2015 saw excellent results with disciplined debt reduction and strong revenue achieved across the business.



The below graph give the club's historic and future revenue performance. It is expect that by 2020, the clubs revenues will exceed \$5.5 million per annum. The target for financial year 2016 is \$4.6 million.



Strategic drivers of revenue include golfing members, social members' numbers, competition rounds, green fee rounds, accommodation occupancy, covers per day, functions per week and gaming revenue per week. These revenue drivers each have clear targets as outlined in the clubs business plan. Management are focused on delivering these drivers over the next five years.

Leigh Hingston
 General Manager

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Core and Non-core Property

Pursuant to Section 41J of the Registered Clubs Amendment Act 2006 for the financial year ended 30 June 2013

Core property of the Club is at:

1. 151-161 Corrimal Street, Wollongong NSW 2500

Comprising:

- (i) The defined premises of the Club
 - (ii) Golf course and associated facilities
 - (iii) Car park area
2. Lot 1 Ross Street, Wollongong NSW 2500
 3. Lot 1A Ross Street, Wollongong NSW 2500
 4. Lot 2 Ross Street, Wollongong NSW 2500

Explanatory Notes

1. Section 41J(2) of the Registered Clubs Act requires the Annual Report to specify the core property and non-core property of the Club as at the end of the financial year to which the report relates.
2. Core property is any real property owned or occupied by the Club that comprises:
 - (a) the defined premises of the Club; or
 - (b) any facility provided by the Club for use of its members and their guests; or
 - (c) any other property declared by a resolution passed by a majority of the members present at a general meeting of ordinary members of the Club to be core property of the Club.
3. Non-core property is any other property other than that referred to above as core property and any property which is declared by the members at a general meeting of ordinary members of the Club not to be core property.
4. The significance of the distinction between core property and non-core property is that the Club cannot dispose of any core property unless:
 - (a) the property has been valued by a registered valuer within the meaning of the Valuers Act 2003; and
 - (b) the disposal has been approved at a general meeting of the ordinary members of the Club at which a majority of the votes cast support the approval; and
 - (c) any sale is by way of public auction or open tender conducted by an independent real estate agent or auctioneer.
5. These disposal provisions and what constitutes a disposal for the purposes of section 41J are to some extent modified by regulations made under the Registered clubs Act and by Section 41J itself.
6. The requirement to specify core property and non-core property in the Annual Report of the Club came into effect on 21 December 2007.

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Directors' report

The directors present their report together with the financial report of Wollongong Golf Club Limited ("the Company") for the year ended 30 June 2015 and the auditor's report thereon.

The directors of the Company at any time during or since the financial year are:

Name	Position	Details	Occupation
Adam Giddings	President	Member – 18 years President – 4 Years Director – 8 years	Contractor – Long Term Planning
Lynne Townsend	Vice President	Member - 44 years Vice-president-6 years	Teacher
Murray Reid	Treasurer	Member –12 years Treasurer – 6 years	Chartered Accountant
Ralph Stevenson	Captain	Member – 31 years Director – 17 years Captain – 2 year	Retired
Geoff Jones	Director	Member – 42 years Director – 18 years	Real Estate Agent
Paul Fenton	Director	Member – 9 years Director – 4 years	Financial Advisor
Bob Griffiths	Director	Member – 33 year Director – 1 year	Retired (Elected Nov 2014)
Ann Woods	Director	Member – 31 years Director - 6 years	Solicitor
Colin Bloomfield	Director	Member – 3 years Director – 2 year	Company Director
John Peedom	Director	Member – 52 years Director – 12 years	Retired Solicitor(Resigned Nov 2014)

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Directors' report (cont'd)

Attendance at directors' meetings

The number of director's meetings and number of meetings attended by each of the directors of the Company during the financial year are:

Company Secretary

Mr Leigh Hingston has held the position of Company Secretary since June 2012 and has a background of 12 years' experience within the golf club industry.

Director	Directors' meetings held during term	Directors' meetings attended
Adam Giddings	12	10
Lynne Townsend	12	11
Murray Reid	12	12
Bob Griffiths	9	8
Ralph Stevenson	12	11
Geoff Jones	12	12
Paul Fenton	12	6
John Peedom	3	3
Ann Woods	12	11
Colin Bloomfield	12	9

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Directors' report (cont'd)

Strategic Planning

Wollongong Golf Club Vision is 'To be recognised as regional Australia's strongest member owned golf organisation. Our purpose is 'To provide outstanding golf and hospitality services'.

The strategic plan outlines the goals, measures and targets that Wollongong Golf Club have identified as critical to their long term success across the various pillars of the business. In conjunction with the Wollongong Golf Club marketing, golf course and facility maintenance and improvement plans it forms the focus and direction for Wollongong Golf Club's business activities through to the end of the 2020 financial year.

Key Goals Include;

- Our people set and maintain high standards
- Our customers experience outstanding service
- Product awareness is strong in our target markets
- Build membership towards capacity
- Increase revenue through higher patronage
- We have the best golf facilities in the district
- Maximise use of the golf course
- We have excellent facilities that allow us to compete
- We maximise utilisation of club facilities
- We are financially sound.

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Directors' report (cont'd)

Principal activities

The principal activities of the Company during the financial year were to maintain and conduct a golf club for the benefit of club members and their friends, to promote the game of golf and to encourage social activities between members of the club.

