

**Marrickville Golf Sporting
and Community Club Limited**

ABN 67 000 114 152

**Financial Statements and Reports for
the Year ended 31 August 2019**

ADSUM ACCOUNTING PTY LTD

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MARRICKVILLE GOLF SPORTING & COMMUNITY CLUB LIMITED
ABN 67 000 114 152
Year Ended 31 August 2019

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MARRICKVILLE GOLF SPORTING & COMMUNITY CLUB LIMITED

ABN 67 000 114 152

Year Ended 31 August 2019

DIRECTORS' REPORT

Your Directors have pleasure in presenting their report on the accounts of the Company for the year ended 31 August 2019.

Directors

The Directors in office during the year were:

| Name | Position | Period | Address |
|-------------|----------------------|----------|--|
| E. Lakiss | Sales Manager | 11 Years | 64 Undercliffe Road, Undercliffe, NSW |
| D. Fink | Managing Director | 10 Years | 82 Goodsell Street, St Peters, NSW |
| B. Dunn | Retired | 8 Years | 55 Waterside Crescent, Earlwood, NSW |
| P. Stafford | Police Officer | 9 Years | 59 Constitution Road, Dulwich Hill, NSW |
| J. McHardy | Chartered Accountant | 8 Years | 194 Slade Road, Bardwell Park NSW |
| G. Finley | Computer Consultant | 5 Years | 378 Livingstone Road, Marrickville NSW |
| J. Morgan | Lecturer | 5 Years | 19 Lamb Street, Lilyfield, NSW |
| M. Nance | Retired | 3 Years | 296 New Canterbury Road, Petersham, NSW |
| D. Thompson | Real Estate Manager | 3 Years | 615/8 Sam Sing Street, Waterloo, NSW |
| S. Husband | Ferry Officer | 1 Year | 78 Charles Street, Erskville, NSW |
| D. Jones | Retired | 1 Years | 278 Wardell Road, Dulwich Hill, NSW |
| B. Kelly | Retired | 1 Year | 129 Old Canterbury Road, Dulwich Hill, NSW |

Meetings of Directors

During the year 12 Directors' meetings were held. Attendance was as follows:

| Name | Meetings Attended | Name | Meetings Attended |
|-------------|-------------------|-------------|-------------------|
| E. Lakiss | 12 | G. Finley | 3 |
| D. Fink | 10 | J. Morgan | 10 |
| B. Dunn | 2 | D. Thompson | 3 |
| P. Stafford | 10 | D. Jones | 6 |
| J. McHardy | 12 | M. Nance | 12 |
| B. Kelly | 9 | S. Husband | 8 |

Principal Activities

The principal activities of the company during the course of the financial year were the operation of a registered club and golf course. There were no significant changes in the nature of those activities during the year.

Review of Operations

The net profit for the company was \$45,962. The club is not subject to income tax as it is exempt under section 50-45 of the Income Tax Assessment Act 1997.

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MARRICKVILLE GOLF SPORTING & COMMUNITY CLUB LIMITED
ABN 67 000 114 152
Year Ended 31 August 2019

Director's Report *(continued)*

State of Affairs

In the opinion of the Directors, there were no significant changes in the state of affairs of the company that occurred during the year which is not otherwise disclosed in this report of financial statements.

Events Subsequent to Balance Date

No matter of a material nature has arisen in the interval between the end of the financial year and the end of this report that have significantly affected the operations of the company.

Likely Developments

The club will continue to invest in the golf course to provide golfing facilities for its members and the golfing public during the next financial year.

Environment Issues

The company's operations are not regulated by any significant environment regulations under the laws of the Commonwealth, States or Territory.

Court Proceedings

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

Dividends and Options

The company is a company limited by guarantee and accordingly no dividend has been paid or declared during the year.

Indemnification of Officers and Auditor

The company has not, during or since the end of the previous financial year, in respect of any person who is or has been an officer or auditor of the company:

- indemnified or made any relevant agreement for indemnifying against a liability including
- (a) costs and expenses in successfully defending legal proceedings; or
- paid or agreed to pay a premium in respect of a contract insuring against a liability for
- (b) those costs or expenses to defend legal proceedings.

Except for the maintenance of directors' and officers' insurance for claims whilst acting in their capacity as directors and officers of the company, no indemnities have been given nor insurance premiums paid.

