



23 July 2021

NOTICE TO ALL MEMBERS

Dear Member,

The **Annual General Meeting** of the Crescent Head Country Club Limited ("the Club") will be held on **Sunday 29th August 2021, 10.00am**, at the Club premises 1 Rankine Street Crescent Head.

Those entitled to attend the Annual General Meeting are those financial members in the categories of **Life, Ordinary and Pensioner** members. Admission to the meeting will be on production of the member's current Club membership card.

Nominations for the 2021 – 2022 Board of Directors commences on **Monday 26th July**, at 11.00am.

Nomination forms are available from the Secretary Manager or front reception and must be delivered to the Secretary Manager no later than **6.00pm Friday 13th August 2021**. **(Nominees are requested to make themselves available for a photo; so all nominees can be displayed and be easily identified for members voting).**

Mandatory Director Training: The NSW Government has introduced Mandatory Director Training; *Registered Clubs Amendment (Training) Regulation 2013*. Members considering becoming a Club Director should be aware of their responsibilities in regard to corporate governance, ongoing training and education.

Election of Directors – Method of Voting

Ordinary Members only are eligible to vote. Ballot papers are obtainable at the Club for personal voting from **Monday 16th August 2021**. Members who are unable for any reason to attend the Club may apply in writing for a postal vote. The ballot will close at **4.00pm on Saturday, 28th August 2021**.

Annual Report

The Club's Annual Report for the year ended 31 March 2021 will be accessible from the Crescent Head Country Club's web site www.chcclub.com.au no later than 6 August 2021.

Members still have the option of receiving the annual report in hard copy, but should notify the Club before 6 August 2021 so we can provide it to you by either:

Email – accounts@chcclub.com.au OR **Phone – 02 6566 0268** for mailing

For information regarding the Agenda, Ordinary Resolutions and Resolution recommended by the Board, please see over.

Yours sincerely,

Colan Ryan
Secretary Manager

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NOTICE IS HEREBY GIVEN that the Annual General Meeting of Club Members (including Honorary Life and Foundation Life Members) of the Club will be held in the Clubrooms, on Sunday, 29th August, 2021 at 10.00am for the purpose of transacting the following business:

1. To confirm the Minutes of the Annual General Meeting held on 30th August 2020.
2. To receive and consider the report from the Board of Directors for the year ended 31st March, 2021.
3. To receive and consider the Financial Reports for the year ended 31st March, 2021.
4. To receive and consider the report of the Auditors.
5. To consider an ordinary resolution that members approve and agree to reasonable expenditure by the Club for director related expenditure as provided for by the Registered Clubs Act.
6. To consider an ordinary resolution that members approve and agree to reasonable expenditure by the Club for professional development and education of directors until the next Annual General Meeting.
7. For the purposes of clause 4(4) of the *Registered Clubs Regulation 2015* (NSW), the Chairperson will give notice of expressions of interest in an amalgamation along with any unsolicited merger offers received by the Club from other registered clubs in the previous 12 months.
8. To consider a resolution recommended by the Board to elect a member to the position of Club Patron and as such will become an Honorary Member of the Club whilst they remain Patron.
9. To receive and consider the Chairperson's report.
10. Projects and works update:
 - Club Renovations & Extensions
 - Water Re-Use & Mini-Golf
 - Golf Course Drainage
 - Tennis Precinct
11. To receive the report of the Election on the result of the ballot and declaration by the Returning Officer of the election of the seven (7) successful candidates as Directors for the Board for the ensuing term.
12. General Business: A maximum period of thirty (30) minutes shall be provided during the Annual General Meeting to allow Members to move resolutions which, if carried by the majority of the meeting, shall be a recommendation to the incoming Board.

SPECIAL NOTICE DUE TO COVID-19

Members are advised that the Club intends to hold the AGM on Sunday 29 August 2021. As per above.

If as a result of COVID-19 the AGM is delayed (due to venue closure, restrictions or any unforeseen circumstances) the AGM may be moved to an alternate date/s.

If the AGM is delayed it will be moved back to a Sunday after 29 August 2021. Members are hereby advised that this could potentially also impact upon changes in dates for Board Nominations and Voting? Members should refer to the Clubs website, www.chcclub.com.au or Facebook site, [Facebook.com/CrescentHeadCountry](https://www.facebook.com/CrescentHeadCountry) for updates.

**C. RYAN
SECRETARY MANAGER**

PLEASE NOTE: Any questions relating to the Financial Statements should be put in writing to the Secretary Manager no later than Wednesday, 25th August, 2021 so that they can be answered adequately at the meeting.



**MINUTES OF THE ANNUAL
GENERAL MEETING HELD SUNDAY, 30th August 2020**

Chairperson declared the meeting open at 10am.

ATTENDANCE: D. Wade (Auditor, Wrights Accountants), Craig Milburn (General Manager, Kempsey Shire Council), Cara Dale (C2Hills Consultancy), Tony Norberry (Returning Officer) and 35 Members as per attendance register.

APOLOGIES: J Watts and S Moller

MINUTES OF 2019 AGM: Moved: D Loveday Seconded: R Hazelwood
that the minutes be adopted as a true and accurate record of proceedings. Carried.

MATTERS ARISING: Nil

BOARD OF DIRECTORS REPORT: Moved: R Hazelwood Seconded: P Hayllar
that the report be adopted. Carried.

FINANCIAL REPORTS: Moved: D Loveday, seconded: S Fritsch that the reports
be adopted. Carried.

AUDITORS REPORT: Moved: A Nutley, seconded: J Caley that the auditor's
report be adopted. Carried.

Dan Wade spoke;

- No written questions received
- I will provide a brief report
- Covid arrived 1 week prior to year-end, so hasn't really affected trade this year. Maybe more reflective next year
- Profit/Loss : Profit of \$502K, up \$85 K on last year
- Bar trade up 1.6%
- Gaming turnover up 10% with net profit down. Poker machines down \$200K
- Golf trade up \$40K but with increased cost of sport shop wages
- Depreciation down, \$100K assets scrapped last year
- Interest saved with paying out of loan
- Increase in other income, insurance recoveries during the year

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- Cashflow net cash \$800K, \$435K used for new assets
- \$2.3 million in the bank
- \$475K in debt repaid
- Solid position
- Ratio 3.2:1 very strong (1.8 last year)
- No issues with the audit or accounting standards

Any questions?

Nil

Pam thanked Dan Wade

ORDINARY RESOLUTION/DIRECTORS EXPENSES: Moved: S Fritsch
Seconded: P Loveday that reasonable expenditure be allowed for Director related expenses. Carried.

ORDINARY RESOLUTION/PROFESSIONAL DEVELOPMENT: Moved:P
Hayllar and Seconded M Buesnel, that reasonable expenses be approved for professional development and education of Directors. Carried.

GENERAL NOTES REGARDING THE SPECIAL RESOLUTIONS

1. A Special Resolution will be passed if a three-quarters majority of Life Members and financial Club Members who are present and entitled to vote and who cast a vote on a Special Resolution at the Annual General Meeting.
2. Members who are employees of the Club are not entitled to vote and proxy voting is prohibited by the Registered Clubs Act.

SPECIAL RESOLUTION 1

“That the Constitution of Crescent Head Country Club Limited(Club) is amended by:

- Adding to the heading above rules 54 to 57 inclusive the words "AND COMMITTEE POSITIONS" so that the heading will read "BOARD OF DIRECTORS AND COMMITTEE POSITIONS".
- Deleting rule 57(d) and inserting instead the following new rule 57(d):

"(d) (i) A member who, pursuant to this Constitution, is unfinancial or is currently under suspension shall not be entitled to nominate for or be elected to the Board or to any other office of the Club not being on the Board.

