



Wollongong Golf Club

EST. 1897

(Incorporated in New South Wales)

ABN 20 000 740 983

**ANNUAL REPORT
FOR THE YEAR ENDED 30 JUNE 2016**

TO BE PRESENTED AT THE

ANNUAL MEETING OF MEMBERS

TO BE HELD AT THE CLUBHOUSE ON

Thursday 20th October 2016

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

	2016	2015
Life members	7	7
Full playing members	477	482
Lady members	113	107
Weekday members	52	62
International members	2	1
Social members	3,344	2,977
Junior members	37	32
Totals	4,032	3,673

Board Members

President:	Adam Giddings
Vice-president:	Ann Woods (Appointed November 2015) Lynne Townsend (Retired October 2015)
Captain:	Ralph Stevenson
Treasurer:	Murray Reid
Board members:	Geoff Jones Paul Fenton Colin Bloomfield Robert Griffiths Matthew Morgan (Appointed October 2015)

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Sub committees

Golf Operations Committee:	Ralph Stevenson(Chair) Lynne Townsend (Retired November 2015) Margret Reid (Retired November 2015) Keenan Hobbs Colin Bloomfield Greg Kerr Robert Griffiths Ann Woods Paul Fenton (Appointed November 2015)
Markets and Membership Committee:	Ann Woods (Chair) Judy Newell (Retired November 2015) Paul Fenton Murray Reid Mathew Morgan (Appointed November 2015)
Ladies' committee:	Jennifer Cocks (Chair-Elected September 2015) Judy Newell (Chair-Retired September 2015 Elected Vice Chair, September 2015) Valerie Leiner (Retired September 2015) Margaret Reid (Capt) Colleen Bell (Vice Captain – Elected September 2015) Rose Flood Debbie Dunreath-Cooper June Moore Amanda Poidevin Gloria Swift Beth Johnston Heather Maughan (Retired September 2015) Sharon Prenter (February 2016)
Clubhouse Operations Committee	Geoff Jones (Chair) Robert Griffiths Murray Reid Paul Fenton (Retired November 2015) Mathew Morgan (Appointed November 2015)
Vet Committee	Tony Robinson (Chair) Paul Hogben Allen Newhouse Robert Griffiths Bob West Ralph Stevenson Frank Sciberras

Other positions

General Manager:	Leigh Hingston
Course Manager (Superintendent):	Keenan Hobbs
Director Golf Operations:	Greg Kerr
Director Clubhouse Operations:	Doug Sweeney (Appointed April 2016)

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President's report

I am pleased to report that as flagged in last years report that the club has returned a best ever net profit result for the financial year covered by this report. This result has been achieved by the continual reference by staff to targets and measures set down in the annual business plan and the rolling five-year strategic plan. Worthy congratulations are due to Leigh and his team for this truly spectacular result.

Also as mentioned in previous reports favourable trading results enable a sustainable future for the club. This year the club has paid down long term debt to zero, with the only active debts being capital plant and equipment funding. This had been a strategic goal set a few years back and has been achieved a full year earlier than planned. This further enables the ability to gain funding for much needed revitalisation projects such as the Clubhouse Master Plan and enhancement projects such as the Course Master Plan. It is expected that, if approved, both of these major projects will add considerable revenue stimulus to our trading results. All of this is aligned to our vision *"To be recognised as regional Australia's strongest owned golf organisation"* and our purpose *"To provide outstanding golf and hospitality services"*. I wish to commend the board for their enduring focus on the strategic view to enable the betterment of the golfing experience for our members.

I would like thank Nathan Spithill for his efforts as Marketing Manager and wish him well for the future. I also offer a warm welcome to Doug Sweeney in his role as Director Clubhouse Operations. Doug comes with significant experience in the hospitality and gaming industry and has hit the ground running taking on a senior role in the Clubhouse Master Plan project.

As always, many thanks go to our members, volunteers, sponsors and staff. It is not possible to achieve what our club does each year without you. Also many thanks to my fellow board members for your efforts throughout the last year, they are noted and appreciated.

I look forward to continued success.

Yours in Golf
Adam Giddings
President

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Treasurer's report

Thank you for the opportunity of presenting my treasurers Report for the financial year ended 30 June 2016.

These past 12 months have been by far the best trading period we have had since the opening of the new club. Our Earnings before Depreciation and Interest was \$607,871 up from \$354,759 in 2015. Our operating profit rose to \$171,480 from a loss in 2015 of \$(124,122), an improvement of \$295,602.

These results come on the back of a strong strategic plan and the ownership of that plan from the General Manager and his amazing staff. They have been switched onto their department goals from the first day of the implementation of the plan.

As a result, the following growth statistics have been achieved;

- Bar and Gaming revenue has increased 6.1% to \$1,292,754
- Golf revenue has increased \$15% to \$1,589,721
- Accommodation revenue has increased 7.6% to \$1,084,074
- Proshop Revenue has increased \$14.5% to \$404,972

These results naturally reflect in the Balance Sheet with the Club having achieved its strongest financial position in many years. For the first time the Club has paid back all outstanding borrowings by repaying \$405,079 in the financial year. In addition, we were still able to remain in a strong cash position increasing our bank balance by \$206,591 to \$478,324.

This strong financial position that we have been building upon for a number of years now has enable the Club to move forward with a number of projects, the most significant being the redevelopment of the Clubhouse. We see this project as further increasing revenue in Bar and Gaming and increasing patronage of the food services area.

Naturally we are primarily a golf club and we continue to be the number one club and the only member owned Club in Wollongong. The quality of our course is well known throughout the golfing community but this can only be achieved through a continuation of the strong financial position we currently enjoy. This enables the Club to invest in the future and continue to present the course in the condition we have all become so accustomed to.

The Board is dedicated to ensuring the continued financial strength of the business so that all members enjoy the Club and its facilities.

Murray Reid
Treasurer

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Golf Operations Committee Report

Dear Members,

Course

We may have an ideal location and undertake unique experiences as members of an historical club that continues to improve each year, though the question we must ask is are the golfing members and visitors enjoying their play at such a premier course? From feedback and informal discussion both from members and visitors, Wollongong Golf Club continues to provide a quality course that meets or exceeds their expectations. Following wet weather the course remains playable, with the changes to the first fairway, green and the 7th and 17th greens enhancing the course to engender enjoyment and provide challenges.