... continued

MARRICKVILLE GOLF SPORTING & COMMUNITY CLUB LIMITED

ABN 67 000 114 152

Year Ended 31 August 2019

Director's Report *(continued)*

Golf Club Membership at 31 August 2019

| | |
|--------------------------------|-------------------|
| Life Members | 8 |
| 50 Year Members | 9 |
| Full Members | 318 |
| Honorary Members | 11 |
| Student Members | 5 |
| Junior Members | 11 |
| Social Members | 295 |
| Country Members | 6 |
| Sunday Interim Members & Staff | 2 |
| Total Members | <u>665</u> |

Auditors' Independence Declaration

The lead auditor's independence declaration for the year ended 31 August 2019 has been received and can be found in the attached auditor's independence declaration.

This report is in accordance with the resolution of the Directors:



.....
E. Lakiss, Director



.....
D. Fink, Treasurer

Dated this 28th day of October 2019


MARRICKVILLE GOLF SPORTING & COMMUNITY CLUB LIMITED
ABN 67 000 114 152
Year Ended 31 August 2019

DIRECTORS' DECLARATION

The Directors of the company declare that:

1. The financial statements and notes are in accordance with the Corporations Act 2001; and
 - (a) comply with Accounting Standards and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the company's financial position at 31 August 2019 and of its performance and cash flows for the year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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



.....
E. Lakiss, President



.....
D. Fink, Treasurer

Dated this 28th day of October 2019

INDEPENDENT AUDIT REPORT

To the Members of Marrickville Golf Sporting and Community Club Ltd,

Opinion

We have audited the financial report of Marrickville Golf Sporting and Community Club Ltd, which comprises the statement of financial position as at 31 August 2019, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of Marrickville Golf Sporting and Community Club Ltd is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the company's financial position as at 31 August 2019 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

Basis for Opinion

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

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

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

Other Information

The directors are responsible for the other information. The other information comprises the information included in the entity's annual report for the year ended 31 August 2019, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion of the financial report. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Kelly Partners (South West Sydney) Partnership

Daniel Kuchta

Registered Auditor Number 335565

Campbelltown

Dated this 28 day of October 2019.

MARRICKVILLE GOLF SPORTING & COMMUNITY CLUB LIMITED
ABN 67 000 114 152
Year Ended 31 August 2019

PRESIDENT'S REPORT

I report to the members that Marrickville Golf, Sporting and Community Club (the club) has recorded a net profit for the year ended 31st August 2019 of \$45,962.

Continuing on from the 2017/18 year the club has responded well to variable weather conditions to achieve another favourable financial result. The support of our members and community social players helped our golf and club operations to remain relatively stable throughout the year.

Golf club membership numbers remained stable during 2018/19 year. On a positive note, I am pleased to report that subscriptions for 2019/20 year are likely to be in the vicinity of \$230,000 compared to \$218,416 for the 2018/19 year. Total memberships of the club continue to increase with the community continuing to come and enjoy the facilities the club has to offer.

I would like to thank the volunteers who give up their time to work on the course and around the club facilities.

I also take this opportunity to thank the Board of Directors for their commitment and support throughout this challenging year.

I believe that with the continuing support of both our membership and diverse extended community, there is a positive and prosperous future for Marrickville Golf, Sporting and Community Club.

Eddie Lakiss

TREASURER'S REPORT

I am pleased to advise that the club has recorded a net profit of \$45,962 for the financial year 2018/19.

The profit for the year included a non-recurring net loss of \$27,367 on the trade-in of outdated course machinery.

The net profit and depreciation, plus other non-cash charges for the year amounting in total to \$120,404, provided the club with a positive cash flow of \$163,366.

This cash flow assisted the club in acquiring urgently needed new course machinery and other assets at a cost of \$182,152. Expenditure on course machinery and ancillary equipment was \$157,304. The spending on Clubhouse plant and equipment amounted to \$22,848.

An amount of \$22,603 has been repaid in instalments on the Loan provided for the new Golf Carts. The remaining debt of \$71,556 is repayable over 3-years.

Total revenue for the year declined by \$4730 to \$1,061,258. Total expenditure including the non-recurring loss on sale of course machinery of \$27,367, increased from \$987,234 to \$1,015,296.

On behalf of the Board of Directors, I sincerely thank members for their continued financial support.

If any member has a question on the financial statements for the past year, could you please write a note to me via Brad or Tracy so I can provide an answer on or before the Annual General meeting.