(ii) Any office of the Club (not being on the Board) shall be vacated:

(A) whilst that member remains unfinancial; or

(B) if that member is suspended for any period following a disciplinary hearing conducted rule 49, provided that if the member is suspended pending the disciplinary

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hearing, their office shall also be vacated pending the outcome of the disciplinary hearing.

(iii) A member is ineligible to be appointed to an executive position of a committee (such as the positions of Secretary, President, Treasurer, Captain or Vice President), if they have been cited to appear before the Board or the Board's duly constituted disciplinary committee on any charge and have been found guilty of that charge within the period of 5 years immediately preceding their appointment.

(iv) A member who is a member of the Board and who is unfinancial or is currently under suspension shall remain as a member of the Board but may perform only those duties as a member of the Board which are required by the Act or by law."

Explanatory notes regarding Special Resolution 1

This resolution refers to rules 54 – 57.

This is to change the wording that includes Directors and now to those who hold executive positions of sub clubs who are either unfinancial, or serving a current suspension period. Persons will be unable to nominate or hold any of these positions for a period of 5 years. This is to continue to and also to maintain quality persons who are eligible to hold these positions within the Club as a Director and/or executive position in a sub club. The persons nominating for these positions should be seen to be able to be above reproach from any incident that occurs within the Club and surrounds.

Moved: M Fenwick

Seconded: P Wilson

Vote 29/35

Carried

SPECIAL RESOLUTION 2

"That the Constitution of Crescent Head Country Club Limited (**Club**) is amended by adding new rule 64A immediately after rule 64, as follows:

"64A. On and from the date which is 12 months after the conclusion of the Club's 2020 Annual General Meeting, membership of any committee operating a section or committee, and membership of any section or sub-club shall be open to both sexes. Nothing in this Rule prevents a section or sub-club participating in or operating separate or different competitions or events for women and men provided that membership of the section or sub-club and membership or its committee is open to both sexes."

Explanatory notes regarding Special Resolution 2

This resolution is adding new rule 64A.

If approved by vote, this new rule will be brought in within 12 months of approval after 2020 AGM.

This rule will apply to sub committees of CHCC. This new ruling will bring CHCC in line with the rest of Clubs in NSW.

The current system of sub club committees is antiquated and the club would like to have these changes implemented to avoid discrimination.

The current situation that we have a Mens Bowling Club but no Ladies Bowling Club highlights this problem.

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Membership of any clubs within CHCC shall and will be open to both sexes. Instead of CH Men's Bowling and Women's Bowls it will be CH Bowling Club and the same for the Men and Women's Golf, will be known as CH Golf Club.

The Tennis Club and Fishing Club already operate on this basis.

It will be expected by the Board that both men and women will be able to hold positions of their Sub Club Committee. While the name may change, the Men and Women will still be able to hold their individual events throughout the year and could also incorporate new events within the year etc.

The change will mean sub clubs will have 12 months in which to change so that we no longer have any sub club committees which are gender based.

The Club will assist sub clubs in the transition.

Crescent Head has a diminishing permanent population. Tourism continues to increase and events need to be organised. It is becoming increasingly difficult to attract volunteers to be on committees. These changes will streamline our sub clubs and reduce red tape, limit meetings and paperwork.

These changes will benefit all members.

Moved: M Fenwick Seconded: P Wilson

Vote: 29/35 Carried

SPECIAL RESOLUTION 3

"That the Constitution of Crescent Head Country Club Limited (**Club**) is amended by deleting rule 58(a) and inserting instead the following new rule 58(a):

"(a) Nominations for election of the Board shall be made in writing signed by two (2) Life Members or Club Members and signed by the nominee (who shall signify his or her consent to the nomination and his or her consent to be bound by the Club's Board Code of Conduct and Charter as amended from time to time). Nomination forms must be received by the Secretary not less than 14 days before the date of the Annual General Meeting, on which day nominations shall close. The proposer, seconder and nominee must be Life Members or financial Club Members at the time the nomination form is signed."

Explanatory notes regarding Special Resolution 3

This Resolution refers to deleting Rule 58(a) and replace it with a new 58(a).

Adopting a new Board code of conduct and charter.....persons nominating, and the proposer and seconder must be either life members or full financial members for signature on nominating form.

This gives an overview of roles and responsibilities that is set out for the role of Chairperson, Vice Chairperson and Treasurer positions and makes sure that the conduct expected of any directors while representing the Club at Functions and most importantly provide for censure or disciplining of a director who does not abide by the rules.

Those who are successful must be able to show to members, they are able to act responsibly at all times; to be aware they hold an executive position within the Club and conduct themselves accordingly, be enthusiastic in the undertaking of any roles they are a part of, undertake any course which is available for Directors to further their knowledge to achieve the best outcomes financially and setting the Club in a position for future Board members.

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These changes are being proposed by the Board to apply to the Board. We have an expectation that a Director will conduct themselves appropriately and always act in the best interests of the Club. Members should endorse this motion and be pleased that the Board will have set policies, ethics and standards written for future Boards.

Moved: P Wilson

Seconded: M Fenwick

Vote 32/35

Carried

TO RECEIVE AND CONSIDER THE CHAIRPERSONS REPORT: Moved: P Hayllar and Seconded: D Loveday that the chairpersons report be adopted by the meeting. Carried.

Pam Bryant addressed the meeting:

This year has been the most profitable in the history of our Club. It comes on the back of years of hard work, sacrifices, sound decision making and gradual increases in profit.

I am sure COVID has been a wake up call to many.

For the Board and Management we are proud of the position the Club was in when COVID hit. This year

Strong financial management, no debt and strong corporate governance.

Golf Course Lease

My written report was comprehensive, it was long but a look has happened over the last year.

At last years AGM I updated members with the latest information supplied by Kempsey Council in regards the golf course lease.

A lot has happened over the past 13 months and members as always will be kept informed.

Members are aware that the Club has received significant grant funding which will enable the club to install a new irrigation system and mini golf facility. As part of the grant process the club is required to maintain infrastructure for a minimum of 5 years. With the current golf course lease due to expire in 2023 meetings were held with Kempsey Council and Crown Lands to find a workable solution.

Kempsey Council are unable to finalise a Plan of Management (in the timeframe required) which would be needed prior to considering a 21 year lease.

As such the Club has been offered a 4-year lease extension to enable the club to progress with grant funding. This will run from 2023 to 2027. It will also mean the club can sign the grant and progress with the project – Cara Dale, our consultant from C2Hills will update members on the project shortly.

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The Club is being fully transparent with members and there is a lot to consider.

Kempsey Council have informed the Club that a new 21-year lease will come with new costs, expenses the Club does not currently pay on the golf course (& tennis court) area. These include; council rates payable on the land, commercial rent, subdivision costs and legal costs in establishing the new 21-year lease. These increased costs are significant – but are forecast for a new lease in the future; beyond the current lease & lease extension – 7 years away.

Members are informed that the golf course will continue to be cared for and maintained by the Country Club for the next 7 years. We see no issue in the short to medium term.

The long-term future of the golf course is a different proposition.

The Club will continue to maintain the golf course and do our utmost but we will not do so if the costs are likely to place the future financial viability of the Club in jeopardy.

Members would recall that the Club purchased the land the Club and bowling green are on back in 2014, 6 years ago. The Club faced significant rent increases back then and those rents would now be in excess of \$100,000 per/annuum had we not purchased. The Club's land is our future and we will protect what we own. It is difficult to make improvements on an area that you are leasing – we are at the mercy of the landlord – in this case Kempsey Council.

The costs of a proposed 21-year lease are off-putting and disappointing. But it is important that members know what we are up against. This is not an argument for today – this will come in the future and will be had by a future Club Board with a future Kempsey Council. There is little point arguing with Kempsey Councillors or Managers who may not be in office in years to come when the matter will need to be resolved.