Results

The operating loss for the year amounted to \$124,122 (2014: \$203,251 loss). The summary reads as follows:

	This Year	Last Year
Surplus from Trading Operations	\$301,588	\$233,479
Depreciation of Assets	(158,136)	(169,348)
Building Depreciation - Clubhouse	(267,574)	(267,382)
<hr/>		
Total Loss from Trading Operations	(\$124,122)	(\$203,251)

Catering

North Shore Catering has continued to grow their business, licence fees payable to the Company amounted to \$169,382 (2014: \$164,114).

Poker machines

Twenty one poker machines operated throughout the financial year. Net gaming revenue amounted to \$245,945 (2014: \$216,620).

Bar trading

Bar sales recorded a slight decrease \$957,045 (2014: \$971,736). A reallocation of the Bar Levy to the Course Capital Levy influenced results.

Accommodation trading

Room income amounted to \$1,007,352 (2014: \$959,713). Effective channel management and yield structured selling of accommodation has contributed to a positive result.

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Directors' report (cont'd)

Staff costs

Staff wages and on-costs increased to \$1,458,500 (2014: \$1,421,516). Middle management entitlements and the inclusion of a marketing manager cost contributed to an increase in wages against 2014 with the first full year of employee structures realised.

Events Subsequent to Balance Date

No matters have arisen since the end of financial year that will significantly affect the operations or financial results of the Company in future financial years.

Likely developments

The Directors, in conjunction with management are continually seeking strategies to reduce overheads and improve trading. The Company will continue to review the profitability and operations. The Board has established a '2020 Strategic Direction" document, setting out its goals, measures and targets. Investment opportunities will be explored based on sound financial analysis and rationalisation.

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Directors' report (cont'd)

Indemnification and Insurance of Officers

During the year the company paid insurance premiums in respect of a policy that indemnifies directors against any and all claims and legal costs arising from the discharge of their duties, except where the liability arises out of conduct involving a lack of good faith.

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

The lead auditor's independence declaration is set out on page 41 and forms part of the directors' report for the year ended 30 June 2015.

Signed in accordance with a resolution of the directors.

Dated at Wollongong 1st October 2015.



Lynne Townsend
Vice-President



Murray Reid
Director - Treasurer

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Statement of profit or loss and other comprehensive income
 for the year ended 30 June 2015

	Note	2015	2014
Revenue		4,071,524	4,021,443
Other income	4	238,263	219,712
Cost of goods sold		(627,665)	(637,506)
Employee expenses	5	(1,458,500)	(1,421,516)
Depreciation and amortisation expense	5	(425,710)	(436,730)
Other operating expenses		(1,868,863)	(1,889,285)
Results from operating activities		(70,951)	(143,882)
Finance income		-	-
Finance expense		(53,171)	(59,369)
Net finance expense		(53,171)	(59,369)
Operating deficit before income tax		(124,122)	(203,251)
Income tax expense	3(n)	-	-
Operating deficit for the year		(124,122)	(203,251)
Other comprehensive income		-	-
Total comprehensive income		(124,122)	(203,251)

The statement of profit or loss and other comprehensive income is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 23 to 39.

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Statement of changes in equity
 for the year ended 30 June 2015

	Retained Earnings	Capital Works Reserve	Total Equity
Balance at 1 July 2013	11,522,450	33,974	11,556,424
Total comprehensive income for the year			
Operating deficit for the year	(203,251)	-	(203,251)
Other comprehensive income	-	-	-
Total comprehensive income for the year	<u>(203,251)</u>	<u>-</u>	<u>(203,251)</u>
Transfer from retained profits	<u>(3,013)</u>	<u>3,013</u>	<u>-</u>
Balance at 30 June 2014	<u>11,316,186</u>	<u>36,987</u>	<u>11,353,173</u>
Balance at 1 July 2014	<u>11,316,186</u>	<u>36,987</u>	<u>11,353,173</u>
Total comprehensive income for the year			
Operating deficit for the year	(124,122)	-	(124,122)
Other comprehensive income	-	-	-
Total comprehensive income for the year	<u>(124,122)</u>	<u>-</u>	<u>(124,122)</u>
Transfer from retained profits	<u>(12,839)</u>	<u>12,839</u>	<u>-</u>
Balance at 30 June 2015	<u>11,179,225</u>	<u>49,826</u>	<u>11,229,051</u>

The statement of changes in equity is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 23 to 39.

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Statement of financial position
 as at 30 June 2015

	Note	2015 \$	2014 \$
Assets			
Current assets			
Cash and cash equivalents	7	271,734	267,959
Trade and other receivables	8	179,562	223,084
Inventory	9	111,708	120,029
Other assets	10	9,929	32,611
Total current assets		<u>572,933</u>	<u>643,683</u>
Non-current assets			
Property, plant and equipment	12	12,182,234	12,559,254
Intangible assets	13	61,733	62,515
Total non-current assets		<u>12,243,967</u>	<u>12,621,769</u>
Total assets		<u>12,816,900</u>	<u>13,265,452</u>
Liabilities			
Current liabilities			
Trade and other payables	14	451,920	473,012
Loans and borrowings	15	195,858	195,640
Employee benefits	16	138,709	147,588
Other liabilities	17	461,769	458,838
Total current liabilities		<u>1,248,256</u>	<u>1,275,078</u>
Non-current liabilities			
Loans and borrowings	15	327,415	623,972
Employee benefits	16	12,178	13,229
Total non-current liabilities		<u>339,593</u>	<u>637,201</u>
Total liabilities		<u>1,587,849</u>	<u>1,912,279</u>
Net assets		<u>11,229,051</u>	<u>11,353,173</u>
Equity			
Retained surplus		11,179,225	11,316,186
Reserves		49,826	36,987
Total equity		<u>11,229,051</u>	<u>11,353,173</u>

The statement of financial position is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 23 to 39.