David Fink

MARRICKVILLE GOLF SPORTING & COMMUNITY CLUB LIMITED
ABN 67 000 114 152
Year Ended 31 August 2019

INCOME STATEMENT

| | 2019 | 2018 |
|--|---------------|---------------|
| | \$ | \$ |
| INCOME | | |
| Revenue | 1,464,354 | 1,455,114 |
| Changes in value of inventories | 569 | 756 |
| Purchases of trading stock | (242,760) | (228,210) |
| Employee benefits expense | (504,605) | (482,271) |
| Depreciation and amortisation expense | (102,917) | (54,142) |
| Finance costs | (7,510) | (4,585) |
| Other Expenses | (561,169) | (607,908) |
| Profit (Loss) before income tax | 45,962 | 78,754 |
| Income tax expense | - | - |
| Profit (Loss) after income tax | 45,962 | 78,754 |

MARRICKVILLE GOLF SPORTING & COMMUNITY CLUB LIMITED
ABN 67 000 114 152
Year Ended 31 August 2019

BALANCE SHEET

| | NOTE | 2019 \$ | 2018 \$ |
|--------------------------------------|------|----------------|----------------|
| CURRENT ASSETS | | | |
| Cash and Cash Equivalents | 2 | 297,020 | 352,293 |
| Trade and other receivables | 3 | 15,550 | 18,272 |
| Inventories | 4 | 33,204 | 32,635 |
| Other Current Assets | 5 | 9,230 | 8,792 |
| Total Current Assets | | <u>355,004</u> | <u>411,992</u> |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | 6 | 555,191 | 477,956 |
| Total Non-Current Assets | | <u>555,191</u> | <u>477,956</u> |
| TOTAL ASSETS | | <u>910,195</u> | <u>889,948</u> |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 7 | 66,953 | 91,882 |
| Equipment Secured Loan | 9 | 23,590 | 22,605 |
| Other current liabilities | 8 | 135,428 | 113,610 |
| Total Current Liabilities | | <u>225,971</u> | <u>228,097</u> |
| NON-CURRENT LIABILITIES | | | |
| Equipment Secured Loan | 9 | 47,966 | 71,556 |
| Total Non-Current Liabilities | | <u>47,966</u> | <u>71,556</u> |
| TOTAL LIABILITIES | | <u>273,937</u> | <u>299,653</u> |
| NET ASSETS | | <u>636,257</u> | <u>590,295</u> |
| EQUITY | | | |
| Retained Profits | 10 | 636,257 | 590,295 |
| TOTAL EQUITY | | <u>636,257</u> | <u>590,295</u> |

MARRICKVILLE GOLF SPORTING & COMMUNITY CLUB LIMITED
ABN 67 000 114 152
Year Ended 31 August 2019

STATEMENT OF RECOGNISED INCOME AND EXPENDITURE

| | \$ |
|---|---------|
| Balance at 1 September 2017 | 511,541 |
| Profit (Loss) attributable to the company | 78,754 |
| Balance at 31 August 2018 | 590,295 |
| Profit (Loss) attributable to the company | 45,962 |
| Balance at 31 August 2019 | 636,257 |

MARRICKVILLE GOLF SPORTING & COMMUNITY CLUB LIMITED
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Year Ended 31 August 2019

STATEMENT OF CASH FLOWS

| | 2019 | 2018 |
|--|-----------------------|-----------------------|
| | \$ | \$ |
| Cash Flows from Operating Activities | | |
| Profit / (Loss) for the year | 45,962 | 78,754 |
| Finance Costs | 3,412 | 328 |
| Depreciation | 75,550 | 54,142 |
| Loss on Sale of Plant | 27,367 | - |
| <i>Adjustments for non-cash income and expenses:</i> | | |
| Increase / (Decrease) in provisions | 17,487 | 5,975 |
| <i>Changes in operating assets and liabilities:</i> | | |
| Increase / (Decrease) in Subscriptions in Advance | 4,330 | 6,081 |
| (Increase) / Decrease in trade and other receivables | 2,722 | (8,186) |
| (Increase) / Decrease in inventories | (569) | (756) |
| Increase / (Decrease) in trade and other payables | (24,929) | 25,169 |
| (Increase) / Decrease in prepayments | (438) | 252 |
| Cash generated from operations | <u>(18,884)</u> | <u>22,560</u> |
| | | |
| Interest Paid | (3,412) | (328) |
| <i>Net cash from operating activities</i> | <u>147,482</u> | <u>161,431</u> |
| | | |
| Cash flows from investing activities | | |
| Proceeds from sale of property, plant & equipment | - | - |
| Purchases of property, plant & equipment | (180,152) | (125,502) |
| Interest received | 1,925 | 2,319 |
| <i>Net cash used in investing activities</i> | <u>(178,227)</u> | <u>(123,183)</u> |
| | | |
| Cash flows from financing activities | | |
| Finance loans received (repaid) | (22,603) | 94,161 |
| Interest Received | (1,925) | (2,319) |
| <i>Net cash from (used in) financing activities</i> | <u>(24,528)</u> | <u>91,842</u> |
| | | |
| Net increase / (decrease) in cash and cash equivalents | (55,273) | 130,090 |
| Cash and cash equivalents at beginning of year | <u>352,293</u> | <u>222,203</u> |
| Cash and cash equivalents at end of year | <u><u>297,020</u></u> | <u><u>352,293</u></u> |

