

**NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the Annual General Meeting of Ordinary Members of the Mulwala & District Services Club Limited ACN 000 908 485 will be held at the Clubhouse, Melbourne Street, Mulwala on Sunday 15th October, 2017 at 11am.

BUSINESS:

1. To confirm the Minutes of the previous Annual General Meeting held on 16th October, 2016
2. To receive and consider the reports of the Board of Directors.
3. To receive and consider the Financial Statements and Auditors report.
4. To deal with business of which due notice has been given. See Resolution below.
5. To deal with other business of which due notice has been given.
6. To deal with any business that the meeting may approve of for which due notice has not been given.

Mulwala By Order of the Board

18th September, 2017 Alan S. Rowe

Chief Executive Officer

**MEMBERS PLEASE NOTE:**

1. Questions pertaining to the financial statements are required to be lodged in writing, with the Chief Executive Officer, seven (7) days prior to this meeting.

**Ordinary Resolution 1**

Members will be asked to consider and if thought fit pass the following ordinary resolution

1. To comply with the Registered Clubs Act 1976 Section 10

That approval is given to a budget provision of an annual sum (not exceeding $50,000) to meet such of the following expenses of the Club that may be approved by the Board of Directors from time to time:

1. The reasonable cost of meals and beverages for each Director at an appropriate time before or after a Board and other Meetings. The reasonable cost of meals and beverages for each Director and partner whilst Director is in uniform on duty representing the Club.
2. Reasonable expenses incurred by a Director either within the Club or elsewhere in relation to the duties of a Director including the entertainment of special guests of the Club in relation to Club business and such other promotional activities as may be approved by the Board.
3. The professional development and education of Directors over the following twelve months including: The reasonable cost of Directors attending ClubsNSW meetings, seminars, lectures, trade displays and other similar events that may be determined by the Board from time to time. The reasonable cost of Directors attending other Clubs throughout the State or relevant overseas venues for the purpose of observing their facilities and methods of operation.
4. Facilities to support the Directors in performance of their role, including: director car park, uniforms and any other equipment or facilities so approved by the Board.

**NOTES TO RESOLUTION:** Please note this resolution is required under the Registered Clubs Act and is procedural.

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**MULWALA & DISTRICT SERVICES**

**CLUB LIMITED**

ACN 000 908 485

**BOARD OF DIRECTORS:**

**Chairman:** Mr D. O’Meara ESM, OAM

**Deputy Chairman:** Mr B. Bouchier

Mr D. King

**Directors:** Mr C. Brennan

Mr J. Burn

Mr J. Clarke

Mr J. Futcher

Mr S. McBurnie

Mr K. Pendergast

**CHIEF EXECUTIVE OFFICER:** Mr A. Rowe

**AUDITOR:** Mr J.F. Haebich F.C.A

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**MULWALA & DISTRICT SERVICES CLUB LIMITED**

**MINUTES OF THE ANNUAL GENERAL MEETING**

**OF MEMBERS OF THE MULWALA & DISTRICT SERVICES CLUB LIMITED**

Held at the clubhouse Melbourne Street Mulwala on Sunday 16th October, 2016 at 11.00 am

**PRESENT**: Mr B Bouchier (Interim Chairman), forty (40) ordinary RSL Members and thirty eight (38) Associate Members – Total of 78.

**WELCOME**: Mr Bouchier in opening the meeting welcomed all those present, acknowledging life member Mr Tony Nieuwenhout OAM, he also acknowledged the passing of long time life member Mr Harry Teale during the year.

He also thanked the current Board for their input over the past two years.

**APOLOGIES:** P Novoty, R Purtle, B Cossar and P Dodman

**MINUTES:** Resolved on the motion of Messrs K Pendergast and L Foote that the minutes of the Annual General Meeting held on 18th October 2015, a copy of which had been circulated to all members be confirmed as a true record of proceedings.

Carried

Resolved on the motion of Messrs D King and T Nieuwenhout that the minutes of the Extraordinary Meeting held on Wednesday 31st August, 2016, a copy of which had been circulated to all members be confirmed as a true record of proceedings.

Carried

**DIRECTORS** A copy of the Directors report and statement by Directors as

**REPORT AND** circulated to all members pg 15-18 of Annual Report 2016.

**STATEMENT:**

Moved on the motion of L Foote and I Summers that the report and statement be received.

Carried

**FINANCIAL** Resolved on the motion of J Burn and K Pendergast that the

**STATEMENTS &** financial statements (pg 19 onwards), a copy of which had been

**AUDITORS REPORT:** circulated to all members, be accepted.

Question – Maurice Seiler re; differential amount in rent paid by ClubMulwala to the RSL in comparison to previous year.

Mr Des O’Meara (Yarrawonga Mulwala RSL Sub-Branch Treasurer) to answer: Des’ explicitly replied informing that due to an overpayment in previous year (2014/15) and a higher interest fees adjustment was made in (2015/16) hence the difference.

Carried

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**RESOLUTION:** A copy of the resolution was circulated to all members, being a resolution required under the registered clubs act, to expend up to $35,000 for the cost of out of pocket expenses incurred by the directors, the cost of attending conferences and professional development**.**

The resolution was passed on the motion of J Futcher and K Pendergast.

Carried

**GENERAL BUSINESS:** There was no items of General Business.

**INTRODUCTION** Interim Chairman Bouchier introduced the new incoming Board of

**OF BOARD:** Directors for the ensuing years, first year of two year tenure: Chairman; Des O’Meara

Directors; Brian Bouchier, Col Brennan, John Burn, John Clarke, John Futcher, David King, Shane McBurnie and Kerry Pendergast.

**CLOSURE** There being no further business the meeting closed at 11.11 am.

I certify that the above as a true record of proceedings.

Deputy CHAIRMAN: Brian Bouchier. DATE: 17th October 2016

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**CHAIRMAN’S REPORT**

Members,

In October 2016, there was a new inexperienced chairman and four new directors elected to the Board. All have since completed the education packages required, and we now have a cohesive, progressive board working for the betterment of our great ClubMulwala. I thank the previous board members of 2014/16 that were not re-elected, for their contribution to ClubMulwala in their term of office.

2016/17 has been a positively enormous year for ClubMulwala and its members, making a profit of $1,243,125, a huge increase on last year’s profit of $770K+. I congratulate CEO Alan Rowe, ClubMulwala Management and staff on this great achievement. We continue to renew the gaming floor and offer a fantastic fare in Diggers, attracting more patrons to frequent our premises.

Life Members Anton Nieuwenhout and Trevor Hargreaves officially opened our new escalator in December, which really modernised the entrance of our Club, with all credit due to the 2014/16 Board, a truly great achievement.

Our Intra-house clubs are vital to ClubMulwala, offering opportunities for all members to join and enjoy the sports on offer. I commend the various committees on their continued successes in their respective sports. The Directors were given lessons in snooker from the talented Snooker Club members, and will need to get some practice in before the next shoot out.

The Board is reviewing what opportunities exist to modernise our premises, starting with some renovations required in the accommodation precinct. The Board attended the Hospitality and Gaming Expo in Brisbane in February, visiting various venues to gain more ideas on modernisation.

I visited Las Vegas, with Executive Chef Daniel Ryan, in May, to gather ideas on the various aspects of the gaming world. I know Daniel has some great things lined up for the Diggers menu.

In March, we were debt free. Since the arrival of CEO Alan Rowe in December 2014, ClubMulwala has repaid the RSL Sub Branch $120,000 that was a long standing loan; repaid an overdraft of $850K+, and repaid a $2.1M loan to the NAB. A sum of $3M+, a great achievement by CEO Alan and his ClubMulwala staff.

ClubMulwala continue to support our local community charities and groups, with a special allegiance with the Yarrawonga Mulwala RSL Sub Branch and Auxiliary, and the Cobram Yarrawonga Legacy Group. I know that all these organisations appreciate our commitment each year.

I thank the Board for their contribution to ClubMulwala and look forward to a challenging and rewarding 2017/18.

Des O’Meara ESM, OAM

CHAIRMAN

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**CEO’s REPORT**

WOW, what a fantastic year we have had.

I would like to personally thank and congratulate our incredible team here at ClubMulwala and to you the Members for being so unbelievably supportive of our wonderful Club.

