

MULWALA & DISTRICT
SERVICES CLUB LIMITED

ClubMulwala

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ANNUAL REPORT 2019

Let's go there!

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 20th October, 2019 at 11am.

BUSINESS:

1. To confirm the Minutes of the previous Annual General Meeting held on 21st October, 2018
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
23rd September, 2019

By Order of the Board
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:
 - a. 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.
 - b. 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.
 - c. 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.
 - d. Directors are seeking the following benefits:
Diggers: 50% discount off any main meal excluding specials, for a Director (off duty) and one other person.
Stone Grill: 20% discount on total account (both food & beverages) for themselves and their guests.
Drinks: Directors are entitled to free post mix drinks whilst on duty.
Essenza Day Spa: 40% discount on product and treatments.
Resort Accommodation: 50% discount off rack rate, maximum of 5 nights (per financial year). Director is not required to stay.
 - e. Facilities to support the Directors in performance of their role, including: director car park, uniforms, dry-cleaning 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.

MULWALA & DISTRICT SERVICES CLUB LIMITED

ACN 000 908 485

BOARD OF DIRECTORS:

Chairman: Mr D. O'Meara ESM, OAM

Deputy Chairman: Mr C. Brennan

Mr P. Nieuwenhout

Directors: Mr J. Burn

Mr J. Clarke

Mr D. King

Mr S. McBurnie

Mr K. Pendergast

CHIEF EXECUTIVE OFFICER: Mr A. Rowe

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

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 21st October, 2018 at 11.00 am

PRESENT: Mr D O'Meara (Chairman), sixty one (61) ordinary RSL Members and twenty five (25) Associate Members – Total of 86.

Minute silence for Members that have passed, over the last 12 months

WELCOME: Mr O'Meara in opening the meeting welcomed all those present, acknowledging life member Mr Tony Nieuwenhout OAM.

Mr O'Meara acknowledged the success of the Club over the past 12 months with a \$1.692 million profit, he congratulated A Rowe and his Management Team and staff, also acknowledging his team of fellow Directors. Also noted that ClubMulwala proudly donated over \$300k to community donations and sponsorships.

CEO A Rowe thanked the Members for their support acknowledging them for the club's success. He thanked his Management Team and the Staff of ClubMulwala for their hard work and commitment.

Mr Rowe presented a powerpoint presentation on the growth of ClubMulwala from 2006 – 2018, outlining ClubMulwala achievements in the past couple of years being; escalators, new courtesy bus, upgrade of Resort rooms, Resort Boardwalk/ jetty and solar carpark. He also informed of the exciting times ahead with clubhouse renovation to be completed over the next year and into the future.

APOLOGIES: Ron Mayne, Robert and Lucas Purtle, Dot Hayes, Shane and Julie McBurnie, Sonia Shead and Stephen Judd

MINUTES: Resolved on the motion of Messrs B Cossar and K Pendergast that the minutes of the Annual General Meeting held on 15th October 2017, a copy of which had been circulated to all members be confirmed as a true record of proceedings.

Carried

DIRECTORS REPORT AND STATEMENT: A copy of the Directors report and statement by Directors as circulated to all members pg 12-15 of Annual Report 2017.

Moved on the motion of A Nieuwenhout and J Dunstan that the report and statement be received.

Carried

FINANCIAL STATEMENTS & AUDITORS REPORT: Resolved on the motion of G Pigdon and V Melville that the financial statements (pg 16 onwards), a copy of which had been circulated to all members, be accepted.

Carried

RESOLUTION: A copy of the resolution was circulated to all members, being a resolution required under the registered clubs act, to expend up to \$50,000 for the cost of out of pocket expenses incurred by the directors, the cost of attending conferences and professional development:

- a. 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.
- b. 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.
- c. 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.
- d. 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.

The resolution was passed on the motion of G Beasley and T Peris

Carried

**GENERAL
BUSINESS:**

Mr Ian Summers voiced his complaint in regards to the voting system for today's special resolution, he feels that from the explanation D Lean delivered at the last RSL Meeting there has not been a forum to question the proposed changes to the constitution. Chairman O'Meara replied apologising if they felt it was not explained sufficiently, did feel that the reasoning behind the changes was explained in detail and is for the progress and well-being of ClubMulwala and the sub-branch, the vote is being counted by D Lean with scrutineers David Charrington and Grant Churchin.