MARRICKVILLE GOLF SPORTING & COMMUNITY CLUB LIMITED
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Year Ended 31 August 2019

SUMMARY OF REVENUE AND EXPENDITURE

| | NOTE | 2019 \$ | 2018 \$ |
|---|------|----------------------|----------------------|
| REVENUE | | | |
| Cart Hire Income | | 135,255 | 129,817 |
| Rent Received | | 29,209 | 26,814 |
| Bar Trading | | 145,368 | 145,750 |
| Poker Machine Trading | | 46,887 | 39,921 |
| Members Subscriptions | | 214,578 | 218,416 |
| Green Fees & Competition Fees | 11 | 461,230 | 478,029 |
| Other Revenue | 11 | 26,806 | 24,922 |
| Interest Received | | 1,925 | 2,319 |
| | | <u>1,061,258</u> | <u>1,065,988</u> |
| EXPENSES | | | |
| Course Expenses | 12 | 517,994 | 469,309 |
| Club House Expenses | 12 | 205,113 | 209,187 |
| Golf & Entertainment Expenses | 12 | 90,803 | 105,929 |
| Administration Expenses | 12 | 201,386 | 202,809 |
| TOTAL EXPENSES | | <u>1,015,296</u> | <u>987,234</u> |
| NET OPERATING PROFIT/(LOSS) | | 45,962 | 78,754 |
| Income Tax Expense | | <u>-</u> | <u>-</u> |
| NET OPERATING PROFIT/(LOSS) FOR THE YEAR | | <u><u>45,962</u></u> | <u><u>78,754</u></u> |

MARRICKVILLE GOLF SPORTING & COMMUNITY CLUB LIMITED

ABN 67 000 114 152

Year Ended 31 August 2019

NOTES TO AND FORMING PART OF THE ACCOUNTS

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*.

The company is the type that is limited by guarantee. The company is incorporated and domiciled in Australia.

Basis of Preparation

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

Accounting Policies

a) Income Tax

The company is exempt from income tax under the provisions of Section 50-45 of the Income Tax Assessment Act 1997, by virtue of the fact that the company is a sporting club established for the purpose of providing sporting facilities to its members.

b) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on a first-in first-out basis.

c) Property, Plant & equipment

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

The carrying amount is reviewed annually by directors to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected cash flows have not been discounted to present values in determining recoverable amounts.

The depreciable amount of all fixed assets are depreciated or amortised over their estimated useful lives from the time the asset is held ready for use.

d) Impairment of Assets

At each reporting date, the company review the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

...continued

MARRICKVILLE GOLF SPORTING & COMMUNITY CLUB LIMITED

ABN 67 000 114 152

Year Ended 31 August 2019

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

e) Employee Entitlements

Provision is made for the company's liability for employee entitlements arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages, and annual leave which will be settled after one year, have been measured at the amounts expected to be paid when the liability is settled plus related on-costs. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

f) 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.

g) Revenue

Revenue from the rendering of a service is recognised upon delivery of the service to the customer, except for members' subscriptions and other revenue received in advance of the current financial year.

h) Goods & Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the assets or as part of an item of expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

Cash flows are presented in the Cash Flow Statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

