



1 June 2016

NOTICE TO ALL MEMBERS

Dear Member,

The **Annual General Meeting** of the Crescent Head Country Club Limited ("the Club") will be held on **Sunday 3 July 2016 at 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 2016 – 2017 Board of Directors commences on **Monday 30 May**, 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 17 June 2016**. (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 20 June 2016**. 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, 2 July 2016**.

Annual Report

The Club's Annual Report for the year ended 31 March 2016 will be accessible from the Crescent Head Country Club Ltd's web site www.chclub.com.au from 10 June 2016.

Members still have the option of receiving the annual report in hard copy, but should notify the Club before 10 June 2016 so we can provide it to you by either:

Email – accounts@chclub.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

1 RANKINE STREET CRESCENT HEAD NSW 2440

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ABN 86 001 037 707

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

Website: www.chclub.com.au



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, 3rd July, 2016 at 10.00am for the purpose of transacting the following business:

1. To confirm the Minutes of the Annual General Meeting held on 5th July 2015.
2. To receive and consider the report from the Board of Directors for the year ended 31st March, 2016.
3. To receive and consider the Financial Reports for the year ended 31st March, 2016.
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.

NOTICE OF RESOLUTION

Members will be asked to consider and, if thought fit, pass the following Resolution:

To consider a resolution recommended by the Board to elect a member to Life Membership for outstanding services to the Club.

8. 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.
9. 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.

**C. RYAN
GENERAL MANAGER**

PLEASE NOTE: Any questions relating to the Financial Statements should be put in writing to the General Manager no later than Wednesday, 29th June, 2016 so that they can be answered adequately at the meeting.

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**MINUTES OF THE ANNUAL
GENERAL MEETING HELD SUNDAY, 5th JULY 2015**

Chairman declared the meeting open at 10.01am.

ATTENDANCE: Auditor D. Cheetham (Wrights Accountants), Phil Harvey (Cooney Harvey Doney), 66 Members as per attendance register.

APOLOGIES: Mark Fenwick, Alex Bywater, Jenny Patterson, Kate Patterson & Sarah Patterson.

MINUTES OF 2014 AGM: Moved: Peter Willis-Jones, seconded Bob Standing the minutes be adopted as a true and accurate record of proceedings. Carried.

MATTERS ARISING: Nil

BOARD OF DIRECTORS REPORT: Moved: Chris Harries, seconded Dave Smith that the report be adopted. Carried.

FINANCIAL REPORTS: Moved: Chris Harries, seconded Bob Standing that the reports be adopted. Carried.

AUDITORS REPORT: Moved: Ian Mather, seconded Bob Standing that the auditor's report be adopted. Carried.

Doug Cheetham spoke; Profit \$286,000 up \$96,000, Revenue up \$300,000, Cash up \$249,000. Club has \$2 of cash to each \$1 of liability, Club in a very liquid position.

Applause from Members.

ORDINARY RESOLUTION/DIRECTORS EXPENSES: Moved: Bob Standing seconded Ian Mather that reasonable expenditure be allowed for Director related expenses. Carried.

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ORDINARY RESOLUTION/PROFESSIONAL DEVELOPMENT: Moved: Peter Willis-Jones and seconded Michael Buesnel, that reasonable expenses be approved for professional development and education of Directors. Carried.

SPECIAL RESOLUTION/CONSTITUTION UPDATE/CHANGES: Members will be asked to consider and, if thought fit, pass the following Special Resolution:

“To consider an ordinary resolution that members approve that the land purchased by the Club during the year, title reference Lot 226, DP 754441 be classified as non core property pursuant to Section 41J of the Registered Clubs Act 1976.”

Secretary Manager:

Today members are being asked to consider an ordinary resolution that members approve that the land purchased by the Club during the year, title reference Lot 226, DP 754441 be classified as non core property pursuant to Section 41J of the Registered Clubs Act 1976.

The Ordinary Resolution (to be approved) must be passed by a simple majority of members entitled to vote.

I would like to provide members with some background and information as to why this resolution is being put before you today.

The Board of the Club had been attempting to purchase the site for many years. Four current Directors (John Patterson, Pam Bryant, Dick Curnow & Mark Fenwick) had been involved in the process for around 14 years per person or 56 years collectively.

I must add that members are fortunate to have Directors with the stamina and drive to get this across the line. And you the members have played a role by showing great faith and re-electing them throughout this period. This has bought stability to the Club.

Members were always kept informed that the Club was attempting to purchase the land. Members were not privy to the mechanics of the process; attending meetings, writing letters, lobbying politicians, lobbying industry representatives, writing business plans, budgets and forecasts – in the end these Directors were rewarded for their tenacity. And the winner is the Club, members and the entire Crescent Head community.

It was important that negotiations were kept confidential or the whole deal could have been lost. At the first opportunity after securing the site members were informed – here in the Club in November just gone.

Throughout the process of purchasing the site the Board worked within the frameworks of best practice guidelines, accountability and governance protocol; privacy and confidentiality being key.

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Over the years the Board and Management of the Club have worked to try and place the Club in a better position; socially, environmentally and financially.