Wollongong Golf Club Limited
 ABN: 20 000 740 983
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Statement of cash flows
 for the year ended 30 June 2015

	Notes	2015 \$	2014 \$
Cash flows from operating activities			
Cash receipts in the course of operations		4,352,604	4,251,045
Cash payments in the course of operations		(3,955,047)	(3,812,765)
Interest received		-	-
Interest paid		(48,331)	(46,546)
Net cash from operating activities	21	<u>349,226</u>	<u>391,734</u>
Cash flows from investing activities			
Proceeds on sale of property, plant and equipment		3,636	-
Payments for property, plant and equipment		(47,908)	(455,621)
Net cash used in investing activities		<u>(44,272)</u>	<u>(455,621)</u>
Cash flows from financing activities			
(Repayments)/ Proceeds from borrowings		(231,373)	305,552
Net movement in finance lease liabilities		(69,806)	11,521
Net cash used in financing activities		<u>(301,179)</u>	<u>317,073</u>
Net increase in cash held		3,775	253,186
Cash and cash equivalents at 1 July		267,959	14,773
Cash and cash equivalents at 30 June	7	<u>271,734</u>	<u>267,959</u>

The statement of cash flows is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 23 to 39.

Wollongong Golf Club Limited
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Notes to the financial statements
for the year ended 30 June 2015

1 Reporting entity

Wollongong Golf Club Limited (the 'Company') is a non for profit company domiciled in Australia and limited by guarantee. The address of the Company's registered office is 151 Corrimal Street, Wollongong NSW 2500. The principal activities of the company is to maintain and conduct a golf club, to encourage the game of golf and to encourage social activities between members of the club.

2 Basis of preparation

(a) Statement of compliance

In the opinion of the directors, the Company is not publicly accountable. The financial statements are Tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements adopted by the Australian Accounting Standards Board and the Corporations Act 2001. These financial statements comply with Australian Accounting Standards – Reduced Disclosure Requirements.

The financial statements were approved by the Board of Directors on 21st September 2015.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis.

(c) Functional and presentation currency

The financial report is presented in Australian dollars, which is the Company's functional currency.

(d) Going concern basis

Notwithstanding that the Company has incurred a loss for the year and its current liabilities exceed its current assets, the financial report has been prepared on the going concern basis which assumes the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Company's Board and management continue to pursue a range of initiatives focussed on increasing revenue and controlling the Company's cost structure.

Such initiatives have included:

- The Board has adopted a 5yr debt reduction strategy that will include additional borrowings in the short term to fund future projects that will increase trading and ultimately reduce the level of debt funding required by the Company.

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Notes to the financial statements
for the year ended 30 June 2015

(d) *Going concern basis (continued)*

- The Board has successfully demonstrated restraint to increasing expenses and labour costs and has updated the Club's five year strategic plan to focus more resources on driving income.
- The board are developing a new strategy to minimise the impact of stormwater on course. This goal is identified as instrumental in ensuring the primary asset being the Golf Course, is available for play for the maximum number of days in the year.
- Based on these developments and initiatives, the Company's cash flow budgets for the year ending 30 June 2016 indicate that the Company will be able to pay its debts as and when they fall due.

Should this not be the case, the Company, as a contingency measure, has certain assets that may be sold.

(e) *Use of estimates and judgements*

The preparation of financial statements in conformity with AASBs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are included in the following notes:

- Note 8 – Provision for doubtful debts; and
- Note 16 – Provision for employee benefits.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) *Property, plant and equipment*

(i) *Recognition and measurement*

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset.

The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located and borrowing costs directly attributable to the acquisition and construction of the asset.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Any gains and losses on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) are recognised in profit or loss.

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Notes to the financial statements
for the year ended 30 June 2015

3 Significant accounting policies (cont'd)

(a) Property, plant and equipment (cont'd)

Leases in terms of which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. The assets acquired by way of finance lease are stated at an amount equal to the lower of its fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and impairment losses. Lease payments are accounted for as described in accounting policy 3(l).

(ii) Subsequent costs

The company recognises in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied within the item will flow to the company and the cost of the item can be measured reliably. The costs of the day to day servicing of property, plant and equipment are recognised in the profit and loss as incurred.

(iii) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated.

Items of property, plant and equipment are depreciated from the date that they are installed and are ready for use.

The estimated useful lives in the current and comparative periods are as follows:

Buildings	40 years
Plant, machinery and vehicles	5 to 12 years
Furniture, fixtures and fittings	5 to 10 years
Capital improvements	5 years

The residual value, the useful life and the depreciation method applied to an asset are reviewed at each financial year-end and adjusted if appropriate.

(b) Intangible assets

(i) Poker machine entitlements

Poker machine entitlements are stated at cost less impairment losses. The poker machine entitlements are considered to have an indefinite useful life based on the terms of their issue, and as such they are systematically tested for impairment at each financial year-end.

(ii) Other intangible assets

Other intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses.

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Notes to the financial statements
for the year ended 30 June 2015

3 Significant accounting policies (cont'd)

(iii) *Amortisation*

Amortisation is calculated over the cost of the asset, less its residual value.