...continued

MARRICKVILLE GOLF SPORTING & COMMUNITY CLUB LIMITED

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Year Ended 31 August 2019

NOTES TO AND FORMING PART OF THE ACCOUNTS *(continued)*

| | 2019 | 2018 |
|---|----------------|----------------|
| | \$ | \$ |
| NOTE 2 CASH AND CASH EQUIVALENTS | | |
| Cash on Hand | 28,799 | 33,263 |
| Cash at bank | 268,221 | 319,029 |
| Term Deposit - Maritime Credit Union | - | - |
| | <u>297,020</u> | <u>352,292</u> |
| NOTE 3 TRADE AND OTHER RECEIVABLES | | |
| Sundry Debtors | 10,550 | 13,272 |
| TAB Security deposit | 5,000 | 5,000 |
| | <u>15,550</u> | <u>18,272</u> |
| NOTE 4 INVENTORIES | | |
| Bar Stock | 15,561 | 14,553 |
| Trophies, Stationery & Miscellaneous Material | 7,582 | 7,263 |
| Course Stock | 10,061 | 10,819 |
| | <u>33,204</u> | <u>32,635</u> |
| NOTE 5 OTHER CURRENT ASSETS | | |
| Prepayments | 9,230 | 8,791 |
| | <u>9,230</u> | <u>8,791</u> |
| NOTE 6 PROPERTY, PLANT & EQUIPMENT | | |
| Leasehold Premises at cost | 305,165 | 305,165 |
| Less: Accumulated Amortisation | (280,218) | (277,446) |
| | <u>24,947</u> | <u>27,719</u> |
| Plant & equipment Club House - at cost | 934,106 | 912,104 |
| Less: Accumulated Depreciation | (866,923) | (855,132) |
| | <u>67,183</u> | <u>56,972</u> |
| Plant & equipment Course - at cost | 916,962 | 876,358 |
| Less: Accumulated Depreciation | (634,514) | (682,029) |
| | <u>282,448</u> | <u>194,329</u> |
| Course improvements - at cost | 893,406 | 893,406 |
| Less: Accumulated Depreciation | (746,530) | (733,183) |
| | <u>146,876</u> | <u>160,223</u> |
| Furniture & fittings - at cost | 229,743 | 228,900 |
| Less: Accumulated Depreciation | (196,006) | (190,187) |
| | <u>33,737</u> | <u>38,713</u> |
| Total Property, Plant & Equipment | <u>555,191</u> | <u>477,956</u> |

...continued

MARRICKVILLE GOLF SPORTING & COMMUNITY CLUB LIMITED

ABN 67 000 114 152

Year Ended 31 August 2019

NOTES TO AND FORMING PART OF THE ACCOUNTS *(continued)*

| | 2019 | 2018 |
|---|-----------------------|-----------------------|
| | \$ | \$ |
| NOTE 6 | | |
| PROPERTY, PLANT & EQUIPMENT <i>(continued)</i> | | |
| Movements in carrying amounts | | |
| Leasehold Premises | | |
| Balance at 1 September 2018 | 27,719 | 30,799 |
| Additions | - | - |
| | <u>27,719</u> | <u>30,799</u> |
| Depreciation Expense | (2,772) | (3,080) |
| Carrying Amount at 31 August 2019 | <u>24,947</u> | <u>27,719</u> |
| Plant & Equipment - Club House | | |
| Balance at 1 September 2018 | 56,972 | 67,201 |
| Additions | 22,003 | 1,273 |
| | <u>78,975</u> | <u>68,474</u> |
| Depreciation Expense | (11,792) | (11,502) |
| Carrying Amount at 31 August 2019 | <u>67,183</u> | <u>56,972</u> |
| Plant & Equipment - Course | | |
| Balance at 1 September 2018 | 194,329 | 106,921 |
| Additions | 174,305 | 107,520 |
| Disposals and Loss on Sale | (44,367) | - |
| | <u>324,267</u> | <u>214,441</u> |
| Depreciation Expense | (41,819) | (20,112) |
| Carrying Amount at 31 August 2019 | <u>282,448</u> | <u>194,329</u> |
| Furniture & Fittings - Club House | | |
| Balance at 1 September 2018 | 38,713 | 32,839 |
| Additions | 844 | 11,057 |
| | <u>39,557</u> | <u>43,896</u> |
| Depreciation Expense | (5,820) | (5,183) |
| Carrying Amount at 31 August 2019 | <u>33,737</u> | <u>38,713</u> |
| Leasehold Improvements - Course | | |
| Balance at 1 September 2018 | 160,223 | 168,836 |
| Additions | - | 5,652 |
| | <u>160,223</u> | <u>174,488</u> |
| Depreciation Expense | (13,347) | (14,265) |
| Carrying Amount at 31 August 2019 | <u>146,876</u> | <u>160,223</u> |
| TOTAL | <u><u>555,191</u></u> | <u><u>477,956</u></u> |
| NOTE 7 | | |
| TRADE AND OTHER PAYABLES | | |
| Trade Creditors | 13,411 | 45,561 |
| Sundry creditors & accruals | 34,899 | 32,729 |
| GST and Amounts Withheld from Wages | 18,643 | 13,592 |
| | <u>66,953</u> | <u>91,882</u> |