A focus has been better Risk Management – put simply looking at where the Clubs vulnerabilities lie and taking action to reduce the risk.

A simple example of this was the fact that the Club did not have flood cover as part of its insurances. Whilst the Club itself may not flood – the loss of trade from a flood would be devastating given a flood occurring in a peak trading period – like Christmas/January School Holidays. Members would be happy to know that the Club has adequate insurances in place to cover this type of scenario.

Another Risk was the Club not owning its land – paying rent which was being increased by government at astronomical rates. In 2000 the Club was paying around \$10,000 rent per annum by this year it would have been around \$66,000 per annum and growing. The increases in rent were unsustainable and the uncertainty of government policy into the future more than just concerning. Our Risk Management projections showed that the Club was headed toward a catastrophic rating – the worst possible scenario.

This has been averted by the purchase of the land.

However, the land came at a cost; as outlined to members in the Chairmans Report the price was \$750,000 plus GST.

The Board and Management believe that the land was purchased at a very reasonable price.

The Board are fully aware that the Club has acquired an asset – but they are equally aware that the Club has acquired a debt.

The Club currently has two main income sources (bar and gaming); but there are many cost centres – sports facilities, important community infrastructure and the ongoing promotion of sport.

Liquor and gaming are always scrutinised by government (and the media). New laws can come into effect which is something the Board is conscious of.

The Club is relying solely on bar and gaming for income – this is risky considering possible future changes in government policy - diversification or new venture creation is possible with the acquisition of the land. It is never a good idea to have all your eggs in the one basket.

By having the land as non core the Board is able to manage the affairs of the Club and discuss best options with confidence. A benefit of owning the land is that the Board no longer has to seek permission from the Lands Department to progress the Club.

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Feasibility studies of the land can highlight the best use of the asset. Members can benefit from any new income stream with monies being used to eliminate debt and improve Club facilities.

To develop proposals without having to disclose strategic plans and confidential information is very important in the long term best interests of the Club and its members. No different to the processes the Board went through in the past decade in acquiring the land.

A successful diversification strategy can future proof the Club – strengthening the Clubs financial position and deliver benefits back to members and the wider Crescent Head Community.

It would be sound business practice to utilise the acquired asset to create an alternate income stream. A sensible and responsible Board of Directors would investigate the best use of the land to the benefit of members – and that is exactly what the Board is doing.

The Board ask that members vote in favour of the ordinary resolution.

J. Patterson: Any members wishing to speak on the matter?

G. Morgan: In plain English, does this mean the Board can transact business with the land without going back to members?

J. Patterson: Yes, that is correct.

J. Patterson: Any members wishing to speak on the matter? Nil Reply.

J. Patterson: **Ordinary Resolution:**

“To consider an ordinary resolution that members approve that the land purchased by the Club during the year, title reference Lot 226, DP 754441 be classified as non core property pursuant to Section 41J of the Registered Clubs Act 1976.”

Moved: Ross Turner Seconded: Margaret Lucas Carried Unanimous

LIFE MEMBERSHIP PROPOSAL: To consider a resolution recommended by the Board to elect a member to Life Membership for outstanding services to the Club.

J. Patterson:

Nomination of Jim Baxter for life membership.

Jim Baxter has been a loyal member of the Crescent Head Country Club for many years.

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Prior to his retirement in 2000 Jim was employed in an executive role by T.N.T Transport in Sydney for about 15 years. During that time he travelled extensively interstate and overseas in the course of his duties.

Some years later, Toll Transport took over T.N.T. and Jim became the National Operations Manager of Toll Transport. In 2000, Jim did intend to retire but he continued working in the transport industry for a short time.

In 2001 Jim was nominated for a position on the board of the Crescent Head Country Club. He was subsequently elected as a board member and later became the Chairman where he remained until 2006.

Jim Baxters experience and business skills came to our club at a time that was needed. His smart sense of business and leadership skills were very beneficial to our club at that time.

For the service given to the club during his tenure as a Director and Chairman it is my pleasure on behalf of the Board of Directors of our club to nominate Jim Baxter as a Life Member of the Crescent Head Country Club.

Richard Curnow would now like to say a few words.

Richard Curnow:

Jim came to the Club when things were bad, we had just sacked a Manager and lost the Chairman. Along with Pam - Jim saved the Club.

John Patterson:

The Board make a recommendation that Jim Baxter, by resolution, be made a Life Member of Crescent Head Country Club.

Moved: Ned Kelly Seconded: L. Clay Carried Unanimous

John Patterson: Congratulations Jim.

SCRUTINEERS REPORT of ELECTION: Chairman J. Patterson handed the chair to Greg Morgan the Returning Officer who declared all Directors positions vacant.

Printed Ballot papers 250
Ballot papers Issued 170
Informals 3

Mr Morgan made mention voting numbers down, disappointing,

Mr Morgan Advised of the incoming Board and the Results will be displayed on the Club Notice Board shortly after the conclusion of the AGM.

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Mr Morgan advised; The election results were:

Pam Bryant	160	1
John Patterson	156	2
Richard Curnow.	152	3
Mark Fenwick	152	4
Peter Wilson	145	5
Jodie Fowler	142	6
Ross Kessler	124	7
Ian Mather	62	
Michael Buesnel	51	
Ethelda Bates	25	

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Mr Morgan congratulated the successful candidates.
Mr Morgan returned the chair to J. Patterson.