Amortisation is recognised in profit and loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use. The estimated useful lives for the current period are as follows:

- Software 2-5 years

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted as appropriate.

(c) *Trade and other receivables*

Trade and other receivables are stated at their amortised cost less impairment losses.

(d) *Inventories*

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

(e) *Cash and cash equivalents*

Cash and cash equivalents comprises cash balances, short term bills and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

(f) *Impairment*

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. Other than inventories, if any such indication exists, the asset's recoverable amount is estimated. For intangible assets that have indefinite lives, recoverable amount is estimated at each reporting date.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss, unless an asset has previously been revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through profit or loss.

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Notes to the financial statements
for the year ended 30 June 2015

3 Significant accounting policies (cont'd)

(i) Calculation of recoverable amount

The recoverable amount of receivables carried at amortised cost is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate (i.e., the effective interest rate computed at initial recognition of these financial assets). Receivables with a short duration are not discounted. Impairment of receivables is not recognised until objective evidence is available that a loss event has occurred. Significant receivables are individually assessed for impairment. Impairment testing of significant receivables that are not assessed as impaired individually is performed by placing them into portfolios of significant receivables with similar risk profiles and undertaking a collective assessment of impairment. Non-significant receivables are not individually assessed. Instead, impairment testing is performed by placing non-significant receivables in portfolios of similar risk profiles, based on objective evidence from historical experience adjusted for any effects of conditions existing at each balance date.

The recoverable amount of other assets is the greater of their fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

(ii) Reversals of impairment

An impairment loss in respect of a receivable carried at amortised cost is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(g) Interest bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the profit or loss over the period of the borrowings on an effective interest basis.

(h) Employee benefits

(i) Short term benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

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Notes to the financial statements
for the year ended 30 June 2015

3 Significant accounting policies (cont'd)

(h) *Employee benefits (cont'd)*

(iii) Other long-term benefits

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Re-measurements are recognised in profit or loss in the period in which they arise.

(iv) Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

(i) *Provisions*

A provision is recognised in the balance sheet when the company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

(j) *Trade and other payables*

Trade and other payables are stated at their amortised cost. Trade payables are non-interest bearing and are normally settled on 30-day terms.

(k) *Revenue*

Goods sold and services rendered

Revenue from the sale of goods is measured at the fair value of the consideration received and is recognised when the significant risks and rewards of ownership have been transferred to the buyer.

Revenue from services rendered is recognised in profit or loss in proportion to the stage of completion of the transaction at the reporting date.

(l) *Lease Payments*

Operating lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense and spread over the lease term.

Finance lease payments

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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Notes to the financial statements
for the year ended 30 June 2015

3 Significant accounting policies (cont'd)

(m) Finance income and finance costs

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Financing costs comprise interest expense on borrowings calculated using the effective interest method. Borrowing costs are expensed as incurred and included in net financing costs. The interest expense component of finance lease payments is recognised in profit or loss using the effective interest method.

(n) Income tax

The Company is exempt from income taxation under Section 50-45 of the Income Tax Assessment Act (1997).

(o) Goods and services tax

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 taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(p) New standards and interpretations not yet adopted

A number of new accounting standards, amendments to standards and interpretations are effective, but not mandatory for annual periods beginning after 1 July 2014, and have not been applied in preparing these financial statements. Those standards with the most significant impact on the Company's financial statements are outlined below:

AASB 9 (2009 and 2010) Financial Instruments, which becomes mandatory for the Company's 2019 financial statements introduces new requirements for the classification and measurement of financial instruments. The Company does not plan to adopt this standard early and the extent of the impact has not yet been determined.

AASB 15 (2015) Revenue from contracts with customers, which becomes mandatory for the Company's 2018 financial statements introduces new requirements for determining whether, how much and when revenue is recognised. The Company does not plan to adopt this standard early and the extent of the impact is expected to be minimal.

Wollongong Golf Club Limited
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Notes to the financial statements
 for the year ended 30 June 2015

	Note	2015 \$	2014 \$
4 Other income			
Licence fee received		169,382	164,114
Compensation-GST rebate		15,419	18,611
Capital levy		49,826	36,987
Gain on sale of fixed assets		3,636	-
		<u>238,263</u>	<u>219,712</u>
5 Operating expenses			
Operating expenses include the following items:			
<i>Personnel expenses</i>			
Wages and salaries		1,296,931	1,239,269
Other associated personnel expenses		31,151	22,174
Contributions to defined contribution superannuation funds		121,236	111,958
Movement in leave provisions		9,182	48,115
		<u>1,458,500</u>	<u>1,421,516</u>
Depreciation and amortisation expense		<u>425,710</u>	<u>436,730</u>
6 Auditor's remuneration			
Audit of financial report		24,960	22,800
Other services		3,200	4,020
		<u>28,160</u>	<u>26,820</u>
7 Cash and cash equivalents			
Cash at bank		227,492	223,717
Cash on hand		44,242	44,242
Cash and cash equivalents		<u>271,734</u>	<u>267,959</u>
Bank overdraft	15	-	-
Cash and cash equivalents in the statement of cash flows		<u>271,734</u>	<u>267,959</u>

Wollongong Golf Club Limited
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Notes to the financial statements
 for the year ended 30 June 2015