I would also like to congratulate the newly elected directors on becoming our new ClubMulwala Board. We have got a board that is in place for the best interest of the club.

I feel with our new Chairman-Des O’Meara and positive personal on our board, ClubMulwala is well poised for the future and in the best position it has been for many years.

It gives me great pleasure to present my third report to our members.

The 2016/17 year has been one of reinvesting back in our facility as seen by installation of our new escalator’s, this has proven to be extremely positive with the feedback we get from our members, a new courtesy bus and new bitumen on our car park.

ClubMulwala has returned a Profit of $1,243,125 for the 2016/17 financial year this compares to last year we made a profit of $770,173 [2015/16].

In 2014/15 ClubMulwala lost $164,797, the turnaround of ClubMulwala has now given us an extremely strong business model to use as a base for future reinvestment back in our club.

ClubMulwala is very focused on the Yarrawonga/Mulwala community with well over $330,000 of either cash or in-kind donations made throughout our community through numerous beneficiaries. We are also pleased to support and partner the RSL Sub Branch included in this are Legacy, Ladies Auxiliary and Mulwala Elderly Citizens.

Employing for the most over 110 employees we are very serious about our commitment to Yarrawonga/Mulwala and will always continue to, without our members support we would not be able to do this, so for this tremendous support, I would like to say thank you.

I would like to take this opportunity to personally thank Des and his current Board of Directors for their fantastic support and vision they are showing to keep our club strong and vibrant and moving in a positive, forward direction.

I would like to sincerely thank Darren, Maria, our Management Team and all our staff and their families for the tremendous job and commitment and effort over the past 12 months; all of our staff and their families are valued members of our team.

I would like to acknowledge and congratulate all our intra house affiliates including Indoor Bowls, Outdoor Lawn Bowls and Snooker. Thank you for your ongoing support of our Club.

We will be reinvesting back in our already wonderful facility over the coming years and implementing more and more positive changes for all our members and visitors to enjoy.

We can certainly look forward to the future with confidence as we continue to keep ClubMulwala one of the premier clubs and destinations on the Murray.

Alan Rowe

CHIEF EXECUTIVE OFFICER

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**INTRA HOUSE CLUB REPORTS**

**INDOOR BOWLS 2016 - 2017**

It gives me great pleasure to present this Report for the year 2016 – 2017.

I would like to thank my committee and the match committee for all your support and help over the past year.

To the Board of Directors and Alan Rowe, thank you, for without your donations with prize money and afternoon teas for our Tournaments we would find it very hard to function.

Thanks, must also be given to you for the use of the Courtesy Bus for our Pennant Trips.

To Peter, Kerry and all catering staff, thank you for the great job you do and to the girl’s downstairs at Reception, thank you for the typing and photocopying that you do for us.

Presentation night was great night of food and music. Congratulations to all the Winners and Runner Ups. Unfortunately, the entries for our Inter House Competition were not enough to run all of them. Let’s hope there will be more members entering in future.

Our social nights have been a great success with a dinner on the paddle steamer and cruise around the lake and then our Chineses Dinner at the Ski Club which was also a great night out and very well attended.

The over 80s day had a good turn up and our Charity Day raised $1300 for MHA Care – great effort. A special thanks to our members who have donated to our special efforts table at all our events.

Thank you to all our members who help put out the mats and bowls and help put them away, this is greatly appreciated.

Pennant has had great results with Noel Owen’s team playing in the semi-finals, playing well and doing our club proud. Thanks also to our two other teams for the great effort they have put in and hopefully will have more luck next time.

To our publicity officer, Phyllis Novotny and to our members who do our catering each week, thank you.

I wish the incoming committee every success for the next year.

Tricia Murphy

President

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**OUTDOOR BOWLS 2016-2017**

I am proud to present this, my first President’s Report for the season 2016-2017.

On behalf of the members (Outdoor Bowls) I extend our thanks to the staff of ClubMulwala for their assistance over the past 12 months. Thank you to Alan (CEO) and Jaki for your support and guidance, please could you convey also our thanks to the Board of Management. To ClubMulwala Board’s Representative, David King, thank you for your valued assistance over the year. David, we look forward to your association to ClubMulwala Bowls over many years to come.

I acknowledge and thank ClubMulwala’s Catering Manager Peter and Functions Supervisor Kerry. Their professionalism and understanding when catering orders were altered were appreciated as they provided a smooth path on a sometimes-rocky road. To the kitchen staff, chefs, front of house and bar staff, thank you from all the club bowlers and guest bowlers.

Bowling Visitors

From the beginning of the year we had clubs visiting us including teams form Belmont (Geelong), Greensborough and V.R.I (Victorian Railways Institute) and all have indicated they will return in 2017-2018.

Social bowls ran through the Winter, with good attendance from other clubs in our district. This provided an opportunity to forge links with YMGCR and Yarrawonga Bowling Club, as well as visitors to the district.

Come and Try Days were organised by our club members and pleasant days were had bowling with a BBQ following. This resulted in bringing about interest in membership to the club, although more work still is required to increase our membership, however it was a starting point.

Attendees from ClubMulwala conferences came to play social bowls at the end of their conference day. Fees for the hire of bowls and green fees were made exempt from them. John Thurling, Russell Cook and myself helped guide the non-bowlers of these groups. This was met with much laughter and was much appreciated by the groups involved.

Pennant Midweek & Saturday

Prior to the start of the season, pennant practice was arranged between Tungamah, St James and ourselves. This has become an annual event. The afternoon was a huge success and appreciated by all who attended.

This season started off well with two teams entered on Saturday and two on Tuesday. Unfortunately, the B2 team on Saturday had to withdraw due to lack of members available. This was due to illness and members going on holidays and, as the heat rose, unfortunately a few of our older members fell by the wayside. The A4s held on to 5th position and, although just missing the finals, we can hold our heads high.

Midweek Pennant suffered as well. Our two teams finished 7th and 8th on the ladder. We had hoped at the start of the season to finish in the top four but with our dwindling availabilities, this was not to be. Thank you to all the players who put tremendous effort over the season.

Although our results did not get us into the finals, our greens were selected for the Ovens and Murray Pennant Finals held over three weeks. The successful running of the finals at our club was due to the members contributing to the running of these events along with the great work our Greenkeeper (Jed) who puts in extra

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efforts to our greens leading up to these finals. All finals players acknowledged our greens as some of the best that they had played on with consistency of speed and grass taken. The shade provided by the marquees that Jed found to erect in the centre of the greens was appreciated by spectators and players alike.

Over the past few months I have uploaded of photographs and information onto social media websites of Lawn Bowls Australia, Bowls Victoria and World Wide Bowls Official UK. The feedback I have received has put ClubMulwala in good place. We hope to explore more social media outlets and help get our club name about throughout Australia as well as to overseas clubs.

Club Championships

All club championships were held over the season:

Ladies Club Champion Laureen Smith

Men’s Club Champion Albert Dodman

O&M Champ of Champion Laureen Smith

Victorian State Ladies Pairs Laureen Smith, Rhoanna Smith (First mother & daughter to win this event)

World Bowls Official Laureen Smith (2016 New Zealand World Bowls Champion)

World Bowls Official Umpire Laureen Smith (Commonwealth Games 2018, Queensland)

Tournaments

A successful Ladies 3-Bowl Triples Tournament was held in October.

Two bowls triples were held once a month over the season. This competition become harder to organise as the year went on as teams began dropping out over several weeks. This also happened at the other clubs in the group – YMGCR, Yarrawonga and Wangaratta.

Our Krackerjack Competition was a success – held over two days on Easter weekend. Thanks to the ladies for the smooth running this tournament with great feedback from players who attended. Unfortunately, it was not possible for Pam and myself to attend.

To all our club committees, thank you for your efforts over the past year. We started slow, with caution and apprehension but we finished on a high.

Thanks to all for all efforts over the season and let’s continue the good work for season 2017-2018.

Albert Dodman

President

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**Snooker 2016-2017**

It’s been another great year for the Snooker Interhouse Club, with member’s competition snooker played on Monday night’s and social snooker on every Wednesday night from the start of February to the end of November. On our two well maintained full size snooker tables.