We appreciate the strong connection that the community sees between the Country Club and the Golf Course which is understandable considering the Country Club have maintained the golf course for many, many years.

This is an emotional connection.

In reality the financial and real estate connection is between the golf course and caravan park. We say this because they are the one parcel, the same parcel of crown land – they are the one reserve. The Caravan Park which is managed by the NRMA makes a huge profit which is shared by Kempsey Council and the NRMA. The golf course runs at a loss which is 100% worn by the Club. This situation does not seem fair. Again, this is not an argument for today.

Some would question why the Club would be concerned when we are in a profitable position? Our response is;

- Yes, we are financially secure now, but we cannot predict how the club will be when this comes up in years to come.

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- We need to provide our members with the best facilities and financial security possible
- We would like to continue improving the community golf course into the future
- We are being fully transparent with all members

Whilst we are negotiating with KSC to move forward, Members must be aware, once a new lease is signed, potentially after 2027, the new and increased costs which will be involved with this could potentially be quite substantial. The Board must be vigilant in weighing out the costs that could be incurred and setting up negotiations for future Boards to consider. This current Board are very much aware of the necessity of forward thinking to be able to leave future Boards and generations in a positive position to be able too, if necessary, to either re-negotiate a new lease or have an option to not be responsible for the lease of said land.

Members should be aware the current lease, while not including the Caravan Park; the entire area of the Caravan Park, Tennis Courts and the Golf Course are under one section of boundaries. They are treated differently, the Caravan Park does not have a lease, rather a management agreement, while the Club has a lease agreement. These are two totally different agreements but could have adverse effect, financially, for future Boards to consider. The said areas are zoned for Recreation purposes only and should always be noted and kept for that purpose only.

In the short to medium term the Club will continue to care for and maintain the community golf course.

Cara Dale - C2Hills Consultancy addressed the meeting:

I would like to thank the Board of Crescent Head Country Club for allowing us to work in conjunction with you on your vision for the Club going forward.

I am Cara Dale, the owner and Director of C2Hills Consultancy. I am here today to outline to the members of Crescent Head Country Club our involvement in the development of the current Board's vision for the club, and the securing of two grants to allow this vision to be delivered.

We commenced working with the club in August 2019. Upon understanding the clubs Wishlist, we started working on securing funding for these projects. We identified two grant streams and broke down each project to enable complying grant applications to be lodged.

With both applications being secured, this has enabled the Board's vision to be delivered.

The driving force for the project by the Board was long term financial viability for the club and the impacts on future Boards with the lease over the Golf Course.

The Grants are seeking to firstly improve facilities for members, generate new income streams and help to offset the financial costs of running the community golf

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course. This holistic approach leads to a financially viable club for both current and future Boards and members. The benefits of the project are;

1. Environment and Water Saving initiatives including improvements to the golf course, provide enhanced playing surfaces through using recycled water. Reduce demand on using town water to water the tees and greens. Improved environment conditions with the recycled water being used rather than released into the ocean
2. Diversifying income streams for the club with the establishment of a new mini golf facility. Research undertaken by Board shows the profitability of these facilities, providing a new income stream, increased recreation activities for members and guests, aligns to the club and crown reserve objectives of recreation use of the golf course, which enhances local tourism and provides activities for youth and families
3. The Board is well aware of the rising future costs of the future 21-year lease over the Golf Course, these include council rates, commercial rent, subdivision and legal expenses. These costs are significant and while the club wishes to maintain the facility, the operating lost will need to be offset by income from within the club. The Mini-golf income provides a possible solution.

In September 2019, an application was lodged under the Stronger Country Communities Fund – Round 3. We sought a grant of \$197,523, with club contribution of \$10,000.

The purposes of this grant were to:

Assist with Stage 1 of the project, which includes the costs for detailed plans and designs, site preparation, including a new “future proofing” underground water storage tank for irrigation of the golf course and electrical works. These proposed works are being undertaken on freehold land owned by the club.

On 24th of April 2020, the local member for Oxley , Melinda Pavey announced funding approval of \$100,000 towards the project. The Club will be contributing the balance of this funding for this Stage via cashflow reserves.

Currently we have commenced the DA process, with the survey of the freehold land being undertaken last week. This has defined the boundaries, for the mini-golf project and we are now working on the DA requirements. We have met with Council for a pre-DA meeting to ensure a smooth DA process.

We confirm the funding deed for the Stronger Country Communities Fund, has been finalised and 1st payment is pending release by the NSW Government

The second grant we lodged was under the Building Better Regions Fund – Round 4.

The project consists of:

- A new Underground Concrete Water Holding Tanks for collection and retention of Treated recycled water for reuse on the Golf Course and also a separate tank for rainwater collection.

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- New Pumping and Irrigation infrastructure installed on the Golf Course (Fairways, Greens and Tees) and the decommissioning of old redundant components of existing irrigation infrastructure.
- New pipework installed to connect to the Council's existing treated recycled pipework to the new holding tank
- New Irrigation pump station, including chlorine dosing unit and pump control management system
- 15-hole Mini Golf course (1800m²) complete with water feature, fencing, covered deck, seating area and disabled access.

On the 11th of June 2020, the Federal Member for Cowper, Pat Conaghan announced the club has secured funding of our full request of \$1,311,000. With the club contributing \$230,325 towards this project.

We are currently working through a number of minor issues with the BBRF funding deed, they include:

1. Confirmation that the Club has to maintain the assets that have been built and funded from the grant for a period of 5 years. This means we need a resolution on the lease for irrigation system upgrades and repairs on the golf course. This section is a small component of the whole project, but we need to work through the lease issue.
2. We are presently completing a native title assessment of the land to confirm there are no issues from the proposed upgrade irrigation work.

Since the grant funding announcement in June, we have held a number of meetings with Kempsey Shire Council to work through the lease issue.

Unfortunately, it appears that a new 21-year lease can not be put in place, after the expiry of the current lease (due July 2023), until a plan of subdivision and plan of management has been completed.

At present, Council is preparing to issue a 4-year lease extension to enable compliance to the grant, future Boards will need to pursue a new 21-year lease will be pursued.

Our negotiation with Kempsey Shire Council who are the Crown Land Manager on an extension of lease we note the following:

- The current lease has no rental or rates requirements; however, Council has indicated that rates of approx. \$8500 will be payable each year from 2023-2027. Commercial Rental costs will also be payable from 2027 or when the new 21 lease is established. The rental cost will be the commercial rates and will be based on a formal valuation of the land
- We note, the Club is making a net loss on operating the golf course of around \$150,000 per annum

Once advice from the Board and their Solicitor is provided, a final decision will be made. The assessment team of BBRF are fully across the issue and have provided a

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number of small extensions to allow the issue to be worked through and a resolution achieved.

From a DA perspective we are working on a whole of DA lodgement approval. We are working on aiming for project delivery in early 2022. Both projects must be completed by the end of 2022.

We look forward to working with the newly appointed Board on the delivery of the current's Board vision for the Crescent Head Country Club.

Craig Milburn-General Manager Kempsey Shire Council addressed the meeting:

KSC has a working relationship with CHCC. KSC is the crownland manager under state legislation; KSC are not the decision maker. Going forward the council is supportive of the club obtaining a 21-year lease. In the short term a 4 year lease has been arranged to meet the clubs funding arrangements.

To obtain a 21 year lease the club needs a plan of sub division which is a cost to the club of \$10,000 to \$15,000.

The 21 year lease can start prior to 2027.

The club is to pay rates under the current legislation. Currently the Club is benefitting from not paying rates, Crescent Head ratepayers subsidising the CHCC (\$8,500 per/annum).