J. Patterson: congratulated the successful candidates and commiserations others

BALLOT PAPERS: Moved: Chris Harries and seconded Ned Kelly the ballot papers be kept in the safe for seven days and then destroyed. Carried.

GENERAL BUSINESS:

- **John Patterson:** We have allowed a maximum of 30 minutes for General Business.
- **Jo Watts:** What is the protocol of Board filling a position if a Board Member stands down?
- **J. Patterson:** Constitution allows Board to nominate a candidate
- **Jo Watts:** Why did the Board appoint someone who had not been nominated (at prior election)?
- **J. Patterson:** Board don't have to disclose that. Ross Kessler was appointed after Ross Turner stood down and Barry Price took ill.
- **John Lewis:** How do we stand with BBQ's downstairs with new smoking laws?
- **Secretary Manager:** New Smoking Laws come into effect across NSW tomorrow. People will no longer be able to eat in a designated smoking area. The Club already has two smoking areas upstairs. Due to the new laws there will be two designated smoking areas downstairs. Under the new laws you cannot smoke in a "spectator area". Additionally, people will not be able to smoke within 4 metres of an entrance – so the front door of the Club and back door near the bowling green are the 2 areas.
- **Jo Watts:** What about BBQ's where they have been for years?
- **Secretary Manager:** There is no ideal solution the Club is doing its best to conform with the new smoking legislation. BBQ's can be run on the grassed area or if it were raining undercover outside Vicks. I suppose eventually you wont be able to smoke anywhere?

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- **M. Lucas:** Can bowlers still smoke behind the white line?
- **Secretary Manager:** No. They can smoke in a designated smoking area or outside the back gates. You cannot smoke in the seated area around the green – “spectator area”.
- **Ian Mather:** Members complain that the beer is flat leaving the bar?
- **Secretary Manager:** The Club regularly has experts – “the breweries” conduct audits of the Clubs beer. According to industry experts there is nothing wrong with the beer. We do tend to get some complaints on very hot days (like in January) because the Club is not air-conditioned. Our Auditor could confirm that we are about the only venue in the Macleay Valley whose draught beer sales are increasing. So if it were no good why are we selling so much beer?
- **Robbie Eldridge:** Melbourne Cup Day we would like to see fashion parade and entertainment.
- **Secretary Manager:** The Club is in agreeance with a fashion parade – the problem has being to find a business in Crescent Head able to supply clothing and models, etc... As for entertainment some people will want to listen to the races and others entertainment?
- **Robbie Eldridge:** Cant they go in the TAB room?
- **Secretary Manager:** Not everyone will fit into the TAB
- **Leanne Clay:** There should be things to do other than just alcohol.
- **Robbie Eldridge:** Entertainment in back lounge?
- **Secretary Manager:** That is a matter for the Board to decide.

- **Secretary Manager:**

On Monday 15 June 2015 Pam Bryant and myself attended a briefing session with Kempsey Shire Council. Present at the meeting were the Mayor, General Manager, Various Directors of Services and Councillors.

A formal presentation on the Rankine Street Carpark was put to the meeting on behalf of Crescent Head Country Club. At the conclusion of the presentation a formal offer was put to Councillors for their consideration.

The offer tabled was consummate to the goodwill of the Country Club, for the betterment of the broader community and in-line with community expectations.

The Country Club has financially assisted Council on numerous occasions over many years, shouldering responsibility and costs for local infrastructure and projects that one would expect of Council...

The Club has assisted with roads, carparks, lighting, war memorial, electricity supply, phone lines, surf club, water reservoirs and fire brigade equipment.... To name a few.

But history and goodwill on the part of the Country Club could amount to very little.

The Club has not received any reply from Council following the meeting, presentation and formal offer – what we believe was a fair offer.

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Council's lack of acknowledgement is of concern.

We would warn Club Members against being complacent on this issue.....

Council seem to be able to support organisations who pop up without seeming to have any history or goodwill – an example being the Slim Dusty Centre.

Members have the right to remind individual Councillors of the importance of the carpark locally. Crescent Head has an ageing population that need a carpark centrally located. The Country Club has many activities for seniors; bingo, heartmoves or glovefit, golf, bowls, library, broadband for seniors, Entertainment, Video Ezy Kiosk, ATM's, Bistro, Restaurant and Senior Citizen discounted meals.....,

We will continue to take the fight up to Council – but members and the greater community have the right to be heard.

We would like to keep members informed; we are awaiting a reply from Council – but at this time we have nothing further to report.

- **John Patterson:** Thank you to Colan, Michelle and Michael – your support has been excellent. Thank you to Club Supervisors and Staff, to Wayne Brown and staff, Vick and Staff (Vick keeps keeping on over many years), John and Alex downstairs and cleaning staff. Thank you to my fellow Directors. Thank you to Barry Price for the past 7 years (applause). Thank you to Ross Turner for 3 years as Treasurer (applause). To members who have lost loved ones during the year my sincere condolences.
- J. Patterson: Is there any further General Business. Nil reply.
- **John Patterson continued;**
- Drink tickets have been provided and finger food will be available shortly. Could you please return survey's to reception, Thank you,

MEETING CLOSED 10.33am

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Chairman's Report.