Our Club Champion this year, was one of our junior members Jake Thompson, who defeated Samantha Macheda in the final, who was vying for her forth Club Championship in a row. The Doubles Championship was taken out by Jason Bassett and Russell Styles. Along with these, we play numerous other tournaments throughout the year, including team events, scotch doubles and inter Club Challenge’s against the Albury Commercial Club in Albury.

Our members have again excelled in tournaments across the state and country, with Adrian Ridley winning the Oceania 6 Red Championship and the Australian National Snooker Championship, which was an amazing result, and qualified Adrian to play in the International Billiards and Snooker Federation World Snooker Championship’s, which is to be held in Qatar between 17th - 27th November. Where Adrian will be trying to better his previous best result of quarter finalist in the World Championship’s.

We also had Jake Thompson represent Club Mulwala and Australia in the under 21 Trans-Tasman Snooker Challenge against New Zealand where Australia won. Jake also played in the Victorian under 18 titles where he won the Victorian Billiards Championship and achieved runner up in the State Snooker.

In July, this year we had Jake Thompson and Mason Turner travel to Adelaide for the Australian Junior Snooker & Billiards Championships where both boys played well in their round robin groups. With Jake making it through to the quarter final in the Snooker and Semi-final in the Billiards. Jake also played in the Victorian team in the Mitchell Billiards Cup – Australian Junior Teams Challenge, which Victoria got runner up against Queensland in the Final.

Jake Thompson and Mason Turner also travelled down to Melbourne recently to compete in the Victorian under 18’s 8 Ball Championships, where Mason competed extremely well, considering this was his first 8 ball tournament and narrowly missed out on the finals, finishing 3rd in his group of 6, where the top 2 from each group went through to the finals. Jake Played in the other group and made it to the final, where he lost, after a long day of 8 ball. This qualified Jake to play in the Victorian Junior 8 ball team for the Australian Junior Championship’s which is to be held in Adelaide next January.

We are always welcoming new members, so come down on Wednesday nights at 7.00pm and have a good night of snooker and socializing. While getting to watch or even play against some of the country’s best adult and junior players, with handicaps to level out all the various the skill levels. With the finalists winning Club Mulwala vouchers and cash prizes.

President

Darren Thompson

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**COMMUNITY SUPPORT & DEVELOPMENT**

The following local organisations have benefited from assistance from ClubMulwala:

* Sacred Heart Primary School
* Sacred Heart College
* Yarrawonga College P-12 Primary
* Yarrawonga College P-12 Secondary
* Yarrawonga College P-12 ‘Kokoda Trek’
* Mulwala Public School
* Mulwala Pre-School
* Savernake Public School
* St Francis Xavier School Urana
* St Marys School Corowa
* Tungamah Primary School
* Cobram & District Special School
* Yarrawonga Football Netball Club
* Tim Levesque Golf Day
* Tungamah Football Netball Club
* Rennie Football Netball Club
* CDHBU Football Netball Club
* Albury Tigers Football Club
* Tunzafun
* Yarrawonga Pre-school Occasional Care
* Yarrawonga Lawn Tennis Club
* Yarrawonga Junior Sports Carnival
* Yarrawonga Mulwala Table Tennis Assoc.
* Yarrawonga Mulwala Basketball Assoc.
* Yarrawonga Artist Association
* Yarrawonga Scout Group
* Max Pavlovsky – zip stroller
* Learning Difficulties Australia
* Yamaha Cod Classic
* Katamatite Cricket Club
* Lake Mulwala Angling Club
* Sun Country Dance Studio’
* Youanmite Hall
* Yarrawonga Gala Ball & Dance W’end group
* Laverton Bowls Club
* K.I.D.S Foundation
* Murray Crays Football Club
* Various Cancer Fundraisers: Peter MacCallum Center, Relay for Life etc
* Good Friday Appeal
* Heath Martin Children Fund
* Sun Country Historic Vehicle & Machinery Club
* Margaret Pratt Foundation
* Yarrawonga Mulwala RSL Sub-Branch
* Yarrawonga Cobram Legacy Groups
* Yarrawonga Mulwala RSL Women’s Auxiliary
* The Veteran Community
* Yarrawonga Health Age Care
* Yarrawonga Community Health
* Moira Health Alliance
* Meals on Wheels
* PALS – Gorman / Respite House
* Yarrawonga Friends in Common
* Yarrawonga SES
* Yarrawonga Neighbourhood House
* Salvation Army – Red Cross
* Mental Health Awareness SA
* Mulwala Fire Brigade
* Yarrawonga Fire Brigade
* Cystic Fibrosis Fundraiser
* Yarrawonga Men’s Shed
* Yarrawonga Rotary
* Cohuna District Hospital
* Yarrawonga & Mulwala Probus Clubs’
* Yarrawonga Mulwala Lions Club
* Mulwala Elderly Citizens Village
* Yarrawonga & Mulwala Senior Citizens
* MulWonga Wood Turners
* Murray River Rumble
* Northeast Health Midwifery Unit
* ClubMulwala Lawn Bowls Club
* ClubMulwala Snooker Club
* ClubMulwala Indoor Bowls Club
* Yarrawonga & Border Agricultural Society – Annual Show
* Corowa Pastoral, Agricultural & Horticultural Society – Annual Show
* Yarrawonga Holiday Park
* Buckles & Boots Linedancing
* Berry Street Children Foundation
* Mulwala Blue Light Disco
* Burrumbuttock Hay Runners
* Brea Roadley – local kayaker
* Beyond Blue
* Blue Ribbon Foundation
* Abbie Barnes – Local Netballer

**Club Mulwala is proud to be able to support these and many other worthy organisations throughout the year.**

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**MULWALA & DISTRICT SERVICES CLUB LIMITED ACN 000 908 485**

**DIRECTOR’S REPORT**

Your Directors present their report on the Company for the financial year ended 30 June 2017.

1. **DIRECTORS**

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

Brian Patrick Bouchier

Colin Gerard Brennan (appointed 16/10/2016)

John Phillip Burn (appointed 16/10/2016)

John Michael Clarke (appointed 16/10/2016)

Lynne Dowsett (resigned 16/10/2016)

John Phillip Futcher (appointed 16/10/2016)

Russell Digby Ingram (resigned 16/10/2016)

Peter Jones (resigned 16/10/2016)

David Wilfred King

Shane Douglas McBurnie

Ian Walter McKenzie (resigned 16/10/2016)

Desmond John O’Meara (appointed 16/10/2016)

Kerry William Pendergast

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

1. **COMPANY SECRETARY**

The following person held the position of Company Secretary at the end of the financial year: Mr Alan Rowe – Mr Rowe has been employed as the Chief Executive since 1st day of December 2014.

1. **PRINCIPAL ACTIVITIES & OBJECTIVES**

The principal activities & objectives of the company during the year were that of a Registered Club providing various facilities and amenities including accommodation and a Day Spa, bar and dining facilities and entertainment for its members. These activities assisted in achieving the company’s objectives by providing funds to allow the ongoing upkeep and enhancement of the facilities. The company measures its performances by being able to upgrade and enhance its facilities within its financial limitations.

1. **STRATEGIES**

The company strives to attract and retain quality staff who are committed to upkeep the Clubs mission statement which is ‘To achieve total customer satisfaction by providing service excellence, using employees and products produced in a caring and safe environment, whilst at all times following the ideals of the Returned & Services League.

1. **KEY PERFORMANCE MEASURES**

The company measures its own performance through the use of both quantitative and qualitative benchmarks. The benchmarks are used by the Directors to assess the financial sustainability of the company and whether the company’s objectives are being achieved.

1. **OPERATING RESULT**

The net amount of operating profit of the Company for the year was $1,243,125.

1. **DIVIDENDS PAID OR RECOMMENDED**

The company has not paid or declared any dividend since the end of the previous financial year. The constitution of the company prohibits a distribution of a dividend.

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1. **REVIEW OF OPERATIONS**

The Profit from ordinary trading operations was $1,243,125 compared with the operating profit of $1,168,082 in the prior year. The prior year net profit includes a capital gains of $397,910.

1. **FINANCIAL POSITION**

A review of the balance sheet shows the movements in the company's position as follows:

Net increase in current assets $182,384

Net increase in total assets $161,527

Decrease in liabilities $1,028,896

Purchases of fixed assets $1,296,116

1. **SIGNIFICANT CHANGES IN THE 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 financial year under review not otherwise disclosed in this report or in the accounts.