In the long term, rate values are set by a third party evaluation. There would be concessions for the club of which we are yet to hear back from. The council would expect minimal rate charges for the club.

Commercial rent will be under crown land concession. Commercial rent should be at concessional rates.

Unfortunately, the process takes time and can be very frustrating when dealing with government red tape.

Council is trying to minimise costs.

The Council is happy for the development to continue (irrigation and mini-golf) and the council wants to work with the club into the future.

RETURNING OFFICERS REPORT of ELECTION:

Chairperson P Bryant handed the chair to Tony Norberry, the Returning Officer declared all Directors positions vacant.

Mr Norberry advised this year voting was down, 110 ballot papers issued. 6 informal votes, 104 formal votes. 728 votes in total {Informal voters predominantly voted for 8 candidates}

104 formal votes counted.

Results as follows:

M Buesnel 39
A Loveday 67
K Hudson 95
P Wilson 99
M Fenwick 99
P Bryant 85

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S Pascoe 82
G McKay 72
D Maxwell 90

Mr Norberry congratulated the following candidates: K Hudson, P Wilson M Fenwick, P Bryant, S Pascoe, G McKay and D Maxwell.

Mr Norberry advised that all ballot papers shall be kept in club's safe for a period of seven days and then destroyed.

Mr Norberry returned the chair to P Bryant.

P Bryant: Thank you Tony.

TO RECEIVE THE RETURNING OFFICERS REPORT OF THE ELECTION RESULTS: Moved P Wilson and Seconded R Hazelwood that the results be adopted by the meeting. Carried

BALLOT PAPERS: Moved: P Wilson and Seconded R Hazelwood the ballot papers be kept in the safe for seven days and then destroyed. Carried.

P Bryant: Thank you to A Loveday for your time and efforts on the Board, Congratulations to the successful candidates and thank you to others for taking the time and showing interest in standing for election of the Board.

GENERAL BUSINESS:

1. Pam Bryant: A maximum period of thirty (30) minutes shall be provided during the Annual General Meeting to allow Members to move resolutions which, if carried by the majority of the meeting, shall be a recommendation to the incoming Board.

M Baxter: I would like the meeting to pass a resolution to thank the Board and Staff for an excellent effort during the covid shutdown. The service that was provided to the community was outstanding.

Secondly, Cara, regarding the water. Four million litres of recycled effluent is pumped into the ocean each day or week.

We as a club should write a letter to KSC. We should have a fully recycled testing system here for drought conditions and be able to access the water for free. This will reduce costs for the club.

C Dale: Working with KSC the water has to be recycled to a certain standard. The water is currently pumped through a pipe that runs straight through the middle of the golf course. We need to tap into that and further treat the effluent so it is to an acceptable standard to use on the course.

The water would be held in tanks that will be located under the mini golf course. The pumped from there onto the course when required. A weather station will need to be utilised for effective irrigation and comply with current legislation.

We are working with senior staff of KSC and the state government.

A special licence is to be obtained to be able to use the treated water.

We are working through the process with KSC and have their support.

L Tehan: Regarding the lease and rates of the golf course. The club has a huge percentage of responsibility with costs for maintenance when the golf course is used

1 RANKINE STREET CRESCENT HEAD NSW 2440

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email: secmanager@chclub.com.au - Colan Ryan

Website: www.chclub.com.au

as public land. Grant funding will provide equipment infrastructure on the course for future irrigation works. Has this been taken into consideration by council?

C Milburn: Land rates are valued by the valuer general and the land comes under open space recreation - state government legislation. Club is committed to 5 years of caring for equipment, new lease is for 4 years until 2027. We are hoping a 21 year lease can be developed well before then.

L Tehan: It is open land that is used by everyone. I don't see why the club should have to pay rates on the course.

C Milburn: It is the same as South West Rocks Golf Course and similar everywhere else. The club is working through a range of things. The Mini golf facility will offset some of the rate charges.

L Tehan: It doesn't seem fair to me. If the club is paying rates we should fence off the area.

C Milburn: Technically you could do that but your residents may not be happy, the cost would be at the expense of the club. Same as South West Rocks Golf Course.

S Paddock: I would like to move that Scott Ross's Curfew be lifted it's been two & a half years .

P Bryant: This is not the time to discuss that. Please forward a letter to the board.

I Mather: Cara, do you have an estimate on how much water will be used towards irrigation on the golf course?

C Dale: We have 30 metres from the tank to the highest part on the course. We will need to get water engineers involved. The tank will hold 200,000 litres of recycled water with a number of pumps to get the water to the top of the course.

The tank will always be full as there will be a valve to let the water in when it gets to a certain level.

I Mather: Do you have an estimated annual volume of water that will be used on the course?

C Dale: We are receiving data from KSC.

C Milburn: The figure will be dependent on weather and would fluctuate.

P Bryant: With no more general business, I would like to thank our management team; Colan, Michael, Michelle & Renee, grounds staff, supervisors, all staff and volunteers. I would like to thank my fellow directors, who will take the club into the future financially and environmentally.

Thank you to everyone who attended the meeting today especially our guests, Craig Milburn, Cara Dale and Tony Norberry.

Drink tickets have been issued and food will be available shortly. Food will be placed in front of you due to Covid. Thankyou.

Meeting closed 10.58am

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CHAIRPERSONS REPORT 2020 -2021

It is my pleasure to submit my Chairpersons Report for the Year ended 31st March, 2021. Crescent Head Country Club (CHCC) has had a successful year, returning a profit of \$1,036,237 (2020: \$502,099). The Club's Equity has continued to increase to \$6,252,837 (2020: \$5,216,600).

I and fellow Board Members wish to thank wholeheartedly the tremendous effort put in by our Secretary Manager, Mr Colan Ryan. Together with our Management team of Assistant Manager, Mr Michael Baker; Office Manager, Ms Michelle Simms; HR Manager, Ms Renee McClintock they have all led the way with their professionalism, knowledge and expertise to allow CHCC to move forward toward a sustainable, financial future and have improved amenities for Members, Guests and Staff.

The most testing time experienced for the last financial year of 20/21 has been the Covid 19. The Club performed well in the last Financial Year despite the forced closures imposed by the Government. The Club was closed for Ten (10) weeks from 23/3/20 until 1/6/20. There is still a strict lockdown situation for the Greater Sydney Region and will no doubt affect the Club financially in the 21/22 financial year. The continuation of Covid restrictions, set down by the advice of NSW Health, has to be acted upon. CHCC will continue to follow all health guidelines and regulations.

The Board and Management made decisions to make alterations to the TAB room, which was shifted to the back lounge area and to be known as the Sports Lounge. The Gaming room was also split into two sections. These changes have made the Club more comfortable for members and were necessary for seating capacities that are enforced for social distancing and health requirements.

The Club was also successful in receiving Grant funding from the NSW Government through the Stronger Country Communities Fund (SCCF), \$100,000 and the Federal Government of Better Building Regions Fund (BBRF), \$1,311,325 to enable the Club to go forward with the water re-use strategy installing a large underground tank and the building of the Mini Golf above the tanks. These projects have seen delays in the planning stages, which I will cover in more detail at the AGM. Nonetheless we are moving closer to the commencement of ground works.

Members are aware that CHCC lodged a DA in January 2020. Since this time, plans were altered to suit the requirements set by Council plus alterations that were considered as necessary additions as seen fit by the Board and Senior Management. I am pleased to say, the DA has now been approved. There are other considerations which the Board is working through prior to considering enacting the DA. Some of these deliberations include financial risk management, contractual arrangements, Covid implications and government support.