It is once again my pleasure to submit the Chairman's Report for the year ended 31 March 2016. The profit for the year was \$305,188.47. The profit for the previous year 2015 was \$286,224.00. This is tremendous achievement for our club. Once again, Colan RYAN and his dedicated staff have been outstanding. I would also like to thank my fellow Directors for their effort through the year.

Our cash available has also increased by \$116,475.09, bar sales are up by \$190,011.49 and poker machine nett profit has increased by \$114,874.29. Keno and the TAB remain stable.

During the course of the year, further renovations were carried out through the club. Improvements have also been made to the tennis courts and golf course equipment. Through a Government Grant, solar panels have been installed to the Greenkeepers Shed and another water tank has been installed.

Donations/ sponsorship in the amount of \$17,248.98 was also distributed to the local community.

All club Directors will continue to receive appropriate training as required.

Once again, I would like to thank our Secretary Manager Colan RYAN, Michael BAKER, Michelle SIMMS, Club Supervisors and our dedicated staff. Thank you to our contractor's, Mr VIC, Wayne BROWN and his staff and Richard WENT in the Golf Shop.

Thank you to my fellow Directors for the support and efforts through the year.

Sincere condolences to all our members who have lost family and friends during the year.

I would like to take this opportunity to remember our late Director, Barry PRICE. Barry passed away on the 13 August last year. He had been an active member of the Board for seven years and on numerous occasions had travelled to Sydney and other areas relating to club business.

Barry was a Returned Serviceman having served in Vietnam. He was a foundation member of the Anzac Committee that actively raised funds to refurbish the Crescent Head Cenotaph with the assistance of the Club and local community.

He is sadly missed by all those who knew him.

Over the past 12 months the Clubs Board and Management have been busy planning the future security and prosperity of our Club.

Some of the issues we have been investigating with the assistance of our consultants have been:

- Developing a new Business Plan.*
- Addressing the Rankine St car park issue.*
- Negotiating a long term lease on the Golf course and associated lands.*
- Possibility of some " Over 55's Living " on a portion of the site*
- Any other facilities that the Club could provide.*
- Major ongoing renovations to the existing Club.*

We look forward to a bright and exciting future.


John Patterson

Chairman.

Crescent Head Country Club Ltd

Financial Statements

For the Year Ended 31 March 2016

Crescent Head Country Club Ltd

Contents

For the Year Ended 31 March 2016

	Page
Financial Statements	
Directors' Report	1
Auditors Independence Declaration under Section 307C of the Corporations Act 2001	5
Statement of Profit or Loss and Other Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Notes to the Financial Statements	10
Directors' Declaration	26
Independent Audit Report	27

Crescent Head Country Club Ltd

Directors' Report

31 March 2016

The directors present their report on Crescent Head Country Club Ltd for the financial year ended 31 March 2016.

1. General information

Information on directors Directors Training (Clubs NSW)

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

Pam Bryant

Qualifications RSA and RCG, Directors Training (Clubs NSW)
Experience Pam has been on the Board for 14 years and 5 months
Occupation Supermarket Owner (retired)

Richard Curnow

Qualifications RSA and RCG, Directors Training (Clubs NSW)
Experience Richard has been on the Board for 16 years
Occupation Public Servant (retired)

John Patterson

Qualifications RSA and RCG, Directors Training (Clubs NSW)
Experience John has been on the Board for 13 years. He has been Club President for 10 of those years.
Occupation Detective/Sergeant NSW Police (retired)

Mark Fenwick

Qualifications RSA and RCG, Directors Training (Clubs NSW)
Experience Mark has been on the Board for 12 years
Occupation Baker/Painter and Decorator

Barry Price †

Qualifications RSA and RCG, Directors Training (Clubs NSW)
Experience Barry was on the Board for 7 years.
Retired 5th July 2015
Occupation Chef, Food and Beverages Services

Jodie Fowler

Qualifications RSA and RCG, Directors Training (Clubs NSW)
Experience Jodie has been on the Board for 6 years.
Occupation Administration

Ross Kessler

Qualifications RSA and RCG, Directors Training (Clubs NSW) - scheduled
Experience Ross was appointed 14th April 2015
Occupation Tourism Operator

Peter Wilson

Qualifications RSA and RCG - scheduled, Directors Training (Clubs NSW) - scheduled
Experience Peter was appointed 5th July 2015
Occupation Retail Business Owner (retired)

Directors' Report

31 March 2016

1. General information continued

Information on directors continued

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

Directors have completed training requirements by Clubs NSW or are scheduled to complete within the permissible / allowable timeframes. Additionally, all Directors have completed (or are scheduled to complete) Responsible Service of Alcohol (RSA) and Responsible Conduct of Gambling (RCG) Courses.