...continued

MARRICKVILLE GOLF SPORTING & COMMUNITY CLUB LIMITED

ABN 67 000 114 152

Year Ended 31 August 2019

NOTES TO AND FORMING PART OF THE ACCOUNTS *(continued)*

| | 2019 | 2018 |
|---|------------------|------------------|
| | \$ | \$ |
| NOTE 8 OTHER CURRENT LIABILITIES | | |
| Subscriptions in Advance | 68,928 | 64,598 |
| Employee Entitlements | 66,499 | 49,011 |
| | 135,427 | 113,609 |
| NOTE 9 EQUIPMENT SECURED LOAN | | |
| Current Financial Liabilities | | |
| Equipment Secured Loan | 26,011 | 26,011 |
| Deferred Interest on Secured Loan | (2,421) | (3,406) |
| Equipment Secured Loan repayable within 12 months | 23,590 | 22,605 |
| Non-current Financial Liabilities | | |
| Equipment Secured Loan | 49,854 | 75,866 |
| Deferred Interest on Secured Loan | (1,888) | (4,310) |
| Equipment Secured Loan repayable later than 12 months | 47,966 | 71,556 |
| Total Equipment Secured Loan | 71,556 | 94,161 |
| NOTE 10 RETAINED PROFITS | | |
| Movements during year | | |
| Retained profits at the beginning of the year | 590,295 | 511,541 |
| Profit (loss) from ordinary activities | 45,962 | 78,754 |
| Retained profits at the end of the year | 636,257 | 590,295 |
| NOTE 11 INCOME | | |
| Gross trading Profits for Bar & Poker Machines | 192,255 | 185,671 |
| Members Subscriptions | 214,578 | 218,416 |
| Green Fees | 263,147 | 270,046 |
| Competition Fees | 198,083 | 207,983 |
| Cart Hire Income | 135,255 | 129,817 |
| Rent Received | 29,209 | 26,814 |
| | 1,032,527 | 1,038,747 |
| Other Income | | |
| Member Donations | 2,650 | 688 |
| Sundry Commission | 2,372 | 839 |
| TAB Commission | 9,417 | 8,740 |
| Sponsorship | - | 1,917 |
| Keno Commission | 4,960 | 5,255 |
| ATM Commission | 7,407 | 7,483 |
| Sundry Income | - | - |
| | 26,806 | 24,922 |
| Interest Received | 1,925 | 2,319 |
| TOTAL INCOME | 1,061,258 | 1,065,988 |

...continued

MARRICKVILLE GOLF SPORTING & COMMUNITY CLUB LIMITED

ABN 67 000 114 152

Year Ended 31 August 2019

NOTES TO AND FORMING PART OF THE ACCOUNTS (continued)

| NOTE 12 EXPENDITURE | 2019 | 2018 |
|--|------------------|----------------|
| | \$ | \$ |
| Course Expenses | | |
| Legal Fees | 1,113 | - |
| Cart Loan interest | 3,412 | - |
| Loss on Sale of Plant | 27,367 | - |
| Cart Repairs & Maintenance | 1,545 | 9,452 |
| Cart Hire Commission | 31,786 | 35,868 |
| Cart Electricity | 3,700 | 3,637 |
| Cart Rentals | - | 18,934 |
| Cart Depreciation | 18,720 | 1,560 |
| Course Wages | 194,155 | 183,099 |
| Green Fees Commission | 26,902 | 26,844 |
| Insurance - Workers' Compensation | 10,774 | 9,778 |
| Professional Retainer | 34,307 | 34,307 |
| Maintenance | 78,744 | 65,459 |
| Depreciation | 36,266 | 32,817 |
| Rent | 6,237 | 6,113 |
| Golf Ball Damage Repairs | 10,138 | 2,550 |
| Course Machinery Maintenance | 7,343 | 9,527 |
| Starters Fees | 6,812 | 7,316 |
| Course Insurance | 12,673 | 11,848 |
| Water Rates | 6,000 | 10,200 |
| | 517,994 | 469,309 |
| Club House Expenses | | |
| Cleaning and Waste Removal | 40,200 | 38,455 |
| Insurance | 12,672 | 11,848 |
| Electricity & Gas | 36,897 | 43,401 |
| Repairs and Maintenance | 13,767 | 15,836 |
| Rent Clubhouse | 13,066 | 12,809 |
| Depreciation | 20,564 | 19,765 |
| Water Rates | 4,752 | 8,086 |
| Club Promotions & Advertising | 45,873 | 41,765 |
| Racing Channels | 17,322 | 17,222 |
| | 205,113 | 209,187 |
| Golf & Entertainment Expenses | | |
| Affiliation & Golf Link Fees | 17,463 | 17,252 |
| Inter-Club Golf | 9,779 | 10,239 |
| Competition Ball Prizes | 18,395 | 20,361 |
| Trophy Purchases & Vouchers | 43,542 | 55,943 |
| Course Promotion | 1,624 | 2,134 |
| | 90,803 | 105,929 |
| Administration Expenses | | |
| Bank Charges & Merchant Fees | 4,098 | 4,257 |
| Printing Stationery & Postage | 5,228 | 8,768 |
| Interest Paid | - | 328 |
| Staff Amenities & Uniforms | 1,334 | 725 |
| Sundry Expenses | 2,667 | 2,732 |
| Telephone | 2,779 | 3,462 |
| Salaries | 115,786 | 111,334 |
| Accountancy | 3,155 | 3,155 |
| Computer Expenses | 8,757 | 7,995 |
| Security Costs | 7,937 | 9,791 |
| Superannuation | 39,507 | 38,230 |
| Audit Fees | 4,700 | 4,300 |
| Stocktaking Fees | 2,640 | 2,640 |
| Donations | - | 218 |
| Licences & Registrations | 2,798 | 2,208 |
| Robbery Loss | - | 2,241 |
| Legal Expenses | - | 425 |
| Total Administration Expenses | 201,386 | 202,809 |
| TOTAL EXPENSES | 1,015,296 | 987,234 |