Mr John Dunstan advised he felt strongly that ClubMulwala should look into a sufficient and reliable sound system for the Auditorium.

**INTRODUCTION
OF BOARD:**

Chairman O'Meara introduced the new incoming Board of Directors for the ensuing years, first year of two year tenure: Chairman; Des O'Meara - Directors; Brian Bouchier, Col Brennan, John Burn, John Clarke, David King, Shane McBurnie, Paul Nieuwenhout and Kerry Pendergast. He thanked all candidates for their nomination.

Chairman O'Meara thanked all Members for attending and invited them to enjoy the hospitality of the Club.

**CONSTITUTION
Special Resolution:**

The meeting was informed that as a result of the vote that was conducted at the beginning of the meeting in regards to changes to the constitution all proposed changes were defeated.

CLOSURE

There being no further business the meeting closed at 11.22am.

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

CHAIRMAN: Des O'Meara

DATE: 22nd October 2018

CHAIRMAN'S REPORT



Members,

It is with pleasure that I present this report on the activities of ClubMulwala for the 12 months reporting period to 30th June 2019 and advising that we had a trading profit of \$1,583,707, a truly marvellous result. I congratulate our CEO, Alan Rowe, the Management Team and all the staff on this great achievement. This is a remarkable effort considering the effects of the renovations that started in April this year.

During the last financial year, we have completed the 200KW solar car park shade project, a 50m boardwalk on Lake Mulwala for the use of members and resort guests and refurbished a further 10 motel rooms.

The Board of ClubMulwala engaged Rubicon Design and Construct to begin Stage 1 of the Redevelopment Project. Stage 1 is due for completion in late November this year. This will see a new gaming area in the old auditorium, a renovated lounge area, along with new and upgraded toilet facilities and gaming offices. These renovations will enhance our Club facilities, making it the place to be for members' enjoyment and relaxation.

I thank the various ClubMulwala members that pass on their support for all the good things happening at ClubMulwala; it is heartening to hear their comments and feedback.

Intra House Clubs play an important part of ClubMulwala and I thank the Bowls Club, Indoor Bowls Club and Snooker Club and their respective hard working Committees for their continuing contribution.

ClubMulwala continue to support our local community charities and groups, donating over \$300,000 in cash and/or in kind support. ClubMulwala has an especially close allegiance with the Yarrowonga Mulwala RSL Sub Branch and its Auxiliary, and the Cobram Yarrowonga Legacy Group and their Widows. I know that all these organisations appreciate our commitment each year.

Directors have continued their commitment to broadening their knowledge in the Registered Clubs Industry, with four Directors attending the Advanced Governance Training run by ClubsNSW here at ClubMulwala.

In May 19, long standing Director Brian Bouchier resigned his position. I thank Brian for his commitment and contribution to ClubMulwala over the 11 years he was a Director.

I have been privileged to chair the Board of ClubMulwala for the last twelve months, and I thank my fellow Directors, and our CEO Alan Rowe, for their contribution, commitment and support to myself and to ClubMulwala, and look forward to a challenging and rewarding 2019/20.

Des O'Meara ESM, OAM

CHAIRMAN

CEO's REPORT



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

Exciting times are right here at ClubMulwala. The most adventurous and exciting plans are now in place for all our Members and Guests to enjoy.

To our wonderful members, THANK YOU for your continued support and patience while we build you a destination for everyone to enjoy.

2018/19 has had so many highlights

Our financial result has been a highlight and was outstanding.

ClubMulwala has returned a Profit of \$1,583,707 for the 2018/19 financial year compared to a profit of \$ 1,692,179 in 2017/18. This has been a great result considering that during the last quarter of the financial year we have been in renovation mode.

I would like to sincerely thank our Management Team - Darren, Maria, Peter, Stephen, Daniel, Jaki, Megan, Michelle and Tracey, and all our staff and their families for the tremendous job, 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 personally thank the families for being so unbelievably supportive and understanding.

Employing over 110 employee's shows our commitment to Yarrawonga/Mulwala in both employment opportunities and financial development.

To the Board of Directors; Des, Col, John, David, Kerry, Shane, Paul and John for their commitment and foresight to keep our club modern and fresh, to enable us to keep progressing forward as a club. We have a Board that is in place for the best interest of the club, Thank you. I wish to express my thanks to Brian Bouchier who retired during the year after 11 years of service to the Board.