There is ongoing commitment, in applying for grants to enable the Tennis precinct to be upgraded, for example the Tennis Courts to an all-weather playing surface/base and in particular the building which has seen better days, the Greenkeepers Shed and the surrounding areas to achieve accessibility for all to enjoy.

The Lease extension of the Golf Course (& Tennis Courts) has now been granted for another four years and six months, which now ends 31 December 2027. From 1 July 2023 CHCC will be responsible for paying council rates and associated fees on the area.

The drainage issue around the Golf course is now being addressed, and is currently in the beginning stages of construction under the guidance of Jesse, our Head Greenkeeper.

Over the last twelve months, Crescent Head has endured two severe natural disasters. First the Bushfires in 2019/20 and then the Floods in March 2021. Crescent Head was isolated for over a week, during which time, actions of Community Members, Organisations and Businesses rallied together to enable residents and visitors caught up during this time, to still have access to vital essentials required for day to day living. The Board are very appreciative of these selfless actions to help others in times of need.

Once again, CHCC was a finalist in Clubs NSW Awards, namely our application titled "Above and Beyond" in the COVID-19 Community Assistance category. The Club management and staff were very proactive in helping those who were struggling in the Covid lockdown from March to end of June 2020. Packages were put together to make sure people were catered for and deliveries set up to ensure these were received in times of need. All this being done, voluntarily by Staff and Directors.

As you are all aware, Hamish Cook was involved in a horrific accident near The Point. Hamish was air lifted to Sydney's R.N.S.H and is now currently receiving rehabilitation treatment in Ryde. The tremendous pressure put on Hamish and his immediate family has been immense. The CHCC, with permission from the family, started Fund raising efforts to enable Hamish and his family to get through this very tumultuous time. The Board wish to thank the ongoing efforts, of Colan Ryan and his staff in organising on-line auctions and other fundraising activities, and the organisations/individuals in donating for these to happen. The Golf, Fishing and Bowls Clubs in organising games days and those making donations on-line, putting spare change in tins which were provided.....Thank you. Currently the total amount achieved through these community actions have raised in excess of \$140,000.

Work has begun on the residence of the Cook family, in preparation for Hamish to come home to a place which will be conducive to his day to day needs. The bulk of the work at their home is being done by workers, volunteering their time and knowledge to allow for the family to welcome Hamish home.

Our young apprentice, Mason Powick, was another young fellow affected by a serious accident in February of this year. Mason was flown to John Hunter Hospital then later when his health improved to be a patient at Ryde Rehabilitation Hospital. While here, he met with Hamish and together they offered support to one another and forged a valuable friendship, which will be with them in future years. I am pleased to say Mason is well on the way to be able to come back to his apprenticeship in the future months, starting with light duties in and around the Clubs surrounds. Well done Mason.

CHCC continues to contribute donations and sponsorship. A number of events were cancelled and this is reflected in the full list located towards the back of this report.

The Board would like to offer their heartfelt condolences to those Families and Members who have lost their loved ones. They will be remembered fondly and sorely missed by us all.

The Board would also like to thank the Staff of the Club. Supervisors, dedicated Bar Staff for their commitment and professional service to Club Members, Cleaning Staff who do a wonderful job with pride; Jesse our Head Greenkeeper with the help from Bert and Mason, before his accident, in keeping the Golf Course and Bowling Green in a great condition. Huge thanks to those members of the Sporting Clubs who put in countless hours of their time to keep the Club and surrounds in great shape for all to enjoy.

A heartfelt thanks to our contractors, Vic and Mei, Bumpa and Donna with their staff for their dedication in providing a wonderful service to the Club for all to enjoy.

Thank you to my fellow Board members and Management for their dedication, support and professionalism to enable the Club to move forward in a positive way despite the adversities throughout 2020/21.

Members of the Board put in countless hours of volunteer time and effort to ensure Members and Guests have the Club to enjoy and socialise in. A massive thank you, to you the Members who continually support and patronise the Club throughout the year.

May you all have a happy, healthy and prosperous 2021/2022.

Pamela Bryant,

Chairperson

Crescent Head Country Club Ltd

Financial Statements

For the Year Ended 31 March 2021

Crescent Head Country Club Ltd

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For the Year Ended 31 March 2021

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Crescent Head Country Club Ltd

Directors' Report

31 March 2021

The directors present their report on Crescent Head Country Club Ltd for the financial year ended 31 March 2021.

(a) General information

Information on directors

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

Pam Bryant	
Qualifications	RSA, RCG, AMLCTF and Directors Training (Clubs NSW)
Experience	Pam has been on the Board for 19 years. Pam was Vice-Chairperson for 13 years and has been Chairperson for the past 3 years.
Occupation	Supermarket owner (retired)
Mark Fenwick	
Qualifications	RSA, RCG, AMLCTF and Directors Training (Clubs NSW)
Experience	Mark has been on the Board for 17 years. He has been Vice-Chairperson for 3 years.
Occupation	Baker / Painter and decorator
Peter Wilson	
Qualifications	RSA, RCG, AMLCTF and Directors Training (Clubs NSW)
Experience	Peter has been on the Board for 6 years. He has been Treasurer for the past 3 years.
Occupation	Retail business owner (retired)
Gordon McKay	
Qualifications	RSA, RCG, AMLCTF and Directors Training (Clubs NSW)
Experience	Gordon has been on the Board for 3 years.
Occupation	Plant operator (retired)
Kerry Hudson	
Qualifications	RSA, RCG, AMLCTF and Directors Training (Clubs NSW)
Experience	Kerry has been on the Board for 3 years.
Occupation	Retired
Sue Pascoe	
Qualifications	RSA, RCG, AMLCTF and Directors Training (Clubs NSW)
Experience	Sue has been on the Board for the past 2 years.
Occupation	Community care officer
Dean Maxwell	
Qualifications	RSA, RCG, AMLCTF and Directors Training (Clubs NSW)
Experience	Dean was appointed to the Board on the 30th of August 2020
Occupation	Pharmacist

Crescent Head Country Club Ltd

Directors' Report

31 March 2021

(a) General information

Information on directors

Alan Loveday

Qualifications

RSA, RCG, AMLCTF and Directors Training (Clubs NSW)

Experience

Alan was on the Board for 2 years, ceased on 30th August 2020

Occupation

Business owner (retired)

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

Principal activities

The principal activity of Crescent Head Country Club Ltd during the financial year was to supply facilities for the Club's members and their guests.

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

Short term objectives

The Club's short-term objectives are to:

- Maintain and improve the quality of the club facilities
- Improve staff knowledge regarding appropriate customer contact
- Maintain a healthy work and club environment
- Work towards an environmentally sustainable business practice

Long term objectives

The Club's long-term objectives are to:

- Promote and conduct such sports, games, amusements and entertainments, pastimes and recreations, indoor and outdoor for the community
- Maintain a strong relationship with members of the Club and their guests
- Strive for continuous improvements in its industry to ensure best outcomes for the Club
- Maintain strong Cashflow and Balance Sheet
- To construct, establish and maintain playing areas, amenities, and conveniences to accommodate the sporting needs of its members
- Maintain and improve important community infrastructure

Crescent Head Country Club Ltd

Directors' Report

31 March 2021

(a) General information

Strategy for achieving the objectives

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

- Aim to attract and retain quality staff, focusing on strong customer service
- Ongoing training in relevant areas of the industry and in health, hygiene and environment
- Strive to attract board members with relevant knowledge and understanding of the entity
- Attracting members who will utilise the Club to assist in providing strong Cashflow
- Utilise sustainable energy sources when viable to assist in maintaining environmentally friendly business practices.
- Updated Business Plan

Performance measures

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

- Gross profit margin
- Net Profit percentage
- Cashflow
- EBITARD or EBITDA

Members' guarantee

Crescent Head Country Club Ltd is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$2 for members that are corporations and \$2 for all other members, subject to the provisions of the company's constitution.