	Note	2015 \$	2014 \$
8 Trade and other receivables			
Trade receivables		115,016	108,569
Provision for doubtful debts		-	-
		<u>115,016</u>	<u>108,569</u>
Other receivables		64,546	114,515
		<u>179,562</u>	<u>223,084</u>
As at 30 June 2015, the balance of other receivables represented the EFTPOS , American Express, Diners Club and PaySmart clearing accounts. This is cash received electronically at the club prior to year end and was transferred to the company's bank account after year end.			
9 Inventory			
Liquor stock at cost		38,705	40,220
Pro shop stock at cost		73,003	79,809
		<u>111,708</u>	<u>120,029</u>
10 Other assets			
Prepayments		<u>9,929</u>	<u>32,611</u>
11 Core and non-core property			
Pursuant to Section 41J of the Registered Clubs Amendment Act 2006, the Club defines property as follows:			
Core property		12,182,234	12,559,254
Non-core property		-	-
		<u>12,182,234</u>	<u>12,559,254</u>

Core property includes the defined premises of the Club and any facilities provided for Club members. Accordingly, all property occupied by the Club is defined as core property.

Wollongong Golf Club Limited
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Notes to the financial statements
 for the year ended 30 June 2015

	2015 \$	2014 \$
12 Property, plant and equipment		
Land at cost	1,714,286	1,714,286
	<u>1,714,286</u>	<u>1,714,286</u>
Buildings at cost	10,705,375	10,705,375
Less: accumulated depreciation	(2,602,002)	(2,333,889)
	<u>8,103,373</u>	<u>8,371,486</u>
Plant, machinery and vehicles at cost	1,978,043	1,938,395
Less: accumulated depreciation	(1,608,036)	(1,488,959)
	<u>370,007</u>	<u>449,436</u>
Furniture, fixtures and fittings at cost	513,518	505,258
Less: accumulated depreciation	(422,676)	(386,082)
	<u>90,842</u>	<u>119,176</u>
Capital improvements at cost	103,262	103,262
Less: accumulated depreciation	(48,536)	(47,392)
	<u>54,726</u>	<u>55,870</u>
Course development expenditure at cost - course	1,849,000	1,849,000
	<u>1,849,000</u>	<u>1,849,000</u>
Total property, plant and equipment		
Net carrying value	<u><u>12,182,234</u></u>	<u><u>12,559,254</u></u>

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Notes to the financial statements
 for the year ended 30 June 2015

	2015 \$	2014 \$
12 Property, plant and equipment (cont'd)		
Land at cost		
Opening and closing carrying amount	<u>1,714,286</u>	<u>1,714,286</u>
Buildings		
Opening carrying amount	8,371,486	8,639,065
Depreciation	<u>(268,113)</u>	<u>(267,579)</u>
Closing carrying amount	<u><u>8,103,373</u></u>	<u><u>8,371,486</u></u>
Plant, machinery and vehicles		
Opening carrying amount	449,436	537,942
Additions	39,648	42,684
Depreciation	<u>(119,077)</u>	<u>(131,190)</u>
Closing carrying amount	<u><u>370,007</u></u>	<u><u>449,436</u></u>
Furniture, fixtures and fittings		
Opening carrying amount	119,176	45,615
Additions	8,260	109,248
Depreciation	<u>(36,594)</u>	<u>(35,687)</u>
Closing carrying amount	<u><u>90,842</u></u>	<u><u>119,176</u></u>
Capital improvements		
Opening carrying amount	55,870	57,014
Depreciation	<u>(1,144)</u>	<u>(1,144)</u>
Closing carrying amount	<u><u>54,726</u></u>	<u><u>55,870</u></u>
Course development expenditure		
Opening carrying amount	1,849,000	1,545,311
Additions	<u>-</u>	<u>303,689</u>
Closing carrying amount	<u><u>1,849,000</u></u>	<u><u>1,849,000</u></u>

Wollongong Golf Club Limited
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Notes to the financial statements
 for the year ended 30 June 2015

	2015 \$	2014 \$
13 Intangible assets		
Poker machine entitlements at cost	73,279	73,279
Less accumulated impairment losses	(13,279)	(13,279)
	<u>60,000</u>	<u>60,000</u>
Computer software at cost	60,715	60,715
Less accumulated amortisation	(58,982)	(58,200)
	<u>1,733</u>	<u>2,515</u>
Total intangible assets	<u>61,733</u>	<u>62,515</u>

Reconciliation of the carrying amounts for each class of intangible assets are set out below:

Poker machine entitlements

Opening carrying amount	<u>60,000</u>	<u>60,000</u>
Closing carrying amount	<u>60,000</u>	<u>60,000</u>

Computer software

Opening carrying amount	2,515	3,648
Amortisation	(782)	(1,133)
Closing carrying amount	<u>1,733</u>	<u>2,515</u>

14 Trade and other payables		
Trade payables	214,742	250,891
Other payables and accrued expenses	237,178	222,121
	<u>451,920</u>	<u>473,012</u>

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Notes to the financial statements
 for the year ended 30 June 2015

15 Loans and borrowings	2015	2014
	\$	\$
<i>Current liabilities</i>		
Finance lease liabilities	53,462	64,965
Bank overdraft	-	-
Bank loan	142,396	130,675
	<u>195,858</u>	<u>195,640</u>
<i>Non-current liabilities</i>		
Finance lease liabilities	64,732	118,195
Bank loan	262,683	505,777
	<u>327,415</u>	<u>623,972</u>

Financing arrangements

Finance facilities available

• bank overdraft	300,000	300,000
• bank loan	563,583	637,952
	<u>863,583</u>	<u>937,952</u>

Facilities utilised at reporting date

• bank overdraft	-	-
• bank loan	405,079	636,452
	<u>405,079</u>	<u>636,452</u>

Facilities not utilised at reporting date

• bank overdraft	300,000	300,000
• bank loan	158,504	1,500
	<u>458,504</u>	<u>301,500</u>

Bank overdraft and loan

The overdraft and loan facilities are secured by the following:

- security interest and charge over all of the present and future rights, property and undertakings of Wollongong Golf Club Ltd ACN 000 740 983;
- registered first mortgage over 1 Ross Street, Wollongong NSW 2500; and
- registered first mortgage over 2 Ross Street, Wollongong NSW 2500.