On a sad note our Team here at ClubMulwala lost a long time employee and friend Gerard Martin. Ged was our talented and dedicated Greenkeeper, he has been an employee here at ClubMulwala for the past 26 years – he was very good at this job and an all-around great man, he will be very missed.

The 2018/19 year has been one of continued reinvesting back into our facility, as seen by the installation and completion of our Solar covered Car Park, our Motel Room upgrades and our foreshore development and now the commencement of stage one of a five stage process, which will be an exciting transformation in ClubMulwala's history.

ClubMulwala is very focused on the Yarrawonga/Mulwala community with well over \$300,000 of either cash or in-kind donations made throughout our community to numerous beneficiaries.

We are also pleased to support and partner with the RSL Sub-Branch, Legacy, RSL Ladies Auxiliary, RSL House and Mulwala Elderly Citizens Village.

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

We are reinvesting back in our already wonderful facility and over the coming years will see many more changes for 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

INTRA HOUSE CLUB REPORTS

INDOOR BOWLS 2018-2019

It gives me great pleasure to present this Report for the year 2018 – 2019 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 girls downstairs at Reception, thank you for the typing and photocopying that you do for us.

Presentation night was a great night of good music and lovely food. Congratulations to all the Winners and Runner Ups. This year the numbers for our in house competitions were much better. Winners of the 4's were Reg Bryce, Val Bryce, Jill Carr and Joan Wilson. Runner Ups were Barb Eberle, Pat Crothers, Wilf Own and Jan Stephens.

Triples – Brian Robertson, Judi Cummins, Annie King and Ron Bruce. Runner Ups – Reg Bryce, Pat Crothers and Gwen Owen.

Congratulations to John Ellis and team for making the Pennant finals. To the other teams it was a great effort.

Our social functions for the year were all well attended and enjoyed by all:

- Dinner at the Ski Club - Over 80's Day
- Ladies Day - Gala Day
- Our Charity Day was well attended also and we raised \$1,350.00 for Turban Angels.

Thank you to all our members who help put out the mats and bowls and help put them away, this is greatly appreciated. A special thanks to our members who have donated to our special efforts table again this year.

Thanks must also go to my committee – Anne, Judi, John and Sue and to the match committee – Val, Reg, Marna, Lyn, Barb and Fran. Gwen Owen, our publicity officer, has done a great job this year, thank you.

Sadly we have had two members pass away this year; Glenyce Wilcox and Keith Green. Condolences to their families and friends.

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

Tricia Murphy
President
ClubMulwala Indoor Bowls

I present this my Presidents report for the season 2018-2019

On behalf of the members (outdoor bowls) I extend our thanks to the staff of ClubMulwala for their assistance over the last 12 months. Thank you to Alan Rowe in support in changing our uniforms and continuing support to our club please pass on our thanks to the board of management.

We would also like to thank ClubMulwala catering manager Peter Harbrow and Kerry, their assistance for all our catering orders was excellent.

VISITORS

We had many other clubs visit us throughout the year: Belmont, Greensbough and VRI Victoria whom have been coming for many years

Also we had Avans Australia / New Zealand VRI plus many more visitors.

With over 700 bowling on our greens

Social bowls was run over the winter months with great numbers attending, not only our members but also members from other clubs - Barefoot bowls was not run this year due to the hot conditions.

PENNANT MIDWEEK & SATURDAY

We started the season with new uniforms (with thanks from Club Mulwala). We also entered an extra team on Tuesday giving us 4 teams; 2 on Saturday, 2 on Tuesday - Saturday B2 went undefeated through the Season. As was our B5 team (also undefeated) and to which both where premiers - well done!

Tuesday we had A2 side, who unfortunately did not have a great year on the greens, our B2 side (our new team) this year made the grand final and unfortunately losing on the day

Our club was allocated 5 final games on our greens, which was a credit to Ged and his team in the way they prepared and presented our greens.

Our membership increased by 20 % this year.

I would like to thank the selection committee lead by John Thurling for the great work they did throughout the year, also to the catering team of Helen and Jean - fantastic job!

CLUB EVENTS

Remembrance day we had 24 teams enter for the day, which was a great success.

Easter Krackerjack with many entrees received was played over 2 days, with many bowlers from all over Victoria and NSW, it was enjoyed by all.

CLUB CHAMPIONSHIPS

I would like to congratulate all members who entered and thanks for your support in all events.

A special thanks to the match committee lead by Jan Corboy for the ladies, and John Thurling for the men in running all the events.