...continued

MARRICKVILLE GOLF SPORTING & COMMUNITY CLUB LIMITED

ABN 67 000 114 152

Year Ended 31 August 2019

NOTES TO AND FORMING PART OF THE ACCOUNTS *(continued)*

NOTE 13 CONTRIBUTED EQUITY

The company is limited by guarantee and as such has no share capital. If the company is wound up, the articles of association state that each member is required to contribute a maximum of \$2 each towards meeting any outstanding obligations of the company.

NOTE 14

The company operates a licensed golf club and associated activities at Marrickville, NSW.

NOTE 15 RELATED PARTY TRANSACTIONS

No director may influence transactions with any company of which they are a director or employee. This is ensured through abstaining from voting on those matters relating to transactions with those companies. All transactions with related parties are at terms and conditions no more favourable than those available on similar transactions to other parties.

Helen McHardy who is related to John McHardy (Director) has lent The Club a principle sum of \$96,000 to acquire 12 new golf carts. The balance of the loan outstanding at 31 August 2019 is \$71,556. The term of the loan, security and interest rate is more favourable to The Club than would otherwise have been under a normal financing arrangement.

NOTE 16 COMPANY DETAILS

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

Marrickville Golf Club Sporting & Community Club Limited
Wharf Road
Marrickville, NSW

MARRICKVILLE GOLF SPORTING & COMMUNITY CLUB LIMITED
ABN 67 000 114 152
Year Ended 31 August 2019

TRADING STATEMENT

| | 2019 | 2018 |
|----------------------------------|------------------------------|------------------------------|
| | \$ | \$ |
| BAR TRADING | | |
| Trading Income | | |
| Sales | 544,564 | 529,413 |
| Total Trading Income | <u>544,564</u> | <u>529,413</u> |
| Cost of Sales | | |
| Add: | | |
| Opening Stock | 14,553 | 15,833 |
| Purchases | 242,760 | 228,210 |
| | <u>257,313</u> | <u>244,043</u> |
| Less: | | |
| Closing Stock | 15,561 | 14,553 |
| Cost of Sales | <u>241,752</u> | <u>229,490</u> |
| Gross Profit | <u>302,812</u> | <u>299,923</u> |
| Less: | | |
| Bar Expenses | 2,287 | 4,565 |
| Wages | 155,157 | 149,608 |
| | <u>157,444</u> | <u>154,173</u> |
| Bar Trading Profit | <u>145,368</u> | <u>145,750</u> |
| POKER MACHINE TRADING | | |
| Trading Income | | |
| Income from Poker Machines | 50,787 | 45,384 |
| Less | | |
| Machine Maintenance & Monitoring | 3,900 | 5,463 |
| Poker Machine Profit | <u>46,887</u> | <u>39,921</u> |
| TOTAL TRADING PROFIT | <u><u>192,255</u></u> | <u><u>185,671</u></u> |