1. **AFTER BALANCE DATE EVENTS**

Since the end of the financial year, the Directors are not aware of any matter or circumstance not otherwise dealt with in the report or accounts that have significant or may significantly affect the operation of the company, the results of those operations or the state of affairs of the Company in subsequent financial years.

1. **FUTURE DEVELOPMENTS**

Renovations of ten rooms at Resort is scheduled for May/ June 2018, the cost expected to be about $200,000.

1. **ENVIRONMENTAL ISSUES**

The company's operations are not subject to any significant environmental regulation under a law of the Commonwealth or of a State or Territory. The board believes that the company has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the company.

1. **INFORMATION ON DIRECTORS**

**Experience**: **Occupation:**

**Brian Patrick Bouchier** - Board Member since 2007 Funeral Director

*Deputy Chairman* -Member of Club Directors Institute

**Colin Gerard Brennan**  - Board Member since 2016 Retired

- Member of Club Directors Institute

**John Phillip Burn** - Board Member since 2016 Retired

- Member of Club Directors Institute

**John Michael Clarke** - Board Member since 2016 Security Officer

-Member of Club Directors Institute

**John Phillip Futcher** - Board Member since 2016 Painter

-Member of Club Directors Institute

**David Wilfred King** - Board Member since 2014 Retired

*Deputy Chairman* -Member of Club Directors Institute

**Shane Douglas McBurnie** - Board Member since 2010 Director

-Member of Club Directors Institute Business owner

**Desmond John O’Meara** - Board Member since 2016 Retired

*Chairman* -Member of Club Directors Institute

**Kerry William Pendergast** - Board Member since 2010 Retired

-Member of Club Directors Institute

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1. **DIRECTOR’S REMUNERATION**

Since the end of the previous financial year no Director has received or become entitled to receive a remuneration (other than a remuneration included in the aggregate amount of remuneration received or due and receivable by Directors shown in the accounts, or the fixed salary of a full-time employee of the company) by reason of a contract made by the company with the Director or with a firm of which they are a member or with a company in which they have a substantial financial interest, save and except Mr S McBurnie & Mr R Ingram who are employees of a company with whom the club has traded.

1. **MEETINGS OF DIRECTORS**

During the financial year twelve Monthly meetings of Directors were held. Attendances by each Director during the year were as follows:

Number Eligible to attend Number Attended

Mr Brian Bouchier 12 11

Mr Colin Brennan 9 6

Mr John Burn 9 8

Mr John Clarke 9 9

Mrs Lynne Dowsett (resigned 16/10/2016) 3 3

Mr John Futcher 9 7

Mr Russell Ingram (resigned 16/10/2016) 3 2

Mr Peter Jones (resigned 16/10/2016) 3 3

Mr David King 12 12

Mr Shane McBurnie 12 12

Mr Ian McKenzie (resigned 16/10/2016) 3 2

Mr Desmond O’Meara 9 9

Mr Kerry Pendergast 12 11

1. **INDEMNIFYING OFFICERS OR AUDITOR**

During or since the end of the financial year, the company has given an indemnity or entered into an agreement to indemnify, or paid or agreed to pay insurance premiums as follows:

The company has paid premiums to insure each of the following directors and executives against liabilities for costs and expense incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director of the company, other than conduct involving a willful breach of duty in relation to the company.

B.P.Bouchier, C.G.Brennan, J.P.Burn, J.M.Clarke, J.P.Futcher, D.W.King, S.D.McBurnie, D.J.O’Meara,

K.W. Pendergast, A.S. Rowe

1. **MEMBERSHIP**

The number of Members as at 30 June is as follows:

**2017 2016**

**Ordinary** 9,554 8,968

**Life Members** 3 3

**TOTAL 9,557 8,971**

Members Guarantee

The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each Member is required to contribute a maximum of $5 each to meet any outstanding obligations of the company. At 30 June 2017, the total amount that members of the company are liable to contribute if the company is wound up is $47,785 (2016 $44,855)

1. **PROCEEDINGS ON BEHALF OF COMPANY**

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.

The company was not a party to any such proceedings during the year.

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1. **AUDITOR’S INDEPENDENCE DECLARATION**

The lead auditor's independence declaration for the year ended 30 June 2017 has been received and can be found on page 31 of the financial report.

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

Signed at Mulwala, on this the 18th day of September, 2017

Kerry Pendergast Colin Brennan

Director Director

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|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| MULWALA AND DISTRICT SERVICES CLUB LIMITED ACN: 000 908 485 | | | | |
| **STATEMENT OF PROFIT OR LOSS** | | | | |
| FOR THE YEAR ENDED 30 JUNE 2017 | | | | |
|  | **Notes** | **2017** |  | **2016** |
|  |  | **$** |  | **$** |
| Trading revenue |  | 13,651,222 |  | 13,038,849 |
| Subscriptions |  | 64,636 |  | 141,422 |
| Other revenue |  | 2,329,634 |  | 3,338,556 |
|  | 2 | 16,045,492 |  | 16,518,827 |
|  |  |  |  |  |
| Advertising |  | 95,680 |  | 177,692 |
| Amortization | 1(b) & 3 | 247,995 |  | 210,542 |
| Buses |  | 114,206 |  | 130,680 |
| Cost of sales |  | 1,985,363 |  | 2,313,781 |
| Customer loyalty program |  | 29,007 |  | 113,568 |
| Depreciation | 1(b) & 3 | 992,417 |  | 1,030,608 |
| Donations and sponsorship |  | 132,250 |  | 103,084 |
| Cleaning |  | 69,482 |  | 77,576 |
| Electricity and gas |  | 457,789 |  | 441,261 |
| Entertainment |  | 379,061 |  | 469,113 |
| Insurance |  | 80,900 |  | 64,307 |
| Other expenses |  | 1,503,207 |  | 2,339,121 |
| Personnel expenses |  | 5,636,546 |  | 5,434,506 |
| Poker machine taxes and monitoring fees |  | 1,902,004 |  | 1,741,353 |
| Promotions | 1(o) | 632,586 |  | 506,162 |
| Repairs and maintenance |  | 394,847 |  | 388,873 |
| Training costs |  | 39,935 |  | 7,715 |
|  |  | 14,693,276 |  | 15,549,942 |
| **Result from operating activities** |  | 1,352,216 |  | 862,900 |
|  |  |  |  |  |
| Rent paid RSL |  | 109,091 |  | 92,727 |
|  |  |  |  |  |
| Finance income and expense |  |  |  |  |
| Finance costs |  |  |  |  |
|  |  |  |  |  |
| Profit before income tax |  | 1,243,125 |  | 770,173 |
| Income tax | 1(g) | 0 |  | 0 |
| Operating Profit/-Loss for the year |  | 1,243,125 |  | 770,173 |
| Profit on Sale of Residential Properties |  |  |  | 397,910 |
| Prior Year Adjustments | 1 (p) |  |  |  |
|  |  |  |  |  |
| Net Operating Profit/-Loss |  | 1,243,125 |  | 1,168,083 |

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| --- | --- | --- | --- | --- |
| **STATEMENT OF COMPREHENSIVE INCOME** | | | | |
| FOR THE YEAR ENDED 30 JUNE 2017 | | | | |
|  |  | **2017** |  | **2016** |
|  |  | **$** |  | **$** |
| Net current year surplus/-loss |  | 1,243,125 |  | 770,173 |
| Other comprehensive income |  | 0 |  | 397,910 |
| Total income/-loss attributable to members of the entity |  | 1,243,125 |  | 1,168,083 |
|  |  |  |  |  |
| Transfer to pre-capital gains tax reserve |  |  |  |  |
|  |  | 1,243,125 |  | 1,168,083 |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
| The accompanying notes form part of these financial statements. | |  |  |  |