To all members I thank you for the support you show throughout the year, without your support we would not have a club.

Personal thanks to John Thurling for your great assistance to me throughout the year, in my first year as President to which I have enjoyed.

To Jan Morton our Secretary thank you for your great support and a great job that you have done.

To David King thank you for your continue support to our club, and in your position as Treasurer again this year.

Graeme Arnold
President

Snooker Report 2018-2019

The Snooker club has had a wonderful year, with several new members joining the club. Who have all commented about what a great club the snooker club is to be a part of? With snooker being played on Monday and Wednesday nights. With the Wednesday social night being open to any Club Mulwala members or guests to participate in. Which has a Club Mulwala voucher for the weekly winner and the last person drawn out to play gets the chance to pot the Black ball of its spot from the "D" to win the jackpot.

On the Monday competition night's we have a variety of different competitions, including pairs teams events, held in spring and autumn. The Club Challenge held on the first Monday of each month, with three club vouchers to be won each month, with the winner of each month qualifying to play in a double elimination final at the end of the year, with the winner of the final to get the prestigious trophy at our Christmas presentation night in December. We also have our annual Bob Organ "B" Grade Club Championship, won by Daryl McKernan last year and due to be recontested at the end of this month. The Doubles Club Championships are played in October, and were taken out by Darren & Jake Thompson last year. And the main event of our calendar year, the Singles Club Championship, where the winner gets their name put up on the honour board. Was last played between two of our younger members, Angus McMillan and Jake Thompson, best of 5 frames, which was played at a high standard. Where Angus won the first two frames, and had the lead in the third, before Jake made the most of his chances, to win that and the next two frames to retain the title for a third year running.

With the use of the club courtesy bus, the Snooker Club this year took a bus full of members and supporters to the Albury Commercial Club for a day's snooker against the Commercial Snooker Club, where lots of singles matches were played in the morning and after a sit down lunch, doubles matches concluded the day. With our proud members winning back the covered trophy, after another great day of snooker enjoyed by all.

None of this would be possible without the continued support and facilities provided by Club Mulwala. To show the director's what happens weekly in the snooker room, and to say thanks for their support, we host, our annual directors night, where we mix our members with the director's and play a fun doubles competition, stopping to have super during the night.

So if this sounds like a nice club to be a part of and you are interested in playing Snooker, drop in and have a hit, in our well maintained club room and hopefully you can enjoy our club as much as we do. A big benefit of our club is that most of our tournaments are run over one or two nights, meaning you are not locked into playing every week and you can float in and out as you please. Along with this you have a handicap too even out your ability with all the other members, that is adjusted up or down depending on your wins and losses.

President

Darren Thompson

COMMUNITY SUPPORT & DEVELOPMENT

The following local organisations have benefited from assistance from ClubMulwala:

- 1000 voices Festival May 2019
- Albury Tigers Football Club
- Bentleigh West Kindergarten – Trivia Night
- BluEarth Program - youth trainers Health & fitness program for youth / schools
- Burkes Biggest Morning Tea
- CDHBU Football Netball Club
- ClubMulwala Bowls Club – 2018/2019 Sponsorship
- ClubMulwala Indoor Bowls
- ClubMulwala Snooker Club
- Emma Jones (Team EMMA)
- Friends in Common – Cancer Awareness Breakfast
- Girl Guides Hall
- Godfather's Annual Golf Day
- Greg Roberts (CEO Murray Downs Golf Club)
- Helping Hands, Yga Health
- Hoppers Crossing Golf Club
- JC Lowe Oval – Netball Court Project
- Julian Drohan representing Victoria in Indoor Cricket Championships
- Katamatite Cricket Club 2018/19 Season Sponsorship
- Katamatite Football Netball Club
- Kilmister & Gwynne Families Fundraiser
- Kye Peirce Fundraiser
- Ladies Auxiliary
- Ladies Legacy
- Lake Mulwala Angling Club
- Lake Mulwala Combined Probus
- Laverton Bowling Club
- Leeton Jockey Club
- Lions Club of Tungamah and District -Drought Relief
- Longford Primary School
- Love Your Sister, cancer research Fundraiser
- Mens Legacy
- MHA Care - Volunteers Lunch- National Meals on Wheels
- Mixed Probus
- Moira Healthcare Meals on Wheels
- Motorbike Muster Show n Shine
- Mulwala Elderly Citizens Village
- Mulwala Fire Brigade
- Mulwala Football Netball Club
- Mulwala Football Netball Club - Over 55yrs Xmas lunch
- Mulwala Pre-School, Trivia Night
- Mulwala Public School – Easter Market Raffle
- Mulwala Public School Scholarship
- One Girl – Do it in a dress campaign – Zoe Urquhart
- Paige Benjamin, local Sacred Heart College Student – State Championship Swimming
- PALS – Gorman / Respice House Yga
- Parkdale Pre-School
- Paul Barnes, Moama Bowling Club
- Rennie Football Netball Club
- Responsible Service of Alcohol Course - Snr Schools Program
- Rotary Club of Euroa
- Sacred Heart College - Incentive Rewards Programs
- Sacred Heart College Scholarship
- Sacred Heart Primary School, Biggest Morning Tea
- Sacred Heart Primary School, Scholarship
- Sacred Heart Schools – Annual Fete
- Savernake Public School, Small schools athletic carnival
- Seniors Luncheons
- SES Yarrowonga
- St Francis Xavier School, Urana
- St James Golf Club
- Thales Group, annual Christmas Ball
- The Happy Hippies, cancer research fundraiser
- The Rosemary Cullen Foundation
- The Salvation Army, Red Shield Appeal
- Tungamah Football Netball Club
- Tungamah Social Club
- Tunza Fun Community Appeal
- Victoria Police Blue Ribbon Foundation
- Wangaratta Oncology Unit and Jane McGrath Nurse
- Yamaha Cod Classic 2018
- Yga & Border Ag & Pastoral Assoc. - Yga Show
- Yarra Mul Lakers Rep. Basketball Association
- Yarrowonga Xmas Decorations for Belmore Street
- Yarrowonga Fire Brigade
- Yarrowonga Football Netball Club
- Yarrowonga Gala Ball & Dance W'end
- Yarrowonga Health – Gift Tree fundraiser
- Yarrowonga Historical Society - 150th yr celebrations
- Yarrowonga Junior Football & Netball Carnival
- Yga Lawn Tennis- Easter Tennis Tournament
- Yarrowonga Little Athletics
- Yarrowonga Mulwala Cadets
- Yarrowonga Mulwala Legacy Golf Day
- Yarrowonga Mulwala Rotary Club – Portsea Camp
- Yarrowonga Pre-School - Mother's Day Raffle
- Yarrowonga Yacht Club - 80th Bday
- Yga Colliege P-12 - Kokoda Leadership Program
- Yga Friends In Common
- Yga Health, Palliative Care
- Yga Mul Artist Association – Annual Expo
- Yga Mul Lions Club
- Yga Mul RSL Sub-Branch
- Yga Mul Table Tennis Assoc.
- Yga Mul Womens Auxiliary
- Yga Mulwala Men's Shed
- Yga Neighbourhood House & Yga Health – Volunteers Week
- Yga Neighbourhood House
- Yga Rotary Club
- Youanmite Hall - Annual Ball 2019

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

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 2019.

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 (resigned 21.5.2019)

Colin Gerard Brennan

John Phillip Burn

John Michael Clarke

David Wilfred King

Shane Douglas McBurnie

Paul Justin Nieuwenhout

Desmond John O'Meara

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.

2. 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.

3. 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.

4. 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.

5. 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.

6. OPERATING RESULT

The net amount of operating profit of the Company for the year was \$1,583,707

7. 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.

8. REVIEW OF OPERATIONS

The Profit from ordinary trading operations was \$1,583,707 compared with the operating profit of \$1,692,179 in the prior year.

9. FINANCIAL POSITION

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

Net decrease in current assets	\$1,071,502
Net increase in total assets	\$1,657,995
Increase in liabilities	\$76,217
Increase in working capital	\$1,161,847
Purchases of fixed assets	\$3,943,547

10. 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.

11. 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.

12. FUTURE DEVELOPMENTS

ClubMulwala committed to major renovations with Rubicon Design & Construct Pty Ltd, this project has a 10 year scope (5 stages). Stage 1 Gaming / Lounge areas commenced in April 2019 – this is a \$6.2million project and scheduled for completion in December 2019. Future stages will be reviewed in 2020.

13. 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.