MARRICKVILLE GOLF SPORTING & COMMUNITY CLUB LIMITED
ABN 67 000 114 152
Year Ended 31 August 2019

DETAILED REVENUE STATEMENT

| | 2019 | 2018 |
|--|-------------------------|-------------------------|
| | \$ | \$ |
| INCOME | | |
| Gross trading Profits for Bar & Poker Machines | 192,255 | 185,671 |
| Members Subscriptions | 214,578 | 218,416 |
| Course Income | | |
| Green Fees | 263,147 | 270,046 |
| Competition Fees | 198,083 | 207,983 |
| Cart Hire Income | 135,255 | 129,817 |
| | <u>596,485</u> | <u>607,846</u> |
| Other Income | | |
| Member Donations | 2,650 | 688 |
| Sundry Commission | 2,372 | 839 |
| TAB Commission | 9,417 | 8,740 |
| Sponsorship | - | 1,917 |
| Keno Commission | 4,960 | 5,255 |
| ATM Commission | 7,407 | 7,483 |
| Rent Received | 29,209 | 26,814 |
| | <u>56,015</u> | <u>51,736</u> |
| Interest Received | 1,925 | 2,319 |
| Profit on Sale of Plant | - | - |
| TOTAL INCOME | <u><u>1,061,258</u></u> | <u><u>1,065,988</u></u> |

MARRICKVILLE GOLF SPORTING & COMMUNITY CLUB LIMITED
ABN 67 000 114 152
Year Ended 31 August 2019

EXPENDITURE STATEMENT

| | 2019 | 2018 |
|--|------------------|----------------|
| | \$ | \$ |
| EXPENDITURE | | |
| Course Expenses | | |
| Legal Fees | 1,113 | - |
| Cart Loan Interest | 3,412 | - |
| Loss on Sale of Plant | 27,367 | - |
| Cart Repairs & Maintenance | 1,545 | 9,452 |
| Cart Hire Commission | 31,786 | 35,868 |
| Cart Electricity | 3,700 | 3,637 |
| Cart Rentals | - | 18,934 |
| Cart Depreciation | 18,720 | 1,560 |
| Course Wages | 194,155 | 183,099 |
| Green Fees Commission | 26,902 | 26,844 |
| Insurance - Workers' Compensation | 10,774 | 9,778 |
| Professional Retainer | 34,307 | 34,307 |
| Maintenance | 78,744 | 65,459 |
| Depreciation | 36,266 | 32,817 |
| Rent | 6,237 | 6,113 |
| Golf Ball Damage Repairs | 10,138 | 2,550 |
| Course Machinery Maintenance | 7,343 | 9,527 |
| Starters Fees | 6,812 | 7,316 |
| Course Insurance | 12,673 | 11,848 |
| Water Rates | 6,000 | 10,200 |
| | 517,994 | 469,309 |
| Club House Expenses | | |
| Cleaning and Waste Removal | 40,200 | 38,455 |
| Insurance | 12,672 | 11,848 |
| Electricity & Gas | 36,897 | 43,401 |
| Repairs and Maintenance | 13,767 | 15,836 |
| Rent Clubhouse | 13,066 | 12,809 |
| Depreciation | 20,564 | 19,765 |
| Water Rates | 4,752 | 8,086 |
| Club Promotions & Advertising | 45,873 | 41,765 |
| Racing Channels | 17,322 | 17,222 |
| | 205,113 | 209,187 |
| Golf & Entertainment Expenses | | |
| Affiliation & Golf Link Fees | 17,463 | 17,252 |
| Inter-Club Golf | 9,779 | 10,239 |
| Competition Ball Prizes | 18,395 | 20,361 |
| Trophy Purchases & Vouchers | 43,542 | 55,943 |
| Course Promotion | 1,624 | 2,134 |
| | 90,803 | 105,929 |
| Administration Expenses | | |
| Bank Charges & Merchant Fees | 4,098 | 4,257 |
| Printing Stationery & Postage | 5,228 | 8,768 |
| Interest Paid | - | 328 |
| Staff Amenities & Uniforms | 1,334 | 725 |
| Sundry Expenses | 2,667 | 2,732 |
| Telephone | 2,779 | 3,462 |
| Salaries | 115,786 | 111,334 |
| Accountancy | 3,155 | 3,155 |
| Computer Expenses | 8,757 | 7,995 |
| Security Costs | 7,937 | 9,791 |
| Superannuation | 39,507 | 38,230 |
| Audit Fees | 4,700 | 4,300 |
| Stocktaking Fees | 2,640 | 2,640 |
| Donations | - | 218 |
| Licences & Registrations | 2,798 | 2,208 |
| Robbery Loss | - | 2,241 |
| Legal Expenses | - | 425 |
| Total Administration Expenses | 201,386 | 202,809 |
| TOTAL EXPENSES | 1,015,296 | 987,234 |
| NET PROFIT (LOSS) FOR YEAR | 45,962 | 78,754 |