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| --- | --- | --- | --- | --- |
| MULWALA AND DISTRICT SERVICES CLUB LIMITED ACN: 000 908 485 | | | | |
| **STATEMENT OF FINANCIAL POSITION** | | | | |
| AS AT 30 JUNE 2017 | | | | |
|  |  |  |  |  |
|  | **Notes** | **This Year** |  | **Last Year** |
|  |  | **$** |  | **$** |
| **CURRENT ASSETS** |  |  |  |  |
|  |  |  |  |  |
| Cash and cash equivalents | 6 | 1,943,584 |  | 1,561,255 |
| Trade and other receivables | 7 | 34,050 |  | 39,459 |
| Inventories | 1(a) | 248,509 |  | 248,808 |
| Other - prepayments |  | 33,462 |  | 162,586 |
|  |  |  |  |  |
| **Total Current Assets** |  | 2,259,605 |  | 2,012,108 |
|  |  |  |  |  |
| **NON-CURRENT ASSETS** |  |  |  |  |
|  |  |  |  |  |
| Property, plant and equipment | 8 | 10,760,438 |  | 10,781,296 |
| Investments |  | 32 |  | 32 |
| Other - unsecured loan |  | 586,021 |  | 651,134 |
|  |  |  |  |  |
| **Total Non-Current Assets** |  | 11,346,490 |  | 11,432,462 |
| **TOTAL ASSETS** |  | 13,606,096 |  | 13,444,570 |
|  |  |  |  |  |
| **CURRENT LIABILITIES** |  |  |  |  |
| Trade and other payables | 9 | 1,150,819 |  | 1,480,410 |
| Interest bearing liabilities | 10 | 10,000 |  | 120,000 |
| Provisions | 11 | 290,545 |  | 325,524 |
| **Total Current Liabilities** |  | 1,451,364 |  | 1,925,934 |
|  |  |  |  |  |
| **NON-CURRENT LIABILITIES** |  |  |  |  |
| Trade and other payables |  | 313,923 |  | 247,682 |
| Interest bearing liabilities | 10 | 0 |  | 607,298 |
| Provisions | 11 | 80,568 |  | 41,478 |
| **Total Non-Current liabilities** |  | 394,491 |  | 896,458 |
| **TOTAL LIABILITEIS** |  | 1,845,855 |  | 2,874,710 |
|  |  |  |  |  |
| **NET ASSETS** |  | 11,760,241 |  | 10,569,859 |
|  |  |  |  |  |
| **MEMBERS'EQUITY** |  |  |  |  |
| Current Years Earnings |  | 10,517,116 |  | 9,349,034 |
| Retained profit |  | 1,243,125 |  | 1,168,082 |
| **TOTAL MEMBERS'EQUITY** |  | 11,760,241 |  | 10,517,116 |
|  |  |  |  |  |
| The accompanying notes form part of these financial statements. | |  |  |  |
|  |  |  |  |  |

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| --- | --- | --- | --- | --- |
| MULWALA AND DISTRICT SERVICES CLUB LIMITED ACN: 000 908 485 | | | | |
| **STATEMENT OF CHANGES IN EQUITY** | | | | |
| AS AT 30 JUNE 2017 | | | | |
|  |  |  |  |  |
|  | **Notes** |  |  | **Retained Surplus** |
|  |  |  |  | **$** |
| **Balance as at 1 July, 2015** |  |  |  | 9,349,033 |
|  |  |  |  |  |
| **Comprehensive Income** |  |  |  |  |
| Surplus (Deficit)for the year attributable to  members of the entity |  |  |  | 770,173 |
| Other comprehensive income for the year |  |  |  | 397,910 |
| Total income attributable to members of the  entity |  |  |  | 1,168,083 |
|  |  |  |  |  |
| **Balance as at 30 June, 2016** |  |  |  | 10,517,116 |
|  |  |  |  |  |
| There are no revaluation or financial reserves |  |  |  |  |
|  |  |  |  |  |
| **Balance as at 1 July, 2017** |  |  |  | 10,517,116 |
|  |  |  |  |  |
| Surplus for the year attributable to members of  the entity |  |  |  | 1,243,125 |
|  |  |  |  |  |
| Total income attributable to members of the  entity |  |  |  | 1,243,125 |
|  |  |  |  |  |
|  |  |  |  |  |
| **Balance as at 30 June, 2017 - Total Members Equity** | |  |  | 11,760,241 |
| There are no revaluation or financial reserves. |  |  |  |  |

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| --- | --- | --- | --- | --- |
| MULWALA AND DISTRICT SERVICES CLUB LIMITED ACN: 000 908 485 | | | | |
| **CASH FLOW STATEMENT** | | | | |
| FOR THE YEAR ENDED 30 JUNE 2017 | | | | |
|  | Notes | This Year |  | Last Year |
|  |  | inflows/-outflows |  | inflows/-outflows |
| CASH FLOWS FROM OPERATING ACTIVITIES |  | **$** |  | **$** |
| Receipts from customers |  | 15,996,181 |  | 15,451,109 |
| Payments to suppliers & employees |  | -13,481,540 |  | -13,829,322 |
| Finance costs |  | -40,611 |  | -74,064 |
| Interest Received |  | 6,985 |  | 3,106 |
| Adjustment to Previous Financial Year |  |  |  |  |
| Net cash provided by operating activities | 2 | 2,481,015 |  | 1,550,829 |
| CASH FLOWS FROM INVESTING ACTIVITIES |  |  |  |  |
| Purchase of property, plant & equipment |  | -1,287,866 |  | -750,265 |
| Proceeds from sale of fixed assets |  | 24,727 |  | 459,300 |
| Proceeds from sale of Poker Machine Licences |  |  |  |  |
|  |  | -1,263,139 |  | -290,965 |
| CASH FLOWS FROM FINANCING ACTIVITIES |  |  |  |  |
| Repayment of borrowings |  | -989,185 |  | -695,222 |
| Proceeds from borrowings |  | 88,525 |  | 273,529 |
| Repayment of loan |  | 65,113 |  |  |
| Net cash flows from financing activities |  | -835,547 |  | -421,693 |
| Movement in cash |  | 382,329 |  | 838,171 |
| Cash at the beginning of the financial year |  | 1,561,255 |  | 723,084 |
| Cash at the end of the financial year | 1 | 1,943,584 |  | 1,561,255 |
|  |  |  |  |  |
| **NOTES TO THE CASH FLOW STATEMENT** |  |  |  |  |
| **1. Reconciliation of cash** |  |  |  |  |
| For the purpose of the statement of cash flows, cash includes cash on hand and in banks and investments in money | | | | |
| market instruments, net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the | | | | |
| statement of cash flow is reconciled to the related items in the balance sheet as follows: | | | | |
|  |  | This Year |  | Last Year |
| Cash at bank |  | 1,419,421 |  | 1,096,510 |
| Cash on hand |  | 524,163 |  | 464,745 |
|  |  |  |  |  |
|  |  | 1,943,584 |  | 1,561,255 |
|  |  |  |  |  |
| **2. Reconciliation of Net Cash provided by Operating Activities to Operating Profit after Income Tax** | | | | |
| Operating profit after income tax |  | 1,243,125 |  | 1,168,083 |
| Adjustment to Previous Financial Year |  |  |  |  |
| ADD - Non cash flows in operating activities |  |  |  |  |
| Amortisation |  | 247,995 |  | 210,542 |
| Depreciation |  | 992,417 |  | 1,030,607 |
|  |  | 2,483,537 |  | 2,409,232 |
| LESS - Profit on sale of fixed assets |  | -908 |  | -392,334 |
|  |  | 2,482,629 |  | 2,016,898 |
| Change in operating assets & liabilities |  |  |  |  |
| Increase (Decrease) Creditors & accruals |  | -89,619 |  | -293,305 |
| Adjustment to Previous Financial Year |  |  |  |  |
| (Decrease) Increase Subscriptions & deposits in  advance |  | -46,828 |  | -33,844 |
| (Increase) Decrease Trade debtors |  | 5,410 |  | 4,234 |
| (Increase) Decrease Prepayments |  | 129,124 |  | -124,765 |
| (Increase) Decrease Stock on hand |  | 299 |  | -18,569 |
| **Cash flows from operations** |  | 2,481,015 |  | 1,550,649 |

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**MULWALA & DISTRICT SERVICES CLUB LIMITED ACN 000 908 485**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the Year Ended 30 JUNE 2017**

**Reporting Entity**

The financial statements cover Mulwala & District Services Club Ltd as an individual entity, incorporated and domiciled in Australia. Mulwala & District Services Club Ltd is a company limited by guarantee.

The financial statements were authorized for issue on 18th September, 2016 by the directors of the company.