Principal activities

The principal activity of Crescent Head Country Club Ltd during the financial year was to supply facilities for the clubs 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 environment
- Work towards an environmentally sustainable business practice

Long term objectives

The Club's long term objectives are to:

- 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, conveniences to accommodate the sporting needs of its members
- Maintain and improve important community infrastructure

Directors' Report

31 March 2016

1. General information continued 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
- 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 2016 the collective liability of members was \$ 6,302 (2015: \$ 5,690).

Directors' Report

31 March 2016

Meetings of directors

During the financial year, 29 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
John Patterson	29	26
Pamela Bryant	29	26
Richard Curnow	29	23
Mark Fenwick	29	23
Jodie Fowler	29	24
Ross Kessler	27	20
Peter Wilson	20	19
Barry Price †	9	-

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 31 March 2016 has been received and can be found on page 5 of the financial report.

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

Director: 

Director: 

Dated 26 May 2016



PARTNERS

Douglas Cheetham BCom FCA
Anthony de Jager BCom CPA
Chris Garrett BBus CA

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 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.

A handwritten signature in black ink, appearing to read 'Doug Cheetham', written over a horizontal line.

Doug Cheetham
Partner
Wrights Chartered Accountants

26 May 2016

Kempsey NSW 2440

Crescent Head Country Club Ltd

Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 31 March 2016

		2016	2015
	Note	\$	\$
Revenue	2	3,650,423	3,327,233
Other income	2	470,859	493,696
Changes in inventories of finished goods and work in progress		(775,706)	(716,003)
Raw materials and consumables used		(81,934)	(73,366)
Employee benefits expense		(1,221,886)	(1,114,216)
Depreciation and amortisation expense	8(a)	(407,079)	(359,476)
Other expenses		(1,289,138)	(1,249,076)
Finance costs		(40,351)	(22,568)
Profit before income tax		305,187	286,224
Income tax expense		-	-
Profit from continuing operations		305,187	286,224
Profit for the year		305,187	286,224
Other comprehensive income, net of income tax			
Items that will be reclassified to profit or loss when specific conditions are met			
Total comprehensive income for the year		305,187	286,224

The accompanying notes form part of these financial statements.

Crescent Head Country Club Ltd

Statement of Financial Position

31 March 2016

	Note	2016 \$	2015 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	1,087,894	971,418
Trade and other receivables	5	19,126	31,876
Inventories	6	72,037	68,983
Other assets	7	58,452	36,896
TOTAL CURRENT ASSETS		1,237,509	1,109,173
NON-CURRENT ASSETS			
Investments		750	750
Property, plant and equipment	8	3,254,006	3,022,883
Intangible assets	9	592,000	592,000
TOTAL NON-CURRENT ASSETS		3,846,756	3,615,633
TOTAL ASSETS		5,084,265	4,724,806
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	322,715	238,792
Borrowings	11	133,786	132,935
Current tax liabilities	17	83,306	81,021
Employee benefits	13	115,043	88,967
Income in Advance	12	103,569	41,563
TOTAL CURRENT LIABILITIES		758,419	583,278
NON-CURRENT LIABILITIES			
Borrowings	11	670,318	779,210
Employee benefits	13	22,465	34,442
TOTAL NON-CURRENT LIABILITIES		692,783	813,652
TOTAL LIABILITIES		1,451,202	1,396,930
NET ASSETS		3,633,063	3,327,876
EQUITY			
Reserves		429,558	429,558
Retained earnings		3,203,505	2,898,318
TOTAL EQUITY		3,633,063	3,327,876

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 2016

2016

	Note	Retained Earnings \$	Asset Revaluation Surplus \$	Total \$
Balance at 1 April 2015		2,898,318	429,558	3,327,876
Profit attributable to members of the entity		305,187	-	305,187
Balance at 31 March 2016		3,203,505	429,558	3,633,063

2015

	Note	Retained Earnings \$	Asset Revaluation Surplus \$	Total \$
Balance at 1 April 2014		2,612,093	429,558	3,041,651
Profit attributable to members of the entity		286,223	-	286,223
Retrospective adjustment upon change in accounting policy		2	-	2
Balance at 31 March 2015		2,898,318	429,558	3,327,876

The accompanying notes form part of these financial statements.

Crescent Head Country Club Ltd

Statement of Cash Flows
For the Year Ended 31 March 2016

	2016	2015
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	4,137,937	3,821,276
Payments to suppliers and employees	(3,234,868)	(3,173,791)
Finance costs	(40,351)	(22,568)
Net cash provided by/(used in) operating activities	<u>862,718</u>	<u>624,917</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(695,647)	(1,103,049)
Disposals Trade ins	57,448	22,872
Net cash used by investing activities	<u>(638,200)</u>	<u>(1,080,177)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of borrowings	(108,042)	704,331
Net cash used by financing activities	<u>(108,042)</u>	<u>704,331</u>
Net increase/(decrease) in cash and cash equivalents held	116,476	249,071
Cash and cash equivalents at beginning of year	<u>971,418</u>	<u>722,348</u>
Cash and cash equivalents at end of financial year	<u>4</u> <u>1,087,894</u>	<u>971,418</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 2016

The financial statements are for Crescent Head Country Club Ltd as an individual entity. Crescent Head Country Club Ltd is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

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

1 Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements 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.