At 31 March 2021 the collective liability of members was \$ 6,608 (2020: \$ 6,916).

Crescent Head Country Club Ltd

Directors' Report
31 March 2021

Meetings of directors

During the financial year, 15 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Pam Bryant	15	15
Mark Fenwick	15	14
Peter Wilson	15	13
Gordon McKay	15	14
Kerry Hudson	15	15
Sue Pascoe	15	7
Dean Maxwell	7	6
Alan Loveday	8	8

Auditor's independence declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001* for the year ended 31 March 2021 has been received and can be found on page 5 of the financial report.

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

Director: MS Fenwick

Director: PB Bryant

Dated this 15th day of July 2021



Advice for growth

DIRECTORS
Anthony de Jager BCom CPA CA
Dan Wade BCom CPA RCA
Affiliate CA ANZ

Crescent Head Country Club Ltd

Auditors Independence Declaration under Section 307C of the Corporations Act 2001 To the Board Crescent Head Country Club Ltd

I declare that, to the best of my knowledge and belief, during the year ended 31 March 2021, 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.

A handwritten signature in black ink, appearing to be "Dan Wade", written in a cursive style.

Dan Wade
Partner
Wrights Chartered Accountants

Dated this 15th day of July 2021

Kempsey NSW 2440

Crescent Head Country Club Ltd

Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 31 March 2021

	Note	2021 \$	2020 \$
Revenue - trading	4	4,257,097	4,256,279
Other income	4	962,261	749,444
Changes in inventories of finished goods and work in progress		(771,794)	(808,033)
Raw materials and consumables used		(66,045)	(94,757)
Employee benefits expense		(1,432,411)	(1,496,654)
Other operating expenses		(1,495,641)	(1,641,890)
Depreciation and amortisation expense		(462,487)	(476,466)
Finance costs		(237)	(13,633)
Grant expenditure		(2,506)	-
Gain/(loss) on disposal of assets		48,000	27,809
Profit before income tax		1,036,237	502,099
Income tax expense		-	-
Profit from continuing operations		1,036,237	502,099
Profit for the year		1,036,237	502,099
Other comprehensive income, net of income tax			
Items that will not be reclassified subsequently to profit or loss			
Items that will be reclassified to profit or loss when specific conditions are met			
Total comprehensive income for the year		1,036,237	502,099

The accompanying notes form part of these financial statements.

Crescent Head Country Club Ltd

Statement of Financial Position

31 March 2021

	Note	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	3,565,328	2,283,476
Trade and other receivables	6	24,484	9,076
Inventories	7	114,882	94,700
Other assets	8	85,157	37,744
TOTAL CURRENT ASSETS		3,789,851	2,424,996
NON-CURRENT ASSETS			
Investments		750	750
Property, plant and equipment	9	3,114,614	2,984,520
Intangible assets	10	592,000	592,000
TOTAL NON-CURRENT ASSETS		3,707,364	3,577,270
TOTAL ASSETS		7,497,215	6,002,266
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	665,661	349,659
Borrowings	12	45,456	10,161
Current tax liabilities	18	128,726	96,033
Short-term provisions	14	224,336	146,467
Income in Advance	13	92,744	156,769
TOTAL CURRENT LIABILITIES		1,156,923	759,089
NON-CURRENT LIABILITIES			
Borrowings	12	7,214	12,477
Long-term provisions	14	80,241	14,100
TOTAL NON-CURRENT LIABILITIES		87,455	26,577
TOTAL LIABILITIES		1,244,378	785,666
NET ASSETS		6,252,837	5,216,600
EQUITY			
Reserves		429,558	429,558
Retained earnings		5,823,279	4,787,042
TOTAL EQUITY		6,252,837	5,216,600

The accompanying notes form part of these financial statements.

Crescent Head Country Club Ltd

Statement of Changes in Equity

For the Year Ended 31 March 2021

2021

	Retained Earnings	Asset Revaluation Surplus	Total
Note	\$	\$	\$
Balance at 1 April 2020	4,787,042	429,558	5,216,600
Profit attributable to members of the parent entity	1,036,237	-	1,036,237
Balance at 31 March 2021	<u>5,823,279</u>	<u>429,558</u>	<u>6,252,837</u>

2020

	Retained Earnings	Asset Revaluation Surplus	Total
Note	\$	\$	\$
Balance at 1 April 2019	4,284,943	429,558	4,714,501
Profit attributable to members of the parent entity	502,099	-	502,099
Balance at 31 March 2020	<u>4,787,042</u>	<u>429,558</u>	<u>5,216,600</u>

The accompanying notes form part of these financial statements.

Crescent Head Country Club Ltd

Statement of Cash Flows

For the Year Ended 31 March 2021

	2021	2020
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	5,139,925	4,930,581
Payments to suppliers and employees	(3,295,286)	(4,106,138)
Finance costs	(237)	(13,633)
Net cash provided by/(used in) operating activities	<u>1,844,402</u>	<u>810,810</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(715,696)	(435,498)
Disposals / trade ins	123,114	35,070
Net cash provided by/(used in) investing activities	<u>(592,582)</u>	<u>(400,428)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net cash from borrowings	30,032	(475,140)
Net cash provided by/(used in) financing activities	<u>30,032</u>	<u>(475,140)</u>
Net increase/(decrease) in cash and cash equivalents held	1,281,852	(64,758)
Cash and cash equivalents at beginning of year	<u>2,283,476</u>	<u>2,348,234</u>
Cash and cash equivalents at end of financial year	5 <u>3,565,328</u>	<u>2,283,476</u>

The accompanying notes form part of these financial statements.

Crescent Head Country Club Ltd

Notes to the Financial Statements

For the Year Ended 31 March 2021

The financial report covers Crescent Head Country Club Ltd as an individual entity. Crescent Head Country Club Ltd is a Company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Crescent Head Country Club Ltd is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards and the *Corporations Act 2001*.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

2 Summary of Significant Accounting Policies

(a) Income Tax

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

(b) Leases

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

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(c) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Club and specific criteria relating to the type of revenue as noted below, has been satisfied.

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

Sale of goods

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

Crescent Head Country Club Ltd

Notes to the Financial Statements

For the Year Ended 31 March 2021

2 Summary of Significant Accounting Policies

(c) Revenue and other income

Subscriptions

Revenue from the provision of membership subscriptions is recognised on a straight-line basis over the financial year.

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Club expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Club have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Other income

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

(d) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as either a tax asset or liability.

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

Crescent Head Country Club Ltd

Notes to the Financial Statements

For the Year Ended 31 March 2021

2 Summary of Significant Accounting Policies

(e) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the weighted average costs basis and is net of any rebates and discounts received. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

(f) Property, Plant and Equipment

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

Land and buildings

Land and buildings are measured using the cost model.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Club, commencing when the asset is ready for use.

Assets held under a finance lease and leasehold improvements are depreciated over the shorter of the term of the lease and the assets useful life.

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

Fixed asset class	Depreciation rate
Buildings	2.5-10%
Plant and Equipment	5-50%
Leased plant and equipment	10-25%
Furniture, Fixtures and Fittings	5-10%
Office Equipment	10-34%

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

(g) Cash and cash equivalents

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

Crescent Head Country Club Ltd

Notes to the Financial Statements

For the Year Ended 31 March 2021

2 Summary of Significant Accounting Policies

(h) Employee benefits

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

Employee benefits are presented as current liabilities in the statement of financial position if the Club does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

(i) Provisions

Provisions are recognised when the Club has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(j) Adoption of new and revised accounting standards

The Club has adopted all standards which became effective for the first time at 31 March 2021, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Club.