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Notes to the financial statements
 for the year ended 30 June 2015

15	Loan and borrowings (cont'd)	2015	2014
		\$	\$
	<i>Finance lease liabilities</i>		
	Finance lease liabilities are payable as follows:		
	Less than one year	60,189	75,288
	Between one and five years	70,977	127,615
		<u>131,166</u>	<u>202,903</u>
	Less: future lease finance charges	(12,972)	(19,743)
		<u>118,194</u>	<u>183,160</u>
	Finance leases are secured by the assets subject to finance lease agreements		
16	Employee benefits		
	<i>Current</i>		
	Annual leave	127,967	137,694
	Long service leave	10,742	9,894
		<u>138,709</u>	<u>147,588</u>
	<i>Non-current</i>		
	Long service leave	<u>12,178</u>	<u>13,229</u>
17	Other liabilities		
	Subscriptions in advance	415,148	394,863
	Function room deposits	15,690	49,130
	Members draw	4,900	4,900
	Other	26,031	9,945
		<u>461,769</u>	<u>458,838</u>
18	Limited liability		

The company is limited by guarantee. In the event of the company being wound up, the liability of each member (both during the time he is a member and within one year afterwards) is limited to two dollars (\$2). Total number of members at 30 June 2015 is 3,673 (2014: 3,544).

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Notes to the financial statements
 for the year ended 30 June 2015

19 Leasehold land

The lease with the Wollongong City Council expired on 30 June 2015, and Wollongong Golf Club is currently on a month by month arrangement until a future agreement is reached.

The lease with Sydney Water was executed on 10 May 2002 and is due to expire on 31 December 2025.

2015	2014
\$	\$

20 Operating leases

Future minimum lease payments

At 30 June, the future minimum lease payments under non-cancellable operating leases were payable as follows.

Less than one year	48,076	80,582
Between one and five years	192,304	186,354
More than five years	264,747	290,125
	<u>505,127</u>	<u>557,061</u>

Amounts recognised in profit or loss

Lease expense	<u>82,269</u>	<u>77,440</u>
	<u>82,269</u>	<u>77,440</u>

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Notes to the financial statements
 for the year ended 30 June 2015

21 Reconciliation of cash flows from operating activities

Operating deficit	(124,122)	(203,251)
Add/(subtract) non cash items:		
• (Gain)/loss on sale of property, plant & equipment	(3,636)	-
• Depreciation and amortisation	425,710	436,730
• Hire purchase charges	4,840	12,823
Change in assets and liabilities		
Decrease/(Increase) in trade and other receivables	43,522	(14,113)
Decrease/(Increase) in prepayments	22,682	(5,322)
Decrease/(Increase) in inventories	8,321	(6,129)
(Decrease)/Increase in trade and other payables	(21,092)	98,878
Increase in other liabilities	2,931	48,115
(Decrease)/Increase in employee benefits	(9,930)	24,003
Net cash from operating activities	<u>349,226</u>	<u>391,734</u>

22 Subsequent events

There have been no events subsequent to balance date which would have a material effect on the company's financial statements at 30 June 2015.

23 Related parties

(a) Key management personnel compensation

Key management personnel comprise the General Manager, Course Superintendent, Pro Shop Manager and Duty Managers.

The aggregate key management personnel compensation included in 'employee expenses' is \$583,604 (2014: \$541,314).

(b) Key management personnel and director transactions

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of these entities.

One of these entities transacted with the Club in the reporting period. The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-key management personnel related entities on an arm's length basis.

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Notes to the financial statements
 for the year ended 30 June 2015

23 Related parties (cont'd)

The aggregate value of transactions and outstanding balances relating to key management personnel and entities over which they have control or significant influence were as follows:

<i>In dollars</i>		<i>Note</i>	Transaction value year		Balance outstanding as	
			ended 30 June		at 30 June	
			2015	2014	2015	2014
			\$	\$	\$	\$
O'Donnell Hennessey & Co	Accounting Services	i	26,400	26,400	6,600	4,400
Hanson Lawyers	Legal Services	ii	-	2,500	-	-
Martin, Morris & Jones	Real Estate	iii	-	2,388	-	-

- (i) O'Donnell Hennessey & Co , of which Murray Reid is a partner, is engaged to provide management accounting services to the Golf Club.
- (ii) In October 2013 the Club entered into a contract with Hanson Lawyers, of which Ann Woods is an employed lawyer, engaged to provide legal services to the Golf Club.
- (iii) In 2014 the Club entered into a contract with MMJ, of which Geoff Jones is a principle, to provide management services for a Development Application to be created for 2 practise nets at the Golf Club.