The drivers of course improvement, maintenance and overall enhancement are a small team of dedicated professionals and a band of enthusiastic volunteers. Keenan Hobbs, Course Superintendent, mentored by Greg Kerr once again has managed effectively within a limited budget to achieve quality outcomes in terms of course maintenance. Keenan has a five-year plan for capital investment and improvement which ensures he meets priorities on a planned basis. If you as members view certain areas as progressing slowly, vis a vis the bunkers, Keenan has addressed improvement and changes within financial limits. He is answerable to the Golf Operations Committee which continually challenges Keenan and Greg regarding developments and promoting member enjoyment, with regards to fair play and minimisation of lost time due to weather conditions.

Once again we are indebted to the course staff for their 'ownership' of the course and meeting standards of members who rightly have high expectations. Keenan continues to maintain his professional network and attend development activities and conferences to promote state of the art developments within budget.

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. They lessen the burden upon full time staff, and ensure coring of the greens becomes less arduous and time consuming.

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

We continue to have the best greens on the east coast and that is a result of the professionalism of greens staff and their educated decision making. Daniel Guerin continues to provide professional backup to Keenan, and his commitment is recognised in his support capacity and relief in the absence of Keenan

I indicated last year and continue to reinforce the fact that, 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?

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Professional Shop

Staff of the professional shop continue to be the face of the organisation providing a service for members and guests, organising regular competitions, championship events, corporate events and pennant days. The staff under the leadership of Greg Kerr provide a high level of service to all members, guests, tournament entrants, corporate players and social players. It is easy to characterise the staff, being Greg as the general, Darius as king of the juniors, Aaron being the staff member who all women players see as their devoted grandson and Jason being the dynamic picturesque face behind the counter. With such a team, it is refreshing to indicate the figures for golf games and sales are commensurate with their leadership, customer focus and support

Competition rounds for FY 16 were 26,769, against a target of 23,920; green fee rounds 8,512, against a target of 8,840.

Revenue from competition rounds was \$393,507 against a budget of \$320,000, with green fees being \$262,996 against a budget of \$220,000.

The results are most welcome and indicate the support of members for the pro shop, with the rounds played being an indicator of the quality of the course many are seeking to play upon, be it on a competition day or just socially.

Greg Kerr remains the commensurate professional, managing his team and providing high level coaching with Darius and Aaron. In addition, Darius Gear continues to support for juniors and his commitment is invaluable in promoting junior membership which is so important for the future of the club.

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 200 on Saturdays and 180 on Wednesdays, figures being up on FY15. The club provided in excess of \$100,000 in prizes this year for the benefit of a range of members and guest. The Golf Operations Committee with the Manager of Golf Operations continues to be focused upon maximum course utilisation.

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 and genuinely thanked. Special mention must be made of Peter Fitzgerald Real Estate for the Sunday Medley competition which is readily supported by members, and for Geoff Jones and MMJ Real Estate support of Monster Mondays

Paul Fenton of Fenton and Associates, financial planners, continues to provide generous on-going sponsorship of the WGC club championships and junior golf in the club. The funding should not be taken for granted and has certainly acted as a stimulus for the golf professional staff to attract, develop and promote major events and junior membership and potential members with the 'come and try' approach. Other beneficiaries have been Tom Heaton and Jackson Hall who have achieved beyond their years in FY 16, and will be leaders in the State and club in future years.

We trust the support continues by all financial backers this year and please support the businesses that support the club.

It is a pleasure to move through the Spike Bar of a Thursday and view the comradery of the lady golfers who enjoy their game and friendship in the club. To Jenny Cocks and her team, plaudits for the work undertaken to make golf for all lady members in the club enjoyable and competitive. Your efforts are applauded in raising valuable funds for local charities and being a leader in clubs in the Illawarra area.

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Club Champions for 2016:

Club Champion	Stephen Webb
A Reserve	Frank Sattin
B Grade	Hayden Daley
C Grade	Sebastian Mangelsdorf
Men's Foursomes	Stephen Webb / Bryan Munkman
Wollongong Open	Mark Panopoulos (Killara GC)
South Coast Amateur Open	Stephen Webb
Ladies' Champion	Colleen Bell
Ladies' Foursomes	Colleen Bell / Alison Webb
South Coast Foursomes	Colleen Bell Alison Webb
Ladies 4BBB Championship	Judy Newell / Margaret Reid
Mixed Foursomes	Lynne Townsend / Stephen Webb
Men's Gold Medal (combines grades)	Brendan Pearce (A Grade) Michael Marsh (B Grade) Mick Cassar (C Grade)
Ladies Gold Medal	Lynette Robinson
Ladies' South Coast Champion	Colleen Bell
Bob McEwan	Ron Davison / Robert Giraldi

Pennants

WGC won a 'C' grade pennant in March and I have never seen a team more buoyed by the result. Congratulations to all members of the team for the result and their commitment, it would be great to see a result back to back in March 2017.

There is an inherent pride in being a member of a competitive team representing Wollongong Golf Club. The teams all performed credibly and a huge thank you is offered to captains / managers who both played in most cases and spent an inordinate amount of time in organising teams, and continue to willingly back up to organise the teams.

Thank you to all players who played in pennant teams, and a thank you to those who played in the Trevor Bell Shield and Paul Hogben for his commitment.

The Golf Operations Committee is aware of the benefits to the club culture of having active and committed pennant sides, and accordingly continues to allocate \$1k to each team for support and celebration of involvement.

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We have lost some valuable members who have passed away during the year. They will continue to be remembered by golfers from the Club and our thoughts go to the associated families.

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.

The Wollongong Golf Club, a member owned club, continues to survive and thrive.

This is your club and there are exciting times ahead for the enjoyment of all as the club maintains viability. The golf is supported by a committed Golf Operations committee and a huge thank you must be given to members of that committee for their commitment.

A sound strategic approach based upon years of experience to provide enjoyable recreation time, will ensure members continue to enjoy their golf in a friendly environment and at times challenging environment.

Ralph Stevenson
Captain

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Marketing & Membership Committee Report

“The definition of insanity is doing something over and over again and expecting a different result”.
Albert Einstein

The Wollongong Golf Club has existed on this land since 1897. Next year we will celebrate 120 years. It is one of the few member based Clubs still viable and this is no mean feat. That achievement has not come about by the successive Boards continuing to do the same things. The Club has evolved over the years and it is our hope and commitment that it will continue in that tradition.

The 2015/2016 year has been another successful year for us. We have achieved membership targets and continue to review and try to add value to membership. The Club has made an unprecedented profit thanks to the support of its members and the hard work of its staff. As a result we now have the capacity to borrow money for the Course Improvement and Club House Improvement projects. With these projects we hope to keep evolving to make the Club a better one for its members and to achieve financial security for the future. For many years the survey of members has identified the need of practice facilities. While the practice nets were a start, they did not completely fit the bill. The driving range should achieve that and hopefully provide sufficient new income to enable the Club to complete the northern paddock of the approved course Master Plan. We are continuing to evolve.