(b) Comparative Amounts

Note that there has been a reclassification of some income and expense items, accordingly we have adjusted the comparative balances for Trading Income, Other Revenue, Employee Costs and Other Expenses to provide consistency between years. Note that the net profit result has not been modified. All other comparative balances are consistent with prior years.

(c) 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*.

(d) 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 that period.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the Club will obtain ownership of the asset or over the term of the lease.

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.

Notes to the Financial Statements

For the Year Ended 31 March 2016

1 Summary of Significant Accounting Policies continued

(e) 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 entity 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.

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

Sale of goods

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

Interest revenue

Interest is recognised using the effective interest method.

Subscriptions

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

(f) 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 part of receivables or payables in the statement of financial position.

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.

(g) 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 are net of any rebates and discounts received.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the costs necessary to make the sale. 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.

Notes to the Financial Statements

For the Year Ended 31 March 2016

1 Summary of Significant Accounting Policies continued

(h) Property, Plant and Equipment

Classes of property, plant and equipment are measured using the cost or revaluation model as specified below.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Assets measured using the revaluation model are carried at fair value at the revaluation date less any subsequent accumulated depreciation and impairment losses. Revaluations are performed whenever there is a material movement in the value of an asset under the revaluation model.

Land and buildings

Land and buildings are measured using the cost model.

Freehold land and buildings that have been contributed at no cost, or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

Plant and equipment

Plant and equipment are measured using the cost model.

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

Depreciation

The depreciable amount of all property, plant and equipment, except for freehold land is depreciated on a straight-line method from the date that management determine that the asset is available 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:

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.

(i) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is the equivalent to the date that the Club commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

Notes to the Financial Statements

For the Year Ended 31 March 2016

1 Summary of Significant Accounting Policies continued

(i) Financial instruments continued

Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method, or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- (a) the amount at which the financial asset or financial liability is measured at initial recognition;
- (b) less principal repayments;
- (c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and
- (d) less any reduction for impairment.

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

The classification of financial instruments depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and at the end of each reporting period for held-to-maturity assets.

The Club does not designate any interest as being subject to the requirements of accounting standards specifically applicable to financial instruments.

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

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting year.

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Club's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Notes to the Financial Statements

For the Year Ended 31 March 2016

1 Summary of Significant Accounting Policies continued

(i) Financial instruments continued

Held-to-maturity investments are included in non-current assets, except for those which are expected to be realised within 12 months after the end of the reporting period, which will be classified as current assets.

If during the period the Club sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire held-to-maturity investments category would be tainted and reclassified as available-for-sale.

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

Available-for-sale financial assets are included in non-current assets, except for those which are expected to be sold within 12 months after the end of the reporting period.

(ii) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Fees payable on the establishment of loan facilities are recognised as transaction costs of the loan.

Borrowings are classified as current liabilities unless the Club has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Impairment of financial assets

At the end of the reporting period the Club assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

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

A significant or prolonged decline in value of an available-for-sale asset below its cost is objective evidence of impairment, in this case, the cumulative loss that has been recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Any subsequent increase in the value of the asset is taken directly to other comprehensive income.

(j) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

Notes to the Financial Statements

For the Year Ended 31 March 2016

1 Summary of Significant Accounting Policies continued

(k) 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 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.

(l) 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.

Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(m) Adoption of new and revised accounting standards

The Club has not adopted any new standards or interpretations during the 2016 year.

2 Revenue and Other Income

Revenue from continuing operations

Finance income includes all interest-related income, other than those arising from financial assets at fair value through profit or loss. The following amounts have been included in the finance income line in the statement of profit or loss and other comprehensive income for the reporting periods presented:

	2016	2015
	\$	\$
Sales revenue		
- Bar and Poker Machines	3,493,947	3,079,680
	<u>3,493,947</u>	<u>3,079,680</u>
Other revenue		
- Member Subscriptions	68,689	65,982
- Discounts Received	7,335	107,386
- Raffles Income	80,452	74,185
	<u>156,476</u>	<u>247,553</u>
Total Revenue	<u><u>3,650,423</u></u>	<u><u>3,327,233</u></u>

Notes to the Financial Statements
For the Year Ended 31 March 2016

2 Revenue and Other Income continued

	2016	2015
	\$	\$
Other Income		
Golf, Bowls & Tennis	105,898	105,531
Commissions	218,851	193,950
Volume Rebates	36,126	19,530
Sporting Fees and Incomes	95,909	84,372
Grants Received	-	19,562
Insurance Recovery	-	25,376
Other Income	36,180	42,453
Interest Received	6,774	8,795
Disposal of Non Current Assets	(28,879)	(5,872)
Total Revenue and Other Income	470,859	493,697

3 Result for the Year

(a) Expenses

	2016	2015
	\$	\$
Depreciation and Amortisation		
Depreciation - Building	67,711	55,676
Depreciation - plant and machinery - Owned	328,684	293,116
Depreciation - plant and machinery - Leased	10,684	10,684
Total Depreciation and Amortisation	407,079	359,476
Interest expense on financial liabilities not at fair value through profit and loss	40,351	22,568
Employee benefits expense	1,221,886	1,114,216

4 Cash and cash equivalents

	2016	2015
	\$	\$
Cash at bank and in hand	1,087,894	971,418

5 Trade and other receivables

	2016	2015
	\$	\$
CURRENT		
Trade receivables	19,126	31,876
Total current trade and other receivables	19,126	31,876

Notes to the Financial Statements

For the Year Ended 31 March 2016

5 Trade and other receivables continued

(a) Impairment of receivables

Reconciliation of changes in the provision for impairment of receivables is as follows:

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances. No provision for impairment has been made as the Club expects to collect the balance in full.