**Note 1. Summary of Significant Accounting Policies**

**Basis of Preparation**

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Act 2001. The Company is a not for profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. 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, accept for the cashflow information, have been prepared on an accrual 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. The amounts presented in the financial statements have been rounded to the nearest dollar.

Early Adoption of Accounting Standards  
The Company has not elected to apply any pronouncements before their operative date in the annual reporting period beginning 1 July 2016.  
  
Critical Accounting Estimates  
The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company’s accounting policies. There are no areas that involve a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements other than those described in the following accountancy policies.

Comparative Figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

Compliance with AIFRS

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards. Compliance with AIFRS ensures that the company financial statements and notes comply with International Financial Reporting Standards (IFRS).

In preparing the financial report the company has elected to apply options and exemptions available within AIFRS that are applicable to not for profit entities.

Economic Dependence

Mulwala & District Services Club Ltd is not dependent upon any entity or event.

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**Note 1:**

**a) Inventories**

Inventories are measured at the lower of cost, current replacement costs or net realisable value. Costs are assigned on the first in first out basis and does not include any element of fixed or variable overhead. Net realisable value is determined by reference to current selling prices of the various stock lines.

**b) Property, plant and equipment**

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

**Freehold property**

Freehold land and buildings are shown at their value based on periodic, valuations by external independent values, less subsequent depreciation for buildings.

In periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct directors’ valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are recognized in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognized in other comprehensive income under the heading of revaluation surplus. All other decreases are recognized in profit or loss.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

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

**Plant and equipment**

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognized either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(e) for details of impairment).

Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate, only when it is probable the future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are recognized as expenses in profit or loss in the financial period in which they are incurred.

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

**Depreciation**

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the company commencing from the time the asset is available for use. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used in each class of depreciable assets are:

Buildings 2.50%

Plant & Equipment 18-22.5%

Leasehold Improvements Term of Lease

The assets residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognized in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

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**c) Leases**

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the company are classified as finance leases. Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Lease assets are amortised on a straight line basis over their estimated useful lives where it is likely that the company will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period. Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

**d) Financial Instruments**

The company has no financial instrument.

**e) Impairment of Assets**

At the end of each reporting period, the entity reviews the carrying amounts 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 amount. Any excess of the asset’s carrying amount over its recoverable amount is recognized in profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon the asset’s ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an asset’s class, the entity estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

Where an impairment loss on a revalued asset is identified, this is recognized against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

**f) Employee Provisions**

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee provisions 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 provisions payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows attributable to employee provisions.

Contributions are made by the company to employee superannuation funds and are charged as an expense when incurred.

The company does not record, as an asset or a liability, the difference between the employer established defined benefit superannuation plan's accrued benefits and the net market value of the plan’s assets.

**g) Income Tax**

The company recognises the principles of tax effect accounting in terms of Australian Accounting Standards. However, in view of the method of calculation of the company's taxable income (a calculation of non-member income only) the effect of the application of the principle would be insignificant and the amount of the deferred tax and liabilities to be eventually realised or payable are uncertain. For these reasons, tax effect accounting has not been applied in these accounts.

**h) Goods & Services Tax (GST)**

Revenues, 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 asset or as part of an item of the expense.

Receivables and payables in the Balance Sheet are shown inclusive of GST.

Cash flows are included in the statement of cash flows net of the GST component.

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**i) Cash**

Cash and cash equivalents comprises cash balances, call deposits and highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk in change in value. Bank overdrafts that are repayable on demand and form an integral part of the club's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

**j) Revenue**

Revenue from the sale of goods and services is recognised upon the delivery of the goods and services to the customers.

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

Interest income is recognised as it accrues at the current interest rate.

**k) Accounts Receivable and Other Debtors**

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognized at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(e) for further discussion on the determination of impairment losses.

**l) Provisions**

Provisions are recognized when the entity 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 recognized represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

**m) Accounts Payable and Other Payables**

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognized as a current liability with the amounts normally paid within 30 days of recognition of the liability.

**n) Critical Accounting Estimates and Judgments**

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

**o) Promotions**

Not all Members Benefits and internal promotion expenses are accounted for in our accounting system. In previous years’ internal journals were entered increasing the income and shown as an expense against promotion.

**p) Adjustments to previous financial year**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **2. Revenue** | **Notes** | **This Year** |  | **Last Year** |
| **Opening activities** |  | **$** |  | **$** |
| Sale of goods and other trading revenue |  | 16,018,507 |  | 15,447,602 |
| Rental revenue |  | 20,000 |  | 27,540 |
| Profit on sale of non-current assets |  | 908 |  | 397,910 |
| Interest received |  | 6,985 |  | 3,106 |
| Total Revenue |  | 16,046,400 |  | 15,876,158 |
|  |  |  |  |  |
|  | (24) |  |  |  |
| **3. Expenses** |  |  |  |  |
| Interest expense on financial liabilities, |  |  |  |  |
| includes hire purchase charges |  | 38,884 |  | 74,064 |
| Employee benefits expense - contributions |  |  |  |  |
| to defined superannuation funds |  | 451,907 |  | 451,254 |
| Minimum lease payments |  | 109,091 |  | 109,091 |
|  |  |  |  |  |
| Audit Fees |  |  |  |  |
| Audit Services |  | 17,900 |  | 18,000 |
| Other services |  |  |  | 5,640 |
| Profit from ordinary activities before income tax has been determined after | | |  |  |
| Depreciation of nun-current assets |  |  |  |  |
| Buildings |  | 8,217 |  | 11,363 |
| Amortisation |  | 247,995 |  | 210,541 |
| Plant and equipment |  | 992,417 |  | 1,019,245 |
| Total Depreciation |  | 1,248,629 |  | 1,241,149 |
|  |  |  |  |  |
| Amortisation of non-current assets |  |  |  |  |
| Leasehold improvements |  | 228,891 |  | 210,542 |
|  |  |  |  |  |
| Rental expense on operating Leases |  |  |  |  |
| Land rental | 5a | 109,091 |  | 92,727 |
| Finance Cost |  | 38,884 |  | 74,064 |

**4** **Director’s Remuneration**

No remuneration has been paid to Directors, none of whom are in full time employment of the Club. Directors’ expenses incurred are expenses incurred in carrying out Directors duties and obligations.

**5**  **Capital and Leasing Commitments**

1. Operating Lease Commitments

The company has an operating lease on land at an annual rental of $109,091 payable annually.