The Marketing and Membership Committee is committed to ensuring that our members receive value for membership. We strive to be the most successful member owned Club, and we are committed, with the help and support of the members, to ensure that we do not take the easy way out and continue to do the same things hoping to achieve a better result.

I am extremely proud of what we have achieved this year.

I sincerely thank all members for their support of the Board and I also thank my fellow committee members, the General Manager and his staff for their untiring work and dedication.

Ann Woods
Chairman

Ann Woods
Chair - Marketing & Membership Committee

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Clubhouse Operations Committee Report

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

- Geoff Jones
- Matt Morgan
- 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. The addition of a Club House Operations Manager during the year has been a most welcome addition to Senior Club Management ranks.

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 90% 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. Capital works including new sofa beds were undertaken to help maintain our current 4-star rating. The turnover from accommodation topped \$1M for the year for the first time.

Bar:

The turnover from the 2 main bar areas was below budget but a decrease in expenses meant profit was above budget for the year. Although there was an increase in function numbers for the year, the type of functions booked did not contribute to increased bar turnover.

Gaming:

Turnover for the year from the combined three areas of gaming – Poker Machines, Keno, and TAB was below budget. Poker machines, Keno and TAB were all slightly below expectations. The Poker Machine income is solid and the board continues to 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. The new Club House plans include relocation of the poker machine area and creation of a sports bar which should have significant and positive impact on ongoing income.

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Restaurant:

Patronage to the Restaurant was slightly down but we still had over 95,000 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 continued to achieve good customer satisfaction ratings. The current catering contract expires in October 2016 and a consultant has been engaged to explore our catering options.

Functions:

Functions were above budget in both numbers and income. A change in the type of functions held in the club continued during the year with more daytime coffee and sandwich type meetings rather than evening events requiring bar service.

Club House Masterplan:

The Board has endorsed a request from the Clubhouse Operations Committee to commission the preparation of a clubhouse master plan. A Club House Steering Committee was formed and the new plans were finalised and presented to the members for comment during the year.

The Club House is overdue for an upgrade and changes are considered necessary to continue to meet members' expectations and ensure the best use of all Club House floor space areas.

The new strategic plan has had a positive impact to Clubhouse operations and the hard work of Leigh, Doug and the Department Managers have resulted in a good year for Clubhouse Operations. Thank you and congratulations on jobs well done.

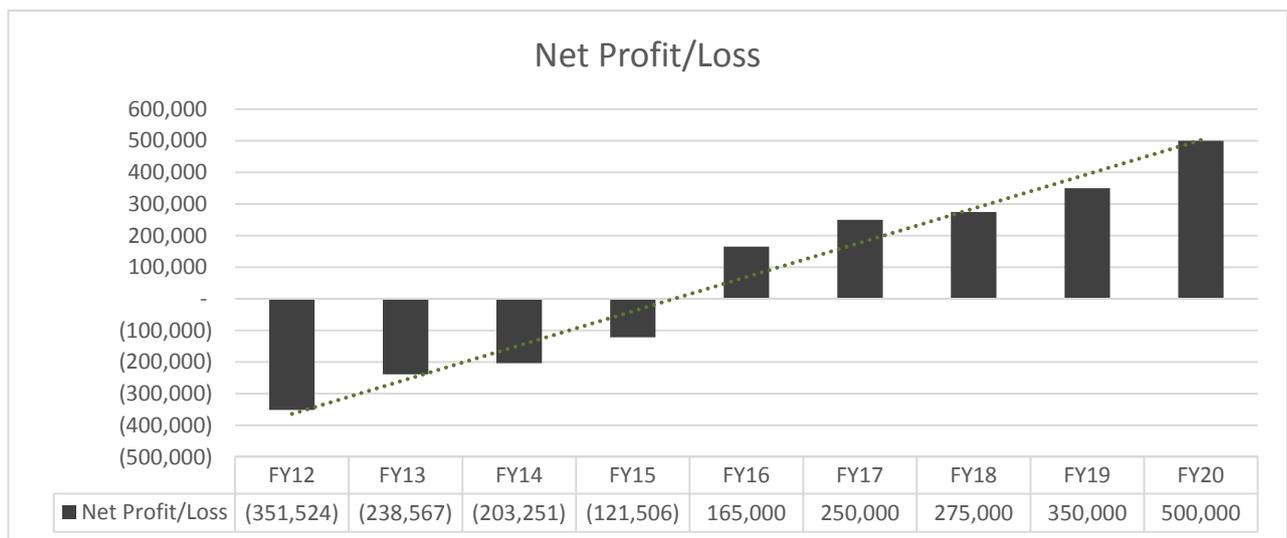
The input of Directors and all committee members is greatly appreciated. Again thank you for your valued time and input.

Geoff Jones
Chairman

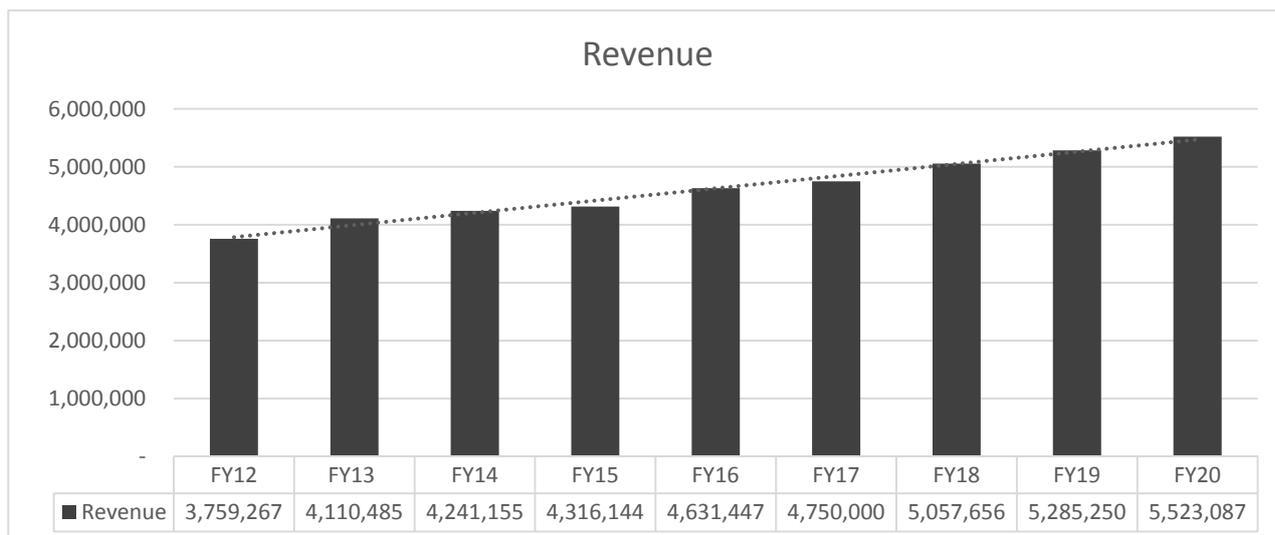
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General Managers Report