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

6 Inventories

	2016	2015
	\$	\$
CURRENT		
At cost:		
Finished goods	72,037	62,868
Goods in transit	-	6,115
Total inventories	72,037	68,983

7 Other non-financial assets

	2016	2015
	\$	\$
CURRENT		
Prepayments	27,670	36,896
Deposits paid	30,782	-
Total other non-financial assets	58,452	36,896

8 Property, plant and equipment

	2016	2015
	\$	\$
LAND AND BUILDINGS		
Freehold land		
At cost	788,915	788,915
Total Land	788,915	788,915
Buildings		
At cost	1,842,561	1,673,576
Accumulated depreciation	(708,271)	(640,560)
Total buildings	1,134,290	1,033,016
Total land and buildings	1,923,205	1,821,931

Notes to the Financial Statements

For the Year Ended 31 March 2016

8 Property, plant and equipment continued

PLANT AND EQUIPMENT

Plant and equipment

At cost

2,330,386 2,385,933

Accumulated depreciation

(1,445,071) (1,542,501)

Total plant and equipment

885,315 843,432

Leased plant and equipment

Capitalised leased assets

53,418 53,418

Accumulated depreciation

(38,264) (27,580)

Total leased plant and equipment

15,154 25,838

Furniture, fixtures and fittings

At cost

699,097 565,389

Accumulated depreciation

(433,948) (382,005)

Total furniture, fixtures and fittings

265,149 183,384

Motor vehicles

At cost

50,850 45,073

Accumulated depreciation

(399) (4,322)

Total motor vehicles

50,451 40,751

Office equipment

At cost

72,617 55,259

Accumulated depreciation

(36,480) (26,392)

Total office equipment

36,137 28,867

Other property, plant and equipment

At cost

107,243 100,463

Accumulated depreciation

(28,648) (21,783)

Total other property, plant and equipment

78,595 78,680

Total plant and equipment

1,330,801 1,200,952

Total property, plant and equipment

3,254,006 3,022,883

Notes to the Financial Statements

For the Year Ended 31 March 2016

8 Property, plant and equipment continued

(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:

Club	Land	Buildings	Plant and Equipment	Furniture, Fixtures and Fittings
	\$	\$	\$	\$
Year ended 31 March 2016				
Balance at the beginning of year	788,915	1,033,016	869,271	183,385
Additions	-	168,985	317,966	133,708
Disposals - written down value	-	-	(20,228)	-
Depreciation expense	-	(67,711)	(266,540)	(51,944)
Balance at the end of the year	788,915	1,134,290	900,469	265,149

Club	Motor Vehicles	Office Equipment	Other Property, Plant and Equipment	Total
	\$	\$	\$	\$
Year ended 31 March 2016				
Balance at the beginning of year	40,751	28,867	78,680	3,022,885
Additions	50,850	17,358	6,780	695,647
Disposals - written down value	(37,220)	-	-	(57,448)
Depreciation expense	(3,930)	(10,088)	(6,865)	(407,078)
Balance at the end of the year	50,451	36,137	78,595	3,254,006

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.

9 Intangible Assets

	Note	2016 \$	2015 \$
Licenses			
Cost		592,000	592,000
Total Intangibles		592,000	592,000

Notes to the Financial Statements

For the Year Ended 31 March 2016

The 2016 valuation was performed by the Directors. Valuations were made on the basis of open market value in an arms length transaction based on similar characteristics. The Directors felt that due to current economic environment no change to the value of the Club's intangible assets was required

10 Trade and other payables

	2016	2015
	\$	\$
CURRENT		
Trade payables	180,219	105,396
Sundry payables	5,697	3,800
Other accrued payables	136,799	129,596
Total trade and other payables	<u>322,715</u>	<u>238,792</u>

11 Borrowings

	2016	2015
	\$	\$
CURRENT		
Secured liabilities:		
Lease liability secured	57,202	60,497
Bank loans	76,584	72,438
Total current borrowings	<u>133,786</u>	<u>132,935</u>

	2016	2015
	\$	\$
NON-CURRENT		
Secured liabilities:		
Lease liability secured	45,773	76,509
Bank loans	624,545	702,701
Total non-current borrowings	<u>670,318</u>	<u>779,210</u>

Leased liabilities are secured by the underlying leased assets.