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| (b) The club site lease is for a (12) twelve month period with fifty-three renewable options, rental negotiable. The club intends to take up the options of the club site lease. The current rental is $109,090. | | | | | | | | |
|  | | |  | | **This Year** | |  | **Last Year** |
|  | | |  | | **$** | |  | **$** |
| **6. Cash and cash equivalents** | | |  | |  | |  |  |
| Cash on hand | | |  | | 524,163 | |  | 464,745 |
| Cash at bank | | |  | | 1,419,421 | |  | 1,096,510 |
|  | | |  | | 1,943,584 | |  | 1,561,255 |
| **7. Trade and other receivables** | | |  | |  | |  |  |
| Current: Trade Debtors | | |  | | 34,050 | |  | 39,459 |
|  | | |  | |  | |  |  |
| **8. Property, Plant and Equipment** | | |  | |  | |  |  |
| (a) Land and Buildings | | |  | |  | |  |  |
| Freehold land - at cost | | |  | | 1,361,004 | |  | 1,361,004 |
| Less impairment | | |  | | -661,004 | |  | -661,004 |
|  | | |  | | 700,000 | |  | 700,000 |
|  | | |  | |  | |  |  |
| Residential land and buildings | | |  | | 277,100 | |  | 299,604 |
| Less accumulated depreciation | | |  | | -170,968 | |  | -185,254 |
|  | | |  | | 106,132 | |  | 114,350 |
|  | | | (25) | |  | |  |  |
| Leasehold improvements: - | | |  | |  | |  |  |
| Clubhouse, motel building, bowling green | | |  | |  | |  |  |
| and surrounds - at cost | | |  | | 15,771,644 | |  | 15,323,984 |
| Less accumulated amortization | | |  | | -8,593,900 | |  | -8,293,162 |
| Total land and buildings | | |  | | 7,177,744 | |  | 7,030,822 |
|  | | |  | |  | |  |  |
| (b) Plant and Equipment | | |  | |  | |  |  |
| Plant and equipment - at cost | | |  | | 13,729,708 | |  | 12,997,356 |
| Less accumulated depreciation | | |  | | -10,953,147 | |  | -10,061,232 |
| Total Plant and equipment | | |  | | 2,776,561 | |  | 2,936,124 |
|  | | |  | |  | |  |  |
| Total | | |  | | 10,760,437 | |  | 10,781,296 |
|  | | |  | |  | |  |  |
| Reconciliation of the carrying amounts for each class of property, plant and equipment are set out below.   |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | |  | Freehold | | | Residential | Leasehold | Equipment, | Total | |  | Land | | | Land & Buildings | Improvement | Fitting & vehicles |  | | Balance as at 1 July 2016 | 700,000 | | | 114,349 | 6,978,079 | 2,936,124 | 10,728,552 | | Additions | | |  |  | 447,660 | 849,123 | 1,296,783 | | Disposals |  | | |  |  | -24,486 | -24,486 | |  |  | | |  |  |  |  | | Depreciation expense |  | | | -8,217 | -247,995 | -948,200 | -1,240,412 | | Balance at 30 June 2017 | | 700,000 | | 106,132 | 7,177,744 | 2,776,561 | 10,760,437 | | | | | | | | | |
|  |  |  | |  | |
|  | | | **Notes** | | **This Year** | |  | **Last Year** |
|  | | |  | | **$** | |  | **$** |
| **9. Trade and other payables** | | |  | |  | |  |  |
| Current | | |  | |  | |  |  |
| Unsecured liabilities | | |  | |  | |  |  |
| Trade creditors and accrued expenses | | |  | | 646,379 | |  | 703,742 |
| Term Contract Loans | | |  | | 317,165 | |  | 294,883 |
| Prepaid income | | |  | | 187,274 | |  | 234,103 |
|  | | |  | | 1,150,818 | |  | 1,232,728 |
|  | | |  | |  | |  |  |
| Non-Current | | |  | |  | |  |  |
| Unsecured liabilities | | |  | |  | |  |  |
| loan RSL Sub Branch | | |  | | 0 | |  | 120,000 |
| Term Contract Loans | | |  | | 313,923 | |  | 294,833 |
|  | | |  | |  | |  |  |
| **10. Interest Bearing Liabilities** | | |  | |  | |  |  |
| Secured liabilities | | |  | |  | |  |  |
| Debenture Mortgage | | |  | | 10,000 | |  | 907,298 |
|  | | |  | | 10,000 | |  | 907,298 |
|  | | |  | |  | |  |  |
| Term Contracts Loans | | |  | | 631,088 | |  | 542,566 |
|  | | |  | | 631,088 | |  | 542,566 |
|  | | |  | |  | |  |  |
| Total Secured Liabilities | | |  | | 641,088 | |  | 1,449,864 |
| Current | | | (26) | |  | |  |  |
| Term Contracts Loans | | |  | | 317,165 | |  | 294,883 |
| Secured Debenture Mortgage | | |  | | 10,000 | |  | 300,000 |
|  | | |  | | 327,165 | |  | 594,883 |
| Non-Current | | |  | |  | |  |  |
| Term Contracts Loans | | |  | | 313,923 | |  | 247,682 |
| Secured Debenture Mortgage | | |  | | 0 | |  | 607,298 |
|  | | |  | | 313,923 | |  | 854,980 |
|  | | |  | |  | |  |  |
| Unsecured Liability Interest Bearing | | |  | |  | |  |  |
| Current | | |  | |  | |  |  |
| Loan - RSL Sub Branch | | |  | | 0 | |  | 120,000 |
| Total Interest Bearing Liability | | |  | | 10,000 | |  | 1,027,298 |
|  | | |  | |  | |  |  |
|  | | |  | |  | |  |  |
|  | | |  | |  | |  |  |
| Secured liabilities are secured by a registered mortgage over the assets and income of the company. Interest is | | | | | | | | |
| charged at prevailing market rates. | | | | | | | | |
|  | | |  | |  | |  |  |
| **11. Employee Provisions** | | |  | | **2017** | |  | **2016** |
|  | | |  | | **$** | |  |  |
| Opening Balance as at 1 July 2016 | | |  | | 367,002 | |  | 454,941 |
| Additional provisions raised during year | | |  | | 270,659 | |  | 203,690 |
| Amounts used | | |  | | -266,548 | |  | -291,629 |
|  | | |  | |  | |  |  |
| Balance as at 30 June 2017 | | |  | | 371,113 | |  | 367,002 |
|  | | |  | |  | |  |  |
| **Analysis of Employee Provisions** | | |  | | **2017** | |  | **2016** |
|  | | |  | | **$** | |  | **$** |
| Current: | | |  | |  | |  |  |
| Annual leave entitlements | | |  | | 259,739 | |  | 254,119 |
| Long service leave entitlements | | |  | | 30,806 | |  | 71,405 |
| Total current employee provisions | | |  | | 290,545 | |  | 325,524 |
|  | | |  | |  | |  |  |
| Non-Current: | | |  | |  | |  |  |
| Long service leave entitlements | | |  | | 80,568 | |  | 41,478 |
|  | | |  | |  | |  |  |
|  | | |  | |  | |  |  |

**12. Gaming Machine Profit and Community Support and Development**

The profit from poker machines for the poker machine tax year ended 31 August 2017 was $7,533,755.

The amount of community benefits paid under the Club Grants Scheme for the poker machine tax year was $332,530.

**13. Financial Risk Management**

**Liquidity Risk**

Liquidity risk is the risk that the club will not be able to meet its financial obligations when they fall due. The company’s approach to managing liquidity risk is to ensure, as far as possible that it will always have sufficient liquidity to meet its liabilities when they fall due, under both normal and stressed conditions without incurring unacceptable losses or risk damage to the company’s reputation.

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|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | | | |  | | |  | |  | |
| **Credit Risk** | | | |  | | |  | |  | |
|  | | |  | | |  | |  | |  | |
| *Exposure to credit risk* | | | |  | | |  | |  | |
| The carrying amount of the company’s financial assets represents the maximum credit exposure. The company's | | | | | | | | | | | | |
| maximum credit exposure at 30 June 2017 was: | | | | | | | | | | | | |
|  | | | |  | | |  | |  | |
|  | | | | **Notes** | | | **This Year** | | **Last Year** | |
|  | | | |  | | | **Carrying** | | **Amount** | |
| Receivables | | | | 7 | | | 34,050 | | 39,459 | |
| Cash & cash equivalents | | | | 6 | | | 1,943,584 | | 1,561,255 | |
| Loan unsecured | | | |  | | | 586,021 | | 651,134 | |
|  | | | |  | | | 2,563,655 | | 2,251,848 | |
|  | | | |  | | |  | |  | |
| The Club's maximum exposure to credit risk for trade receivables at reporting date was solely focused on the | | | | | | | | | | | | |
| immediate geographic region. | | | | | | | | | | | | |
| The Club's maximum exposure to credit risk for trade receivables at report date by customer type was: | | | | | | | | | | | | |
|  | | | |  | | | **Carrying** | | **Amount** | |
| Trade debtors | | | | 7 | | | 34,050 | | 39,459 | |
|  | | | |  | | | 34,050 | | 39,459 | |
|  | | | |  | | |  | |  | |
| **Impairment Losses** | | | |  | | |  | |  | |
| The aging of the Club's receivables at reporting date was a follows:   |  |  |  |  |  | | --- | --- | --- | --- | --- | |  | **2017** | | **2016** | | |  | **Gross** | **Impairment Losses** | **Gross** | **Impairment Losses** | | Not past due | 34,050 | 0 | 34,050 | 0 | | | | | | | | | | | |
|  |  |  | | |
| Based on historic default rates, the company believes that no impairment allowance is necessary in respect of | | | | | | | | | | | | |
| receivables. | | | | | | | | |  | |
|  | | | |  | | |  | |  | |
| **Liquidity Risk** | | | |  | | |  | |  | |
| The following are contractual maturities of financial liabilities, including estimated interest payments and excluding | | | | | | | | | | | | |
| the impact of netting arrangements: | | | | | | | | | | |