The Wollongong Golf Clubs Board and operations team have successfully adopted a strategic focus driving operations to maximise organisational potentials across the business, with financial outcomes supporting investment in future planning. 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. This financial year marks the first iteration of the plan and it is a measured success. The Wollongong Golf Club has historically struggled to maximise its revenue cost centres while simultaneously managing the service expectations and cost associated with the delivery of outstanding Golf and Hospitality services. This plan, and in particular its delivery by the staff, is achieving outstanding financial results

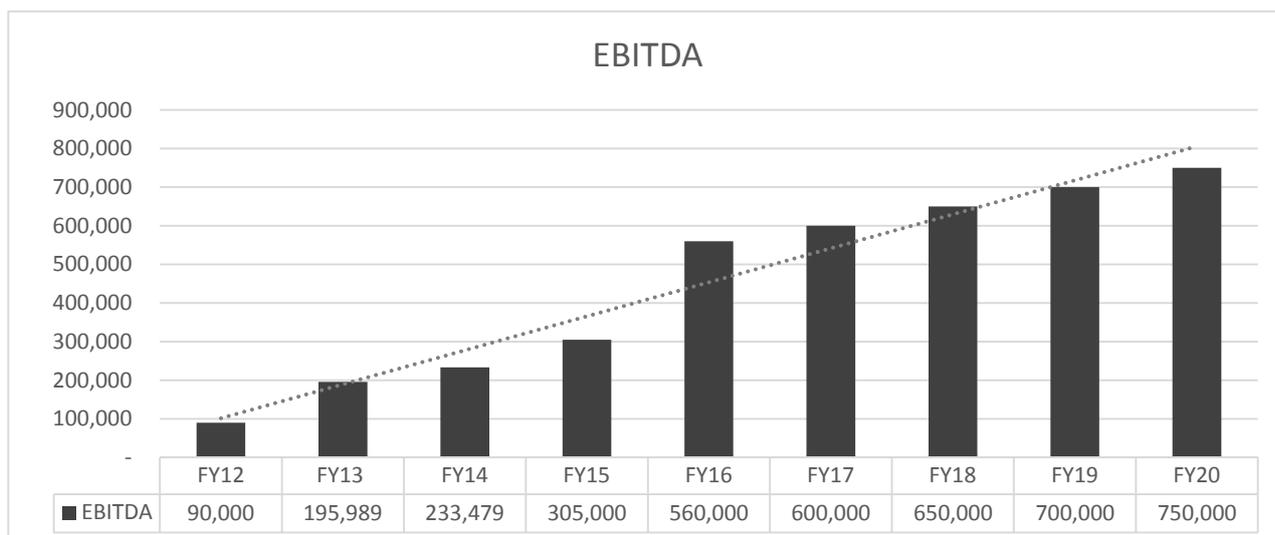
It is important to reflect on the club's historic financial performance to understand success and identify important trends for decision making. The financial year saw excellent results with disciplined debt reduction and strong revenue achieved across the business. The Clubs long term debt is now resolved one year ahead of schedule as we proudly present the first net profit result in the new Clubhouse.



The below graph highlights the club's historic and future revenue performance. It is expected that by 2020, the club's revenues will exceed \$5.5 million per annum. This forecast is considered without major capital investment. The target for financial year 2016 was \$4.6 million which was achieved.



The Wollongong Golf Club has adopted IPARTS recommendation for measurement of Club financial performance using EBITDA as a benchmark. The Club's EBITDA for FY16 was \$567,000, a \$260,000 improvement against the previous year.



Across the golfing sector external pressures on traditional forms of revenue, including beverage consumption, are forcing clubs to seek alternative revenue sources. The Club continues to investigate diversification options using process driving planning and assessment. At present, the Club is undertaking studies including the establishment of a driving range and cart shed in concert with a Clubhouse masterplan refurbishment. These projects are under strict guidelines for project approval to limit risk and deliver relevant improvements to member amenities.

Congratulations to the Wollongong Golf Club team on embracing the strategic planning process and delivering on your respective measures and targets. Their performance - passion for setting goals, making and following plans and achieving great outcomes is a credit to their professionalism and commitment to this Club.

Thank you

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 2016 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 – 19 years President – 5 Years Director – 9 years	Contractor – Long Term Planning
Lynne Townsend	Vice President	Member - 45 years Vice-president-6 years	Teacher (Retired Oct 2015)
Murray Reid	Treasurer	Member –13 years Treasurer – 7 years	Chartered Accountant
Ralph Stevenson	Captain	Member – 32 years Director – 18 years Captain – 3 years	Retired
Geoff Jones	Director	Member – 43 years Director – 19 years	Real Estate Agent
Paul Fenton	Director	Member – 10 years Director – 5 years	Financial Advisor
Bob Griffiths	Director	Member – 34 year Director – 2 year	Retired (Elected Nov 2014)
Ann Woods	Director	Member – 32 years Director - 7 years	Solicitor
Colin Bloomfield	Director	Member – 5 years Director – 3 years	Company Director
Matthew Morgan	Director	Member – 4 years Director – 1 years	Senior Business Banking Manager (Elected Nov 2015)

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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 May 2012 and has a background of 13 years' experience within the golf and hospitality industry.

Director	Directors' meetings held during term	Directors' meetings attended
Adam Giddings	11	10
Lynne Townsend (Retired October 2015)	3	3
Murray Reid	11	10
Bob Griffiths	11	10
Ralph Stevenson	11	10
Geoff Jones	11	10
Paul Fenton	11	8
Matthew Morgan	8	8
Ann Woods	11	11
Colin Bloomfield	11	7

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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 profit for the year amounted to \$171,480 (2015: \$124,122 loss). The summary reads as follows:

	This Year	Last Year
Surplus from Trading Operations	\$567,692	\$301,588
Depreciation of Assets	(128,616)	(158,136)
Building Depreciation - Clubhouse	(267,596)	(267,574)
<hr/> Total Profit/(Loss) from Trading Operations	<hr/> \$171,480	<hr/> (\$124,122)

Catering

North Shore Catering has continued to grow their business, licence fees payable to the Company amounted to \$188,164 (2015: \$169,382).