(a) Defaults and breaches

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

Crescent Head Country Club Ltd

Notes to the Financial Statements

For the Year Ended 31 March 2016

12 Income in Advance

	2016	2015
	\$	\$
Rebates received in advance	58,100	-
Subs in advance	45,469	41,563
Total income in advance	103,569	41,563

13 Employee Benefits

	2016	2015
	\$	\$
Current liabilities		
Short-term provisions	115,043	88,967
Total	115,043	88,967
Non-current liabilities		
Long-term provisions	22,465	34,442
Total	22,465	34,442

14 Leasing Commitments

(a) Finance leases

All Financial Leases are for non current assets (Poker Machines, Equipment & Vehicles). Leases are have a term of between 1 to 3 years.

(b) Operating leases

The Club has no material operating leases.

15 Financial Risk Management

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

This note discloses the Club's objectives, policies and processes for managing and measuring these risks.

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

The Club does not speculate in financial assets.

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

Specific risks

- Market risk - currency risk, cash flow interest rate risk and price risk
- Credit risk
- Liquidity risk

Notes to the Financial Statements

For the Year Ended 31 March 2016

15 Financial Risk Management continued

Financial instruments used

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

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

Objectives, policies and processes

Specific information regarding the mitigation of each financial risk to which Club is exposed is provided below.

Fair value estimation

Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgment and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

16 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's and obligations of the Club. At 31 March 2016 the number of members was 3,151 (2015: 2,845).

17 Tax assets and liabilities

	2016	2015
	\$	\$
PAYG Withholding	17,861	16,325
GST payable	65,445	64,696
Current tax liabilities	83,306	81,021

18 Key Management Personnel Disclosures

The total remuneration paid to key management personnel of the Club is \$ 290,883 (2015: \$ 285,449).

Notes to the Financial Statements

For the Year Ended 31 March 2016

19 Contingencies

In the opinion of the Directors, the Club did not have any contingent liabilities at 31 March 2016 (31 March 2015 :None).

The Club has paid a deposit in relation to purchasing new furniture, with a total net cost of \$93,278. As at 31 March 2016, a deposit of 30% amounting to \$30,782 has been paid, with the balance becoming due on delivery of the furniture, at which time the Club will capitalise the full amount as an asset. The deposit paid has been disclosed in note 7.

20 Related Parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Transaction with related parties:

(a) Identification of Related Parties Ultimate Parent Entity

Purchases were made by the Club from Crescent Head Foodstore, in which Pam Bryant, a director of the Club had an interest. 2016: \$2,774, 2015: \$7,120.

Purchases were made by the Club from Off Shore Band Performance, in which Ross Kessler, a director of the Club has an interest. 2016: \$2,250, 2015: \$1,600.

21 Events Occurring After the Reporting Date

The financial report was authorised for issue on 26 May 2016 by the Board of Directors.

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

Notes to the Financial Statements

For the Year Ended 31 March 2016

22 Other Information



Serving the Community!!

Donations/Sponsorship

2015/2016 Financial Year (1/4/2015 to 31/3/2016)

Anzac Day & Vietnam Vets	\$675.20
Bellingen High School	\$50.00
CDSE	\$3,950.03
Crescent Head Malibu Club	\$5,049.50
Crescent Head PreSchool	***
Crescent Head Primary School	\$250.00
Crescent Head Rugby Sevens	\$1,500.00
Cuddle Cot Fundraiser	\$100.00
John Pryor (Fundraiser)	\$100.00
Kempsey Greyhound Club	\$680.00
Mens Bowls (State Finals)	\$3,245.00
Senior Citizens	\$1,037.00
Salvation Army	\$312.25
War Widows Guild	\$300.00
TOTAL	\$17,248.98

*** Note: Provided a Michael Hussey Signed Cricket Bat through a third party arrangement (Commonwealth Bank of Australia)

Notes to the Financial Statements

For the Year Ended 31 March 2016

22 Other Information continued

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		
1980	F. Emmett	1998	G.C Barsby		
1981	F. Emmett	1999	G.C Barsby		
1982	T.G Lyttle	2000	G. Ball		
1983	T.G Lyttle	2001	G. Ball		
1984	P.W Harvey	2002	J.F Baxter		
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
1974	K.R.M Stretch (dec)	1995	T. Errey (dec)		
1975	L.L Boardman (dec)	1997	W. Harvey (dec)		
1985	T.G Lyttle (dec)	2014	R. Curnow		

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, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Accounting Standards - Reduced Disclosure Requirements; and
 - b. give a true and fair view of the financial position as at 31 March 2016 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 26 May 2016



Crescent Head Country Club Ltd

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

Report on the Financial Report

I have audited the accompanying financial report of Crescent Head Country Club Ltd, which comprises the statement of financial position as at 31 March 2016, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the 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.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about 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 Club'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 Club'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.

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

Independence

In conducting my audit, I have complied with the independence requirements of the *Corporations Act 2001*. I confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Crescent Head Country Club Ltd, would be in the same terms if given to the directors as at the time of this auditor's report.



Crescent Head Country Club Ltd

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

Opinion

In my opinion the financial report of Crescent Head Country Club Ltd is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Club's financial position as at 31 March 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*.

Wrights Chartered Accountants

A handwritten signature in black ink, appearing to read 'Doug Cheetham', written over a horizontal line.

Doug Cheetham
Partner

Kempsey NSW 2440

26 May 2016