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|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Financial Liabilities** |  |  |  |  |  |  |
| **30 June 2017** | **Carrying Amount $** | **Contractual Cash Flows $** | **<12 months $** | **1-2 Years $** | **2-5 Years $** | **>5 Years $** |
| Term Loan Contracts | 631,088 | 631,088 | 317,165 | 313,923 |  |  |
| Trade & other payables (excl. employee benefits & prepaid income) | 674,379 | 674,379 | 674,379 |  |  |  |
| Debenture Mortgage | 10,000 | 10,000 |  | | |  |
|  |  |  |  | | |  |
|  | 1,315,467 | 1,315,467 | 991,544 | 313,923 |  |  |
|  |  |  |  |  |  |  |
| **Financial Assets** |  |  |  |  |  |  |
| **30 June 2017** | **Carrying Amount $** | **Contractual Cash Flows $** | **<12 months $** | **1-2 Years $** | **2-5 Years $** | **>5 Years $** |
| Cash & cash equivalents | 1,943,584 | 1,943,584 | 1,943,584 |  |  |  |
| Loan unsecured | 586,021 | 586,021 | No repayment arrangement as at 30 June 2017 | | |  |
| Trade and other receivables | 34,050 | 34,050 | 34,050 |  |  |  |
|  | 2,563,655 | 2,563,655 | 1,977,634 |  |  |  |
|  |  |  |  |  |  |  |
| **Financial Liabilities** |  |  |  |  |  |  |
| **30 June 2016** | **Carrying Amount $** | **Contractual Cash Flows $** | **<12 months $** | **1-2 Years $** | **2-5 Years $** | **>5 Years $** |
| Unsecured Loan | 120,000 | 120,000 | 120,000 | No repayment arrangements at 30 June 2016 | | |
|  |  |  |  |  |  |  |
| Trade & other payables (excl. employee benefits & prepaid income) | 703,741 | 703,741 | 703,741 |  |  |  |
| Debenture Mortgage | 907,298 | 907,298 | 300,000 | 300,000 | 300,000 | 7,298 |
| Gaming Machines | 542,565 | 542,565 | 294,883 | 180,679 | 67,003 |  |
|  | 2,273,604 | 2,273,604 | 1,418,624 | 480,679 | 367,003 | 7,298 |
|  |  |  |  |  |  |  |
| **Financial Assets** |  |  |  |  |  |  |
| **30 June 2016** | **Carrying Amount $** | **Contractual Cash Flows $** | **<12 months $** | **1-2 Years $** | **2-5 Years $** | **>5 Years $** |
| Cash & cash equivalents | 1,561,255 | 1,561,255 | 1,561,255 |  |  |  |
| Loan unsecured | 651,134 | 651,134 | No repayment arrangement as at 30 June 2016 | | |  |
| Trade and other receivables | 39,459 | 39,459 | 39,459 |  |  |  |
|  | 2,251,848 | 2,251,848 | 1,600,714 |  |  |  |

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|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Interest Rate Risk** |  |  |  |  |
| At the reporting date the interest rate profile of the company's interest bearing financial instruments was: | | | | |
|  | **Carrying Amount** |  |  |  |
|  | **Note** | **2017** |  | **2016** |
| Loan | 10 | 0 |  | 120,000 |
| Variable instruments |  | 10,000 |  | 907,298 |
|  |  |  |  |  |
| Sensitivity Analysis | | | | |
| The following table illustrates sensitivities to the company's exposure to changes in interest rates and equity prices. The | | | | |
| table indicates the impact on how profit and equity values reported at the end of the reporting period would have | | | | |
| been affected by changes in the relevant risk variable that management considers to be reasonably possible. | | | | |
| The sensitivities assume that the movement in a particular variable is independent of other variables. | | | | |
|  |  |  |  |  |
|  |  | **Profit** |  | **Equity** |
|  |  | **$** |  | **$** |
| **Year ended 30 June 2017** |  |  |  |  |
| +/- 1% interest rates |  | 100 |  | 100 |
|  |  |  |  |  |
| **Year ended 30 June 2016** |  |  |  |  |
| +/- 1% interest rates |  | 10,272 |  | 10,272 |
|  |  |  |  |  |
|  |  | **2017 Carrying Amount $** |  | **2016 Carrying Amount $** |
| **Financial assets** |  |  |  |  |
| Cash on hand |  | 1,943,584 |  | 1,561,255 |
| Accounts receivable and other debtors |  | 34,050 |  | 39,459 |
| **Total Financial assets** |  | 1,977,634 |  | 1,600,714 |
|  |  |  |  |  |
| **Financial liabilities** |  |  |  |  |
| Accounts payable and other payables |  | 625,433 |  | 703,742 |
| Hire purchase liabilities |  | 631,088 |  | 542,565 |
| **Total Financial liabilities** |  | 1,256,521 |  | 1,246,307 |
|  |  |  |  |  |

The fair values disclosed in the above table have been determined based on the following methodologies.

Cash on hand, accounts receivable and other debtors, and accounts payable and other payables are short-term instruments in nature whose carrying amount is equivalent to fair value. Trade and other payables exclude amounts provided for accrued leave, which is outside the scope of AASB 139.

**Fair Values**

***Fair values versus carrying amount***

The fair values of financial assets and liabilities were equal to the carrying amount shown in the balance sheet as at reporting date.

**14 Contingent Liabilities and Assets**

The Company has no known contingent liabilities.

**15 Members’ Guarantee**

The Company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is to wound up, the constitution states that each Member is required to contribute a maximum of $5 each to meet any outstandings and obligations of the company.

At 30 June 2017 the number of Members was 9,557.

**16 Consulting Fees**

The NSW Registered Club Act requires fees paid in excess of $30,000 to be reported.

Fees reportable are: Nil

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**MULWALA & DISTRICT SERVICES CLUB LIMITED ACN 000 908 485**

**DIRECTORS’ DECLARATION**

In accordance with a resolution of the directors of Mulwala & District Services Club Limited, the Directors declare that:

1. The financial statements and notes, as set out on pages 16 to 30 are in accordance with the Corporations Act 2001 and:
2. Comply with Australian Accounting Standards; and
3. Give a true and fair view of the financial position of the company as at 30 June 2017 and of its performance for the year ended on that date.
4. 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.

Kerry Pendergast Colin Brennan

Director Director

Dated this 18th Day of September, 2017.

**AUDITOR'S INDEPENDENCE DECLARATION**

**UNDER S 307C OF THE CORPORATIONS ACT 2001**

**TO THE DIRECTORS OF THE MULWALA AND DISTRICT SERVICES CLUB LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2017 there have been no contraventions of:

1. the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
2. any applicable code of professional conduct in relation to the audit.

JF HAEBICH FCA

CHARTERED ACCOUNTANT

38 Belmore Street, Yarrawonga VIC 3730

Dated this 18th Day of September, 2017.

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**INDEPENDENT AUDITOR’S REPORT**

**To The Members of the**

**MULWALA AND DISTRICT SERVICES CLUB LIMITED**

**Report on The Financial Report**

I have audited the accompanying financial report of the Mulwala & District Services Club Ltd, which comprises the statement of financial position as at 30 June 2017, 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 company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards 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. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

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 Corporations Act 2001. I confirm that the independence declaration required by the Corporations Act 2001, which has been given to the Directors of the Mulwala & District Services Club Limited, would be in the same terms if given to the Directors as at the date of this audit report.

**Electronic Presentation of Audited Financial Reports**

This auditor’s report relates to the financial report of the Mulwala & District Services Club Ltd for the year ended 30 June 2017, that may be included on the company’s website. The auditor’s report refers only to that financial report and it does not provide an option on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited financial report to confirm the information included in this audited financial report.

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**Auditor’s Opinion**

In my opinion, the financial report of the Mulwala & District Services Club Limited is in accordance with the Corporations Act 2001, including;

1. giving a true and fair view of the company’s financial position as at 30 June, 2017 and of its performance for the year ended on that date; and
2. complying with Australian Accounting Standards and the Corporations regulations 2001.

JF HAEBICH FCA

CHARTERED ACCOUNTANT

38 Belmore Street, Yarrawonga VIC 3730

Dated this 18th Day of September, 2017.

(33)