3 Critical Accounting Estimates and Judgments

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

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

The significant estimates and judgements made have been described below.

Key estimates - impairment of property, plant and equipment

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

Key estimates - receivables

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

Crescent Head Country Club Ltd

Notes to the Financial Statements
For the Year Ended 31 March 2021

4 Revenue and Other Income

	2021	2020
	\$	\$
Revenue from continuing operations		
Sales revenue		
- Bar and Poker Machines	4,057,618	4,088,627
	<u>4,057,618</u>	<u>4,088,627</u>
Other revenue		
- Member subscriptions	68,999	74,030
- Discounts Received	56,291	14,155
- Raffles Income	74,189	79,467
	<u>199,479</u>	<u>167,652</u>
Total Revenue	<u>4,257,097</u>	<u>4,256,279</u>
Other Income		
- Golf, Bowls & Tennis	210,350	177,513
- Commissions	164,131	213,229
- Volume Rebates	68,989	91,934
- Recoveries	18,270	121,469
- Sporting Fees and Incomes	62,544	97,231
- Interest Received	9,798	3,501
- Other Income	20,179	44,567
- COVID Stimulus	408,000	-
	<u>962,261</u>	<u>749,444</u>
Total Revenue and Other Income	<u>5,219,358</u>	<u>5,005,723</u>

Crescent Head Country Club Ltd

Notes to the Financial Statements
For the Year Ended 31 March 2021

5 Cash and cash equivalents

	2021	2020
	\$	\$
Cash at bank and in hand	3,565,328	2,283,476
Total cash and cash equivalents	3,565,328	2,283,476

6 Trade and other receivables

	2021	2020
	\$	\$
CURRENT		
Trade receivables	24,484	9,076
Total current trade and other receivables	24,484	9,076

(a) Impairment of receivables

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

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

7 Inventories

	2021	2020
	\$	\$
CURRENT		
At cost:		
Inventories	114,882	94,700
Total inventories	114,882	94,700

8 Other non-financial assets

	2021	2020
	\$	\$
CURRENT		
Prepayments	23,080	37,744
Investments held	62,077	-
Total other non-financial assets	85,157	37,744

Crescent Head Country Club Ltd

Notes to the Financial Statements
For the Year Ended 31 March 2021

9 Property, plant and equipment

	2021	2020
	\$	\$
LAND AND BUILDINGS		
Freehold land		
At cost	788,915	788,915
Total Land	<u>788,915</u>	<u>788,915</u>
Buildings		
At cost	2,257,296	2,192,499
Accumulated depreciation	(1,127,051)	(1,076,436)
Total buildings	<u>1,130,245</u>	<u>1,116,063</u>
Total land and buildings	<u>1,919,160</u>	<u>1,904,978</u>
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	3,413,998	3,072,469
Capitalised leased assets	102,936	102,936
Accumulated depreciation	(2,555,615)	(2,395,653)
Total plant and equipment	<u>961,319</u>	<u>779,752</u>
Furniture, fixtures and fittings		
At cost	459,368	533,588
Accumulated depreciation	(398,426)	(414,693)
Total furniture, fixtures and fittings	<u>60,942</u>	<u>118,895</u>
Motor vehicles		
At cost	57,330	57,330
Accumulated depreciation	(14,039)	(6,873)
Total motor vehicles	<u>43,291</u>	<u>50,457</u>
Office equipment		
At cost	159,926	135,167
Accumulated depreciation	(77,896)	(59,939)
Total office equipment	<u>82,030</u>	<u>75,228</u>
Other property, plant and equipment		
At cost	112,413	112,413
Accumulated depreciation	(64,541)	(57,203)
Total other property, plant and equipment	<u>47,872</u>	<u>55,210</u>
Total plant and equipment	<u>1,195,454</u>	<u>1,079,542</u>
Total property, plant and equipment	<u><u>3,114,614</u></u>	<u><u>2,984,520</u></u>

Crescent Head Country Club Ltd

Notes to the Financial Statements

For the Year Ended 31 March 2021

9 Property, plant and equipment

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Land \$	Buildings \$	Plant and Equipment \$	Furniture, Fixtures and Fittings \$
Year ended 31 March 2021				
Balance at the beginning of year	788,915	1,116,063	779,752	118,895
Additions	-	174,016	496,564	20,357
Disposals	-	(74,790)	-	(48,324)
Depreciation expense	-	(85,044)	(314,997)	(29,986)
Balance at the end of the year	788,915	1,130,245	961,319	60,942
	Motor Vehicles \$	Office Equipment \$	Other Property, Plant and Equipment \$	Total \$
Year ended 31 March 2021				
Balance at the beginning of year	50,457	75,228	55,210	2,984,520
Additions	-	24,759	-	715,696
Disposals	-	-	-	(123,114)
Depreciation expense	(7,166)	(17,957)	(7,338)	(462,488)
Balance at the end of the year	43,291	82,030	47,872	3,114,614

The Board acknowledges that all properties, with the exception of Lot 226, DP 754441, are core properties under the definition of section 42J of the Registered Clubs Act.

10 Intangible Assets

	2021 \$	2020 \$
Licenses		
Cost	592,000	592,000
Total Intangibles	592,000	592,000

Crescent Head Country Club Ltd

Notes to the Financial Statements

For the Year Ended 31 March 2021

11 Trade and other payables

	2021	2020
Note	\$	\$
Current		
Trade payables	162,393	107,377
Sundry payables	8,947	12,440
Other accrued payables	494,321	229,842
	<u>665,661</u>	<u>349,659</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

12 Borrowings

	2021	2020
	\$	\$
CURRENT		
Secured liabilities:		
Lease liability secured	45,456	10,161
Total current borrowings	<u>45,456</u>	<u>10,161</u>
	2021	2020
	\$	\$
NON-CURRENT		
Secured liabilities:		
Lease liability secured	7,214	12,477
Total non-current borrowings	<u>7,214</u>	<u>12,477</u>
Total borrowings	<u>52,670</u>	<u>22,638</u>

Crescent Head Country Club Ltd

Notes to the Financial Statements

For the Year Ended 31 March 2021

13 Income in Advance

	2021	2020
	\$	\$
Rebates received in advance	47,263	109,671
Subs in advance	45,481	47,098
Total income in advance	92,744	156,769

14 Employee Benefits

	2021	2020
	\$	\$
Current liabilities		
Short-term provisions	124,336	146,467
Other employee benefits	100,000	-
Total short-term employee benefits	224,336	146,467
Non-current liabilities		
Long-term provisions	80,241	14,100
Total long-term employee benefits	80,241	14,100

15 Leasing Commitments

(a) Finance leases

Finance leases are in place for non-current assets (Poker Machines, Equipment & Vehicles) and normally have a term between 1 and 3 years.

(b) Operating leases

An operating lease is in place for land on which the golf course & tennis courts sit, the lease was extended by 4 years and 6 months in September 2020 and is due to expire 31 December 2027 (formerly 30 June 2023). Under the terms of the extension, from 1 July 2023 the Club will pay all council and statutory rates on the leased area.

16 Financial Risk Management

The Club is exposed to a variety of financial risks through its use of financial instruments.

The Club's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The most significant financial risks to which the Club is exposed to are described below:

Specific risks

- Liquidity risk

Notes to the Financial Statements

For the Year Ended 31 March 2021

16 Financial Risk Management

- Credit risk
- Market risk - currency risk, interest rate risk and price risk

Financial instruments used

The principal categories of financial instrument used by the Club are:

- Trade receivables
- Cash at bank
- Trade and other payables
- Lease liabilities

Liquidity risk

Liquidity risk arises from the Club's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Club will encounter difficulty in meeting its financial obligations as they fall due.