Wollongong Golf Club Limited
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Directors' declaration

In the opinion of the directors of Wollongong Golf Club Limited:

- (a) the Company is not publicly accountable;
- (b) the financial statements and notes, set out on pages 19 to 39, are 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 2015 and their performance, for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Regulations 2001.
- (c) 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 directors.

Dated at Wollongong this 1st day of October 2015.



Lynne Townsend
Vice-President



Murray Reid
Treasurer



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

To: the directors of Wollongong Golf Club Limited

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2015 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.


KPMG
Richard Drinnan
Partner
Wollongong
1 October 2015



Independent auditor's report to the members of Wollongong Golf Club Ltd

Report on the financial report

We have audited the accompanying financial report of Wollongong Golf Club Ltd (the Company), which comprises the statement of financial position as at 30 June 2015, and the statement profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary or description of significant accounting policies and other explanatory notes 1 to 23 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. These Auditing 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 judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001* and Australian Accounting Standards – Reduced Disclosure Requirements, a true and fair view which is consistent with our understanding of the Company's financial position and of its performance.

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.



Auditor's opinion

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

- (a) giving a true and fair view of the Company's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Regulations 2001.

A handwritten signature in blue ink, appearing to read 'Richard Drinnan', written over a printed KPMG logo.

Richard Drinnan
Partner

Wollongong
1 October 2015



Disclaimer

The additional financial information presented on pages 45 to 54 is in accordance with the books and records of Wollongong Golf Club Limited which have been subjected to the auditing procedures applied in our statutory audit of the company for the year ended 30 June 2015. It will be appreciated that our statutory audit did not cover all details of the additional financial information. Accordingly, we do not express an opinion on such financial information and no warranty of accuracy or reliability is given.

In accordance with our firm policy, we advise that neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any person (other than the company) in respect of such information, including any errors or omissions therein, arising through negligence or otherwise however caused.

A handwritten signature in blue ink, appearing to read 'KPMG', is written over a printed 'KPMG' logo.

Wollongong
1 October 2015

Wollongong Golf Club Limited
ABN: 20 000 740 983
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Operating statement
for the year ended 30 June 2015

	2015 \$	2014 \$
Divisional operating income		
Bar trading surplus	101,799	86,372
Poker machine trading surplus	232,644	161,128
Course and Match trading surplus	383,696	389,961
Clubhouse trading (deficit)	(1,177,123)	(1,161,445)
Accommodation trading surplus	500,648	461,195
Pro shop trading (deficit)	(165,786)	(140,462)
Net operating deficit	(124,122)	(203,251)

Wollongong Golf Club Limited
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Course and Match trading account
 for the year ended 30 June 2015

	2015 \$	2014 \$
Course and Match income		
Carts	89,323	96,119
Competition fees	334,336	325,258
Course Levy	49,826	36,987
Green fees	200,674	202,105
Tuition Income	45,016	42,174
Junior income	5,607	10,422
Verti Drain income	-	1,200
Membership Fees	618,999	606,786
Vets income	677	5,364
Ladies income	35,690	33,823
	1,380,148	1,360,238
Course and Match expense		
Advertising	1,305	945
Affiliation fees	22,235	17,449
Bar vouchers	115	908
Cart rental	-	1,364
Chemicals and fertilizers	29,881	40,090
Cleaning and Laundry	-	1,551
Council rates	28,945	22,766
Course Improvements	-	5,060
Depreciation plant and vehicles	101,100	98,835
Electricity and gas	4,198	6,117
Equipment Lease	24,229	24,229
HP Interest	4,840	12,824
Insurance claims	2,380	271
Irrigation	6,153	9,468
Junior raffle costs	4,383	7,281
Ladies expenses	13,578	21,182
Leave expenses	17,507	20,623

Wollongong Golf Club Limited
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Course and Match trading account
 for the year ended 30 June 2015 (cont'd)

	2015	2014
	\$	\$
Members amenities	4,830	8,471
Motor Vehicle Expenses	65,829	38,029
Payroll Tax	6,448	4,909
Petrol and Gas	-	31,848
Printing and stationery	1,318	325
Promotions and Marketing	6,433	14,368
Rentals	81,187	47,737
Repairs and maintenance	88,457	50,012
Representative team expenses	13,427	10,024
Sand, Soil and Turf	-	9,248
Staff amenities and uniforms	1,103	3,820
Staff training	1,599	6,376
Subscriptions and Fees	705	4,027
Superannuation	26,126	26,540
Tools and Equipment	7,582	5,606
Trophies	124,480	90,238
Tyres, Tubes and Batteries	-	1,583
Vets expense	1,396	4,172
Wages	281,119	299,574
Water usage and service	19,464	20,384
Working bee costs	4,100	2,023
	<u>996,452</u>	<u>970,277</u>
Course and match trading surplus	383,696	389,961

Wollongong Golf Club Limited
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Clubhouse trading account
 for the year ended 30 June 2015

	2015 \$	2014 \$
Clubhouse income		
Functions income	74,495	65,388
Keno commission – from gaming operations	18,582	20,775
Tab commission – from gaming operations	8,342	4,488
Telephone Income	940	1,431
Lockers and Other Golf Income	22,133	8,954
Raffles	8,694	11,918
Licence Fee Received	169,382	164,114
Vending commission	7,392	22,670
Training Apprentices Subsidy	8,637	19,616
Sponsorships	27,077	10,641
Donations	-	28,221
Gain on Fixed Assets Sale	3,636	-
Fuel Tax Rebate	940	-
	350,250	358,216
Clubhouse expenses		
Audit fees	24,960	22,800
Accounting & audit fees	50,301	35,223
Advertising	57,327	21,683
Bank charges and interest	48,331	46,546
Cleaning Expenses	106,002	92,142
Computer support	42,173	54,090
Consulting fees	6,222	19,080
Council rates	37,914	48,997
Credit Card Commissions	(12)	4,413
Bad Debt/Function Clearing	(17,641)	-
Depreciation – other	41,673	49,798