Poker machines

Twenty one poker machines operated throughout the financial year. Net gaming revenue amounted to \$258,866 (2015: \$245,945).

Bar trading

Bar sales recorded an increase to \$1,018,181 (2015: \$957,045)

Accommodation trading

Room income amounted to \$1,084,074 (2015: \$1,007,352). 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 \$1,523,837 (2015: \$1,458,500) influenced by restructure of the organisation.

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.

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

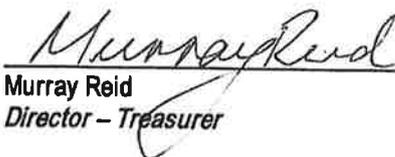
The lead auditor's independence declaration is set out on page 41 and forms part of the directors' report for the year ended 30 June 2016.

Signed in accordance with a resolution of the directors.

Dated at Wollongong 29th September 2016.



Adam Giddings
President



Murray Reid
Director - Treasurer

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Statement of profit or loss and other comprehensive income
 for the year ended 30 June 2016

	Note	2016	2015
Revenue		4,445,060	4,071,524
Other income	4	283,295	238,263
Cost of goods sold		(631,887)	(627,665)
Employee expenses	5	(1,523,837)	(1,458,500)
Depreciation and amortisation expense	5	(396,212)	(425,710)
Other operating expenses		(1,964,760)	(1,868,863)
Results from operating activities		211,659	(70,951)
Finance income		-	-
Finance expense		(40,179)	(53,171)
Net finance expense		(40,179)	(53,171)
Operating profit/(deficit) before income tax		171,480	(124,122)
Income tax expense	3(n)	-	-
Operating profit/(deficit) for the year		171,480	(124,122)
Other comprehensive income		-	-
Total comprehensive income		171,480	(124,122)

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 24 to 40.

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

Statement of changes in equity
 for the year ended 30 June 2016

	Retained Earnings	Capital Works Reserve	Total Equity
Balance at 1 July 2014	11,316,186	36,987	11,353,173
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>
Balance at 1 July 2015	<u>11,179,225</u>	<u>49,826</u>	<u>11,229,051</u>
Total comprehensive income for the year			
Operating profit for the year	171,480	-	171,480
Other comprehensive income	-	-	-
Total comprehensive income for the year	<u>171,480</u>	<u>-</u>	<u>171,480</u>
Transfer to retained profits	<u>49,826</u>	<u>(49,826)</u>	<u>--</u>
Balance at 30 June 2016	<u>11,400,531</u>	<u>-</u>	<u>11,400,531</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 24 to 40.

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

Statement of financial position
 as at 30 June 2016

	Note	2016 \$	2015 \$
Assets			
Current assets			
Cash and cash equivalents	6	478,324	271,734
Trade and other receivables	7	162,527	179,562
Inventory	8	124,473	111,708
Other assets	9	9,466	9,929
Total current assets		<u>774,790</u>	<u>572,933</u>
Non-current assets			
Property, plant and equipment	11	11,872,878	12,182,234
Intangible assets	12	85,498	61,733
Total non-current assets		<u>11,958,376</u>	<u>12,243,967</u>
Total assets		<u>12,733,166</u>	<u>12,816,900</u>
Liabilities			
Current liabilities			
Trade and other payables	13	496,769	451,920
Loans and borrowings	14	23,853	195,858
Employee benefits	15	173,221	138,709
Other liabilities	16	571,430	461,769
Total current liabilities		<u>1,265,273</u>	<u>1,248,256</u>
Non-current liabilities			
Loans and borrowings	14	40,851	327,415
Employee benefits	15	26,511	12,178
Total non-current liabilities		<u>67,362</u>	<u>339,593</u>
Total liabilities		<u>1,332,635</u>	<u>1,587,849</u>
Net assets		<u>11,400,531</u>	<u>11,229,051</u>
Equity			
Retained earnings		11,400,531	11,179,225
Reserves		-	49,826
Total equity		<u>11,400,531</u>	<u>11,229,051</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 24 to 40.

Wollongong Golf Club Limited
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Statement of cash flows
 for the year ended 30 June 2016

	Notes	2016 \$	2015 \$
Cash flows from operating activities			
Cash receipts in the course of operations		4,854,569	4,352,604
Cash payments in the course of operations		(4,039,092)	(3,955,047)
Interest received		-	-
Interest paid		(33,481)	(48,331)
Net cash from operating activities	20	<u>781,996</u>	<u>349,226</u>
Cash flows from investing activities			
Proceeds on sale of property, plant and equipment		479	3,636
Payments for property, plant and equipment		(110,618)	(47,908)
Net cash used in investing activities		<u>(110,139)</u>	<u>(44,272)</u>
Cash flows from financing activities			
Repayment of borrowings		(405,079)	(231,373)
Net movement in finance lease liabilities		(60,188)	(69,806)
Net cash used in financing activities		<u>(465,267)</u>	<u>(301,179)</u>
Net increase in cash held		206,590	3,775
Cash and cash equivalents at 1 July		271,734	267,959
Cash and cash equivalents at 30 June	6	<u><u>478,324</u></u>	<u><u>271,734</u></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 24 to 40.

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

Notes to the financial statements
for the year ended 30 June 2016

1 Reporting entity

Wollongong Golf Club Limited (the 'Company') is a not 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 26th September 2016.

(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) 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.

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 any 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.

Wollongong Golf Club Limited
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Notes to the financial statements
for the year ended 30 June 2016

3 Significant accounting policies (cont'd)

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

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.

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 any 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 any accumulated impairment losses.

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Notes to the financial statements
for the year ended 30 June 2016

3 Significant accounting policies (cont'd)

(iii) Amortisation

Amortisation is calculated on 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 any 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.

Notes to the financial statements
for the year ended 30 June 2016

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.

Notes to the financial statements
for the year ended 30 June 2016

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.

Notes to the financial statements
for the year ended 30 June 2016

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 standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2015, and have not been applied in preparing these financial statements. Those which may be relevant to the Company are set out below. The Company does not plan to adopt these standards early.

AASB 9 Financial Instruments (2014)

AASB 9 replaces the existing guidance in AASB 139 Financial Instruments: Recognition and Measurement. AASB 9 includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from AASB 139.

AASB 9 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted.

The Company is assessing the potential impact on its financial statements resulting from the application of AASB 9.