The Club's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities as and when they fall due. The Club maintains cash and marketable securities to meet its liquidity requirements for up to 30-day periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

The Club manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash-outflows due in day-to-day business.

Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 180-day and a 360-day period are identified monthly.

At the reporting date, these reports indicate that the Club expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances and will not need to draw down any of the financing facilities.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Club.

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposure to wholesale and retail customers, including outstanding receivables and committed transactions.

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Crescent Head Country Club Ltd

Notes to the Financial Statements

For the Year Ended 31 March 2021

17 Members' Guarantee

The Club is incorporated under the *Corporations Act 2001* and is a Club limited by guarantee. If the Club is wound up, the constitution states that each member is required to contribute a maximum of \$2 each towards meeting any outstanding and obligations of the Club. At 31 March 2021 the number of members was 3,304 (2020: 3,458).

18 Tax assets and liabilities

	2021	2020
	\$	\$
PAYG Withholding	17,234	25,359
GST payable	111,492	70,674
Total current tax liabilities	128,726	96,033

19 Key Management Personnel Disclosures

The totals of remuneration paid to the key management personnel of Crescent Head Country Club Ltd during the year are as follows:

The total remuneration paid to key management personnel of the Club is \$ 295,084 (2020: \$ 293,215).

20 Contingencies

In the opinion of the Directors, the Club did not have any contingent liabilities at 31 March 2021 (31 March 2020: None).

21 Related Parties

The Club has determined that the following related party transactions occurred during the year:

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

Crescent Head Pharmacy, of which the Club's Director Dean Maxwell is the proprietor, \$112 to purchase first aid and protective items.

Crescent Head Country Club Ltd

Notes to the Financial Statements

For the Year Ended 31 March 2021

22 Events Occurring After the Reporting Date

The financial report was authorised for issue on 15 July 2021 by the board of directors.

COVID-19

We note that the Club financial result was not adversely affected during the year, with revenues in line with corresponding periods from prior years and cashflow has been increased, however the Club is subject to potential further restrictions that may adversely impact the Club's future profitability, should they be put into place.

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

23 Statutory Information

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

Crescent Head Country Club Ltd

1 Rankine St,

Crescent Head NSW 2440

Crescent Head Country Club Ltd

Notes to the Financial Statements
For the Year Ended 31 March 2021

24 Other Information



Serving the Community!!

Donations/Sponsorship

2020/2021 Financial Year (1/4/2020 to 31/3/2021)

Anzac Day & Vietnam Vets	\$	676.38
Crescent Head Bluewater Fishing Club	\$	150.00
Crescent Head Men's Bowling Club	\$	150.00
Hamish Cook/Cook Family	\$	10,096.44
Senior Citizens	\$	2,592.10
Zylas Bunting (Motorbike Racing)	\$	200.00

Total Other Donations \$ **13,864.92**

Bowls	\$	4,258.00
Golf	\$	57,771.00
Tennis	\$	8,189.00

Total Donations \$ **84,082.92**

Need for Feed Funds of \$2,690.40 raised and held now dispersed.

Note: Cook Family Fundraising Activities as at 31 March 2021

Club donation and buckets and tins	\$	2,698.20
Donations and auctions paid in Club	\$	12,215.85
Donations paid by EFT	\$	22,707.00
Donations paid by Go Fund Me	\$	13,615.00
Donations paid by PayPal	\$	2,270.00
Online auctions paid	\$	15,800.00

Total \$ **69,306.05**

(Note: these funds were forwarded to the Cook Family on behalf of the community and are not included above)

Crescent Head Country Club Ltd

Notes to the Financial Statements

For the Year Ended 31 March 2021

24 Other Information

List of Past Presidents

1956	K.J Brenton	1965	T.A Miles
1957	K.J Brenton	1966	N.H Young
1958	K.J Brenton	1967	N.H Young
1959	K.J Brenton	1968	K.W Faulkner
1960	K.J Brenton	1969	K.W Faulkner (pt)
1961	W. Harvey	1969	K.J Brenton (pt)
1962	W. Harvey	1970	K.J Brenton
1963	W. Harvey	1971	K.J Brenton
1964	T.A Miles	1972	K.J Brenton (pt)

Incorporated on 12th October 1972

1972	K.J Brenton (pt)	1991	G.C Barsby	2009	J. Patterson
1973	K.J Brenton	1992	G.C Barsby	2010	J. Patterson
1974	K.J Brenton	1993	G.C Barsby	2011	J. Patterson
1975	L.L Boardman D.F.M	1994	G.W Selkirk	2012	J. Patterson
1976	L.L Boardman D.F.M	1995	G.W Selkirk(pt)	2013	J. Patterson
1977	L.L Boardman D.F.M		G.C Barsby(pt)	2014	J. Patterson
1978	L.L Boardman D.F.M	1996	G.C Barsby	2015	J. Patterson
1979	J.A Weingarh	1997	G.C Barsby	2016	J. Patterson
1980	F. Emmett	1998	G.C Barsby	2017	J. Patterson
1981	F. Emmett	1999	G.C Barsby		P. Bryant(pt)
1982	T.G Lyttle	2000	G. Ball	2018	P. Bryant
1983	T.G Lyttle	2001	G. Ball	2019	P. Bryant
1984	P.W Harvey	2002	J.F Baxter	2020	P. Bryant
1985	P.W Harvey	2003	J.F Baxter		
1986	P.W Harvey	2004	J.F Baxter		
1987	P.W Harvey	2005	J.F Baxter		
1988	P.W Harvey	2006	J. Patterson		
1989	P.K Shaw	2007	J. Patterson		
1990	P.K Shaw	2008	J. Patterson		

List of Honorary Life Members

1973	K.J Brenton (dec)	1991	G.C Barsby (dec)	2015	J. Baxter (dec)
1974	K.R.M Stretch (dec)	1995	T. Errey (dec)	2016	J. Patterson (dec)
1975	L.L Boardman (dec)	1997	W. Harvey (dec)	2017	P. Bryant
1985	T.G Lyttle (dec)	2014	R. Curnow (dec)	2018	M. Fenwick

Crescent Head Country Club Ltd

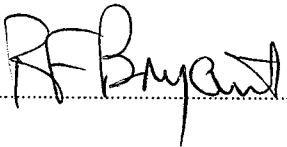
Directors' Declaration



The directors of the Club declare that:

1. The financial statements and notes, as set out on pages 7 to 24, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
 - b. give a true and fair view of the financial position as at 31 March 2021 and of the performance for the year ended on that date of the Club.
2. In the directors' opinion, there are reasonable grounds to believe that the Club will be able to pay its debts as and when they become due and payable.

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

Director 

Director 

Dated this  day of  2021



Advice for growth

DIRECTORS
Anthony de Jager BCom CPA CA
Dan Wade BCom CPA RCA
Affiliate CA ANZ

Crescent Head Country Club Ltd

Independent Audit Report to the members of Crescent Head Country Club Ltd

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of Crescent Head Country Club Ltd (the Club), which comprises the statement of financial position as at 31 March 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In my opinion, the accompanying financial report of the Club is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Club's financial position as at 31 March 2021 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

Basis for Opinion

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

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Directors for the Financial Report

The directors of the Club are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.



Advice for growth

DIRECTORS
Anthony de Jager BCom CPA CA
Dan Wade BCom CPA RCA
Affiliate CA ANZ

Crescent Head Country Club Ltd

Independent Audit Report to the members of Crescent Head Country Club Ltd

In preparing the financial report, the directors are responsible for assessing the Club's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Club or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

Wrights Chartered Accountants

Dan Wade
Partner

Kempsey NSW 2440

Dated this 15th day of July 2021