Wollongong Golf Club Limited
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Clubhouse trading account
 for the year ended 30 June 2015 (cont'd)

	2015	2014
	\$	\$
Depreciation - buildings	267,397	267,382
Director's expenses	7,523	5,691
Donations	4,617	960
Entertainment	47,373	45,118
Electricity & gas	104,395	122,463
Function costs	61,392	52,470
Hire purchase charges	6,211	1,725
Insurances	46,202	63,262
Keno expenses	6,121	7,801
Leave expenses	8,173	6,470
Legal fees	-	10,711
Licences	-	67
Members draw	2,000	-
Members/staff amenities	27,540	37,537
Occupational health and safety	1,753	526
Payroll tax	4,922	3,748
Printing, postage and stationery	34,099	20,316
Raffle expenses	8,694	16,675
Repairs and maintenance	126,913	149,722
Security	15,749	39,519
Subscriptions and membership	10,972	8,989
Sundry expenses	1,978	637
Superannuation	19,935	12,975
TAB expenses	13,045	20,276
Telephone	15,920	14,895
Training	29,060	15,386
Wages	207,713	140,705
Water	14,038	17,972

Wollongong Golf Club Limited
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Clubhouse trading account
for the year ended 30 June 2015 (cont'd)

Workers compensation insurance	20,219	34,299
Promotions and Marketing	16,169	6,592
	<u>(1,527,373)</u>	<u>(1,519,661)</u>
Clubhouse trading deficit	<u><u>(1,177,123)</u></u>	<u><u>(1,161,445)</u></u>

Wollongong Golf Club Limited
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Bar trading account
 for the year ended 30 June 2015

	2015 \$	2014 \$
Bar trading account		
Bar sales	957,045	971,736
Less : Cost of goods sold	(380,883)	(403,206)
Gross profit	<u>576,162</u>	<u>568,530</u>
Gross profit (%)	<u>60.2%</u>	<u>58.5%</u>
Bar expenses		
Cleaning and laundry	-	4,488
Leave expenses	(28,365)	22,357
Repairs and maintenance	513	335
Depreciation	1,643	4,367
Staff amenities	4,929	13,913
Superannuation	37,014	33,443
Wages	396,475	365,594
Payroll Tax	9,415	6,058
Freight – Bar	231	-
Gas – Bar	2,341	2,608
Bar Purchases	11,407	7,193
Pro shop purchases	1,222	212
Complimentary	5,602	2,416
Promotions and Marketing	12,953	10,988
Unders/(Overs)	6,923	(3,946)
Wastage and Breakage	12,060	12,132
	<u>474,363</u>	<u>482,158</u>
Bar trading surplus	<u><u>101,799</u></u>	<u><u>86,372</u></u>

Wollongong Golf Club Limited
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Poker machine trading account
 for the year ended 30 June 2015

	2015	2014
	\$	\$
Poker machine trading account		
Poker machine net revenue	245,945	216,620
GST rebate	15,419	18,611
	<u>261,364</u>	<u>235,231</u>
Poker machine expenses		
Depreciation	10,087	14,013
Maintenance	7,330	10,837
Monitoring costs	10,481	9,953
Licences	58	38,813
Printing, postage and stationary	764	487
	<u>28,720</u>	<u>74,103</u>
Poker machine trading surplus	<u>232,644</u>	<u>161,128</u>

Wollongong Golf Club Limited
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Accommodation trading account
 for the year ended 30 June 2015

	2015	2014
	\$	\$
Accommodation Trading Account		
Room Charges	<u>1,007,352</u>	<u>959,713</u>
Accommodation Expenses		
Cleaning and laundry	230,812	220,011
Commissions	44,670	29,462
Depreciation	3,810	2,334
Repairs and maintenance	24,134	9,432
Subscriptions	-	11,290
Superannuation	16,495	17,784
Wages	178,943	198,054
Leave Expenses	1,734	4,320
Payroll Tax	3,971	3,181
Promotions and marketing	1,020	341
Printing, postage, stationary	-	1,904
Staff clothing	1,115	405
	<u>506,704</u>	<u>498,518</u>
Accommodation trading surplus	<u><u>500,648</u></u>	<u><u>461,195</u></u>

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Pro Shop trading account
 for the year ended 30 June 2015

	2015	2014
	\$	\$
Pro Shop trading account		
Pro Shop revenue	353,512	356,930
Less: Cost of sales	(246,781)	(234,299)
Gross profit	<u>106,731</u>	<u>122,631</u>
Gross profit (%)	30.2%	34.4%
Pro Shop expenses		
Consumables	-	168
Leave expense	10,133	(5,655)
Payroll tax	5,280	3,873
Printing, postage, stationery	-	1,365
Promotions and marketing	236	4,727
Repairs and maintenance	2,397	2,555
Superannuation	21,666	21,216
Wages	232,682	235,342
Under/ (overs)	123	(498)
	<u>272,517</u>	<u>263,093</u>
Pro Shop trading deficit	<u>(165,786)</u>	<u>(140,462)</u>