Wollongong Golf Club Limited
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Notes to the financial statements
for the year ended 30 June 2016

3 Significant accounting policies (cont'd)

(p) *New standards and interpretations not yet adopted (cont'd)*

AASB 15 Revenue from Contracts with Customers

AASB 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including AASB 118 Revenue, AASB 111 Construction Contracts and AASB Interpretation 13 Customer Loyalty Programmes.

AASB 15 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted. The Company is assessing the potential impact on its financial statements resulting from the application of AASB 15.

AASB 16 Leases

AASB 16 removes the lease classification test for lessees and requires all the leases (including operating leases) to be brought onto the balance sheet. The definition of a lease is also amended and is now the new on/off balance sheet test for lessees.

AASB 16 is effective for annual reporting periods beginning on or after 1 January 2019, with early adoption permitted where AASB 15 Revenue from Contracts with Customers is adopted at the same time.

The Company is assessing the potential impact on its financial statements resulting from the application of AASB 16.

Wollongong Golf Club Limited
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Notes to the financial statements
 for the year ended 30 June 2016

	Note	2016 \$	2014 \$
4 Other income			
Licence fee received		188,164	169,382
Compensation-GST rebate		26,470	15,419
Capital levy		68,182	49,826
Gain on sale of fixed assets		479	3,636
		<u>283,295</u>	<u>238,263</u>
5 Operating expenses			
Operating expenses include the following items:			
<i>Personnel expenses</i>			
Wages and salaries		1,302,480	1,296,931
Other associated personnel expenses		31,987	31,151
Contributions to defined contribution superannuation funds		120,972	121,236
Movement in leave provisions		68,398	9,182
		<u>1,523,837</u>	<u>1,458,500</u>
Depreciation and amortisation expense		<u>396,212</u>	<u>425,710</u>
6 Cash and cash equivalents			
Cash at bank		434,082	227,492
Cash on hand		44,242	44,242
Cash and cash equivalents in the statement of cash flows		<u>478,324</u>	<u>271,734</u>

Wollongong Golf Club Limited
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Notes to the financial statements
 for the year ended 30 June 2016

	Note	2016 \$	2015 \$
7 Trade and other receivables			
Trade receivables		63,858	115,016
Provision for doubtful debts		-	-
		<u>63,858</u>	<u>115,016</u>
Other receivables		98,669	64,546
		<u>162,527</u>	<u>179,562</u>
<p>As at 30 June 2016, 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.</p>			
8 Inventory			
Liquor stock at cost		30,073	38,705
Pro shop stock at cost		94,400	73,003
		<u>124,473</u>	<u>111,708</u>
9 Other assets			
Prepayments		<u>9,466</u>	<u>9,929</u>
10 Core and non-core property			
<p>Pursuant to Section 41J of the Registered Clubs Amendment Act 2006, the Club defines property as follows:</p>			
Core property		11,827,275	12,182,234
Non-core property		-	-
		<u>11,827,275</u>	<u>12,182,234</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 2016

	2016 \$	2015 \$
11 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	10,723,359	10,723,359
Less: accumulated depreciation	(2,872,610)	(2,604,982)
	<u>7,850,749</u>	<u>8,118,377</u>
Plant, machinery and vehicles at cost	1,948,928	1,948,928
Less: accumulated depreciation	(1,625,769)	(1,551,747)
	<u>323,159</u>	<u>397,181</u>
Furniture, fixtures and fittings at cost	615,325	580,245
Less: accumulated depreciation	(535,077)	(486,786)
	<u>80,248</u>	<u>93,459</u>
Capital improvements at cost	37,049	37,049
Less: accumulated depreciation	(27,216)	(27,118)
	<u>9,833</u>	<u>9,931</u>
Course development expenditure at cost - course	1,894,603	1,849,000
	<u>1,894,603</u>	<u>1,849,000</u>
Total property, plant and equipment		
Net carrying value	<u>11,872,878</u>	<u>12,182,234</u>

Wollongong Golf Club Limited
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Notes to the financial statements
 for the year ended 30 June 2016

	2016 \$	2015 \$
11 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	8,118,377	8,385,951
Depreciation	<u>(267,628)</u>	<u>(267,574)</u>
Closing carrying amount	<u>7,850,749</u>	<u>8,118,377</u>
Plant, machinery and vehicles		
Opening carrying amount	397,181	477,655
Additions	-	39,648
Depreciation	<u>(74,022)</u>	<u>(120,122)</u>
Closing carrying amount	<u>323,159</u>	<u>397,181</u>
Furniture, fixtures and fittings		
Opening carrying amount	93,459	122,331
Additions	35,080	8,260
Depreciation	<u>(48,291)</u>	<u>(37,132)</u>
Closing carrying amount	<u>80,248</u>	<u>93,459</u>
Capital improvements		
Opening carrying amount	9,931	10,200
Depreciation	<u>(98)</u>	<u>(89)</u>
Closing carrying amount	<u>9,833</u>	<u>9,931</u>
Course development expenditure		
Opening carrying amount	1,849,000	1,849,000
Additions	<u>45,603</u>	<u>-</u>
Closing carrying amount	<u>1,894,603</u>	<u>1,849,000</u>

Wollongong Golf Club Limited
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Notes to the financial statements
 for the year ended 30 June 2016

	2016 \$	2015 \$
12 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	90,650	60,715
Less accumulated amortisation	(65,152)	(58,982)
	<u>25,498</u>	<u>1,733</u>
Total intangible assets	<u>85,498</u>	<u>61,733</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	1,733	2,515
Additions	29,936	-
Amortisation	(6,171)	(782)
Closing carrying amount	<u>25,498</u>	<u>1,733</u>

13 Trade and other payables

Trade payables	174,802	214,742
Other payables and accrued expenses	321,967	237,178
	<u>496,769</u>	<u>451,920</u>

Wollongong Golf Club Limited
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Notes to the financial statements
 for the year ended 30 June 2016

14 Loans and borrowings	2016	2015
	\$	\$
<i>Current liabilities</i>		
Finance lease liabilities	23,853	53,462
Bank overdraft	-	-
Bank loan	-	142,396
	<u>23,853</u>	<u>195,858</u>
<i>Non-current liabilities</i>		
Finance lease liabilities	40,851	64,732
Bank loan	-	262,683
	<u>40,851</u>	<u>327,415</u>

Financing arrangements

Finance facilities available

• bank overdraft	300,000	300,000
• bank loan	200,000	563,583
	<u>500,000</u>	<u>863,583</u>

Facilities utilised at reporting date

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

Facilities not utilised at reporting date

• bank overdraft	300,000	300,000
• bank loan	200,000	158,504
	<u>500,000</u>	<u>458,504</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 2016

14	Loan and borrowings (cont'd)	2016 \$	2015 \$
	<i>Finance lease liabilities</i>		
	Finance lease liabilities are payable as follows:		
	Less than one year	30,552	60,189
	Between one and five years	40,426	70,977
		<hr/> 70,978	<hr/> 131,166
	Less: future lease finance charges	(6,274)	(12,972)
		<hr/> <hr/> 64,704	<hr/> <hr/> 118,194
	Finance leases are secured by the assets subject to finance lease agreements		
15	Employee benefits		
	<i>Current</i>		
	Annual leave	161,287	127,967
	Long service leave	11,934	10,742
		<hr/> 173,221	<hr/> 138,709
	<i>Non-current</i>		
	Long service leave	<hr/> 32,293	<hr/> 12,178
16	Other liabilities		
	Subscriptions in advance	531,364	415,148
	Function room deposits	28,878	15,690
	Members draw	3,900	4,900
	Other	7,288	26,031
		<hr/> 571,430	<hr/> 461,769

17 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 2016 is 4,032 (2015: 3,673).

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Notes to the financial statements
 for the year ended 30 June 2016

18 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.

2016	2014
\$	\$

19 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	48,076
Between one and five years	192,304	192,304
More than five years	216,671	264,747
	<u>457,051</u>	<u>505,127</u>

Amounts recognised in profit or loss

Lease expense	<u>64,963</u>	<u>82,269</u>
	<u>64,963</u>	<u>82,269</u>

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Notes to the financial statements
 for the year ended 30 June 2016

20 Reconciliation of cash flows from operating activities

Operating profit/(deficit)	171,480	(124,122)
Add/(subtract) non cash items:		
• (Gain)/loss on sale of property, plant & equipment	(479)	(3,636)
• Depreciation and amortisation	396,209	425,710
• Hire purchase charges	6,698	4,840
Change in assets and liabilities		
Decrease in trade and other receivables	17,035	43,522
Decrease in prepayments	463	22,682
(Increase)/decrease in inventories	(12,765)	8,321
Increase(Decrease) in trade and other payables	44,849	(21,092)
Increase in other liabilities	109,661	2,931
(Decrease)/Increase in employee benefits	48,845	(9,930)
Net cash from operating activities	<u>781,996</u>	<u>349,226</u>

21 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 2016.

22 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 \$572,044 (2015: \$583,604).

(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.

Wollongong Golf Club Limited
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Notes to the financial statements
 for the year ended 30 June 2016

22 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 ended 30 June		Balance outstanding as at 30 June	
			2016	2015	2016	2015
			\$	\$	\$	\$
O'Donnell Hennessey & Co	Accounting Services	i	27,874	26,400	2,200	6,600
Facility Matters	Workplace Services	ii	5,500	-	-	-

- (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 2016 the club entered into a contract with Facility Matters, of which Adam Giddings is a Principal, to provide workplace and health services.

Wollongong Golf Club Limited
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Directors' declaration

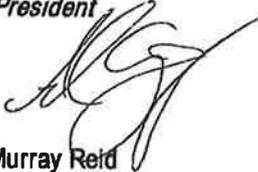
In the opinion of the directors of Wollongong Golf Club Limited:

- (a) the Company is not publicly accountable;
- (b) the financial statements and notes, set out on pages 20 to 40, 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 2016 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 29th day of September 2016.

Adam Giddings
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 2016 there have been:

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

KPMG

Richard Drinnan
Partner
Wollongong
29 September 2016



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 2016, 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 22 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 2016 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 'KPMG'.

KPMG

A handwritten signature in blue ink, appearing to read 'Richard Drinnan'.

Richard Drinnan

Partner

Wollongong

29 September 2016



Disclaimer

The additional financial information presented on pages 46 to 55 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 2016. 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 purple ink, appearing to read 'KPMG'.

KPMG

Wollongong
29 September 2016

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

Operating statement
for the year ended 30 June 2016

	2016	2015
	\$	\$
Divisional operating income		
Bar trading surplus	181,723	101,799
Poker machine trading surplus	240,186	232,644
Course and Match trading surplus	629,475	383,696
Clubhouse trading (deficit)	(1,207,669)	(1,177,123)
Accommodation trading surplus	509,142	500,648
Pro shop trading (deficit)	(181,377)	(165,786)
Net operating deficit	171,480	(124,122)

Wollongong Golf Club Limited
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Course and Match trading account
 for the year ended 30 June 2016

	2016 \$	2015 \$
Course and Match income		
Carts	112,893	89,323
Competition fees	393,508	334,336
Course Levy	68,183	49,826
Green fees	262,996	200,674
Tuition Income	54,245	45,016
Junior income	15,207	5,607
Verti Drain income	3,391	-
Membership Fees	654,026	618,999
Vets income	9,263	677
Ladies income	16,009	35,690
	1,589,721	1,380,148
Course and Match expense		
Advertising	1,660	1,305
Affiliation Fees	25,120	22,235
Bar Vouchers	(3,911)	(115)
Cart rental	264	-
Chemicals and fertilizers	33,368	29,881
Cleaning and Laundry	5,165	-
Council rates	27,804	28,945
Course Improvements	7,375	-
Course Purchases	4,973	-
Depreciation plant and vehicles	71,495	101,100
Electricity and gas	3,754	4,198
Equipment Lease	25,870	24,229
HP Interest	-	4,840
Insurance claims	10,697	2,380
Irrigation	6,981	6,153
Junior raffle costs	6,491	4,383
Ladies expenses	13,255	13,578
Leave expenses	16,911	17,507

Wollongong Golf Club Limited
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Course and Match trading account
 for the year ended 30 June 2016 (cont'd)

	2016	2015
	\$	\$
Members amenities	4,646	4,830
Motor Vehicle Expenses	61,047	65,829
Payroll Tax	6,223	6,448
Pest Control	2,364	-
Petrol and Gas	1,547	-
Printing and stationery	-	1,318
Pro Shop Fees	318	-
Promotions and Marketing	6,904	6,433
Rentals	64,963	81,187
Repairs and maintenance	80,688	88,457
Representative team expenses	9,654	13,427
Staff amenities and uniforms	3,163	1,103
Staff training	5,929	1,599
Subscriptions and Fees	6,908	705
Superannuation	24,396	26,126
Tools and Equipment	11,745	7,582
Trophies	132,571	124,480
Vets expense	5,382	1,396
Wages	262,314	281,119
Water usage and service	10,019	19,464
Working bee costs	2,193	4,100
	<u>960,246</u>	<u>995,119</u>
Course and match trading surplus	629,475	383,696

Wollongong Golf Club Limited
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Clubhouse trading account
for the year ended 30 June 2016

	2016	2015
	\$	\$
Clubhouse income		
Functions income	75,932	74,495
Compensation recoveries	10,763	
Keno commission – from gaming operations	14,545	18,582
Tab commission – from gaming operations	4,122	8,342
Telephone Income	-	940
Lockers and Other Golf Income	20,642	22,133
Raffles	11,872	8,694
Licence Fee Received	188,164	169,382
Vending commission	4,991	7,392
Training Apprentices Subsidy	1,364	8,637
Sponsorships	18,465	27,077
Donations	255	-
Gain on Fixed Assets Sale	479	3,636
Fuel Tax Rebate	1,329	940
	<u>352,923</u>	<u>350,250</u>
Clubhouse expenses		
Audit fees	25,600	24,960
Accounting & audit fees	43,511	50,301
Advertising	9,682	57,327
Affiliation Fee	2,702	-
Bank charges and interest	40,179	48,331
Cleaning Expenses	97,322	106,002
Computer support	74,689	42,173
Consulting fees	-	6,222
Council rates	48,297	37,914
Credit Card Commissions	-	(12)
Bad Debt/Function Clearing	14,977	(17,641)
Depreciation – other	30,307	41,673

Wollongong Golf Club Limited
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Clubhouse trading account
 for the year ended 30 June 2016 (cont'd)

	2016 \$	2015 \$
Depreciation - buildings	267,596	267,397
Director's expenses	12,026	7,523
Donations	10,524	4,617
Entertainment	47,833	47,373
Electricity & gas	116,108	104,395
Function costs	52,363	61,392
Hire purchase charges	-	6,211
Insurances	54,297	46,202
Keno expenses	6,099	6,121
Leave expenses	19,586	8,173
Legal fees	4,408	-
Licences	6,807	-
Members draw	5,000	2,000
Members/staff amenities	26,935	27,540
Occupational health and safety	7,408	1,753
Payroll tax	4,685	4,922
Pest Control	1,615	-
Printing, postage and stationery	33,740	34,099
Raffle expenses	15,396	8,694
Repairs and maintenance	120,527	126,913
Security	13,462	15,749
Subscriptions and membership	15,402	10,972
Sundry expenses	9,728	1,978
Superannuation	17,359	19,935
TAB expenses	19,823	13,045
Telephone	28,743	15,920
Training	24,290	29,060
Unders/overs	(3,410)	-
Wages	181,713	207,713
Water	16,925	14,038

Wollongong Golf Club Limited
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Clubhouse trading account
for the year ended 30 June 2016 (cont'd)

Workers compensation insurance	31,454	20,219
Promotions and Marketing	4,884	16,169
	<u>1,560,592</u>	<u>(1,527,373)</u>
Clubhouse trading deficit	<u>(1,207,669)</u>	<u>(1,177,123)</u>

Wollongong Golf Club Limited
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Bar trading account
 for the year ended 30 June 2016

	2016 \$	2015 \$
Bar trading account		
Bar sales	1,018,181	957,045
Less : Cost of goods sold	(367,617)	(380,883)
Gross profit	<u>650,564</u>	<u>576,162</u>
Gross profit (%)	<u>63.9%</u>	<u>60.2%</u>
 Bar expenses		
Bar Purchases	10,288	11,407
Cleaning and laundry	44	-
Complimentary	7,656	5,602
Depreciation	3,413	1,643
Freight – Bar	753	231
Gas – Bar	2,226	2,341
Leave expenses	14,269	(28,365)
Printing, Postage & Stationery	60	-
Promotions and Marketing	3,618	12,953
Payroll Tax	9,072	9,415
Pro shop purchases	698	1,222
Repairs and maintenance	1,141	513
Staff amenities	1,114	4,929
Stocktake Fees	2,100	-
Superannuation	34,180	37,014
Unders/(Overs)	(509)	6,923
Wages	377,150	396,475
Wastage and Breakage	1,568	12,060
	<u>468,841</u>	<u>474,363</u>
 Bar trading surplus	<u><u>181,723</u></u>	<u><u>101,799</u></u>

Wollongong Golf Club Limited
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Poker machine trading account
 for the year ended 30 June 2016

	2016	2015
	\$	\$
Poker machine trading account		
Poker machine net revenue	258,866	245,945
GST rebate	15,707	15,419
	<u>274,573</u>	<u>261,364</u>
Poker machine expenses		
Depreciation	11,908	10,087
Licences	370	58
Maintenance	10,220	7,330
Monitoring costs	11,279	10,481
Printing, postage and stationary	610	764
	<u>34,387</u>	<u>28,720</u>
 Poker machine trading surplus	 <u>240,186</u>	 <u>232,644</u>

Wollongong Golf Club Limited
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Accommodation trading account
 for the year ended 30 June 2016

	2016	2015
	\$	\$
Accommodation Trading Account		
Room Charges	1,084,074	1,007,352
Accommodation Expenses		
Cleaning and laundry	227,405	230,812
Commissions	63,819	44,670
Depreciation	11,492	3,810
Repairs and maintenance	16,300	24,134
Subscriptions	19,160	-
Superannuation	18,863	16,495
Wages	202,386	178,943
Leave Expenses	8,898	1,734
Payroll Tax	4,752	3,971
Promotions and marketing	789	1,020
Printing, postage, stationary	168	-
Staff clothing	671	1,115
Telephone	229	-
	<u>574,932</u>	<u>506,704</u>
Accommodation trading surplus	<u><u>509,142</u></u>	<u><u>500,648</u></u>

Wollongong Golf Club Limited
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Pro Shop trading account
 for the year ended 30 June 2016

	2016	2015
	\$	\$
Pro Shop trading account		
Pro Shop revenue	404,972	353,512
Less: Cost of sales	264,270	(246,781)
Gross profit	<u>140,702</u>	<u>106,731</u>
Gross profit (%)	34.7%	30.2%
 Pro Shop expenses		
Leave expense	8,734	10,133
Payroll tax	6,584	5,280
Promotions and marketing	58	236
Repairs and maintenance	1,584	2,397
Superannuation	26,174	21,666
Wages	278,917	232,682
Under/ (overs)	28	123
	<u>322,079</u>	<u>272,517</u>
 Pro Shop trading deficit	<u><u>(181,377)</u></u>	<u><u>(165,786)</u></u>