14. INFORMATION ON DIRECTORS

	<u>Experience:</u>	<u>Occupation:</u>
Colin Gerard Brennan <i>Deputy Chairman</i>	- Board Member since 2016 - Member of Club Directors Institute	Retired
John Phillip Burn	- Board Member since 2016 - Member of Club Directors Institute	Retired
John Michael Clarke	- Board Member since 2016 -Member of Club Directors Institute	Retired
David Wilfred King <i>Deputy Chairman</i>	- Board Member since 2014 -Member of Club Directors Institute	Retired
Shane Douglas McBurnie	- Board Member since 2010 -Member of Club Directors Institute	Director Business owner
Paul Justin Nieuwenhout <i>Deputy Chairman</i>	- Board Member since 2018 -Member of Club Directors Institute	Accountant
Desmond John O'Meara <i>Chairman</i>	- Board Member since 2016 -Member of Club Directors Institute	Retired
Kerry William Pendergast	- Board Member since 2010 -Member of Club Directors Institute	Retired

15. 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 who is an employee of a company with whom the club has traded.

16. MEETINGS OF DIRECTORS

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

	Number Eligible to attend	Number Attended
Mr Brian Bouchier	9	8
Mr Colin Brennan	14	11
Mr John Burn	14	13
Mr John Clarke	14	14
Mr David King	14	14
Mr Shane McBurnie	14	11
Mr Paul Nieuwenhout	14	14
Mr Desmond O'Meara	14	14
Mr Kerry Pendergast	14	14

17. 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, D.W.King, S.D.McBurnie, P.J. Nieuwenhout, D.J.O'Meara, K.W. Pendergast, A.S. Rowe

18. MEMBERSHIP

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

	2019	2018
Ordinary	19,755	18,956
Life Members	3	3
TOTAL	<u>19,758</u>	<u>18,959</u>

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 2019, the total amount that members of the company are liable to contribute if the company is wound up is \$98,790 (2018 \$94,795)

19. 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.

20. AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 30 June 2019 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 23rd day of September, 2019

Des O'Meara
Chairman

Col Brennan
Director

MULWALA AND DISTRICT SERVICES CLUB LIMITED ACN: 000 908 485

STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 30 JUNE 2019

	Notes	2019 \$	2018 \$
Trading revenue		17,035,852	16,534,767
Subscriptions		91855	111,711
Other revenue		129343	237,507
	2	<u>17,257,050</u>	<u>16,883,985</u>
Advertising		66,204	75,479
Amortization	1(b) & 3	184,011	188,914
Buses		84,900	102,782
Cost of sales		2,575,184	2,355,349
Customer loyalty program		113,936	103,746
Depreciation	1(b) & 3	965,966	1,025,506
Donations and sponsorship		116,097	96,502
Cleaning		46,545	37,473
Electricity and gas		557,236	514,357
Entertainment		380,610	364,570
Insurance		98,928	94,894
Other expenses		956,802	1,029,376
Personnel expenses		6,206,917	5,901,055
Poker machine taxes and monitoring fees		2,140,183	2,121,652
Promotions	1(o)	718,589	648,608
Repairs and maintenance		337,642	386,482
Training costs		14,502	35,241
		<u>15,564,252</u>	<u>15,081,987</u>
Result from operating activities		1,692,798	1,801,998
Rent paid RSL		109,091	109,091
Finance income and expense			
Finance costs			
Profit before income tax		<u>1,583,707</u>	<u>1,692,907</u>
Income tax	1(g)	0	0
Operating Profit/-Loss for the year		1,583,707	1,692,907
Profit on Sale of Residential Properties			
Prior Year Adjustments	1 (p)		
Net Operating Profit/-Loss		<u>1,583,707</u>	<u>1,692,907</u>

MULWALA AND DISTRICT SERVICES CLUB LIMITED ACN: 000 908 485

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
Net current year surplus/-loss	1,583,707	1,692,907
Other comprehensive income	<u>0</u>	<u>0</u>
Total income/-loss attributable to members of the entity	1,583,707	1,692,907
Transfer to pre-capital gains tax reserve	<u>1,583,707</u>	<u>1,692,907</u>

The accompanying notes form part of these financial statements.

MULWALA AND DISTRICT SERVICES CLUB LIMITED ACN: 000 908 485

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2019

	Notes	This Year \$	Last Year \$
CURRENT ASSETS			
Cash and cash equivalents	6	2,985,019	3,987,837
Trade and other receivables	7	41,507	64,586
Inventories	1(a)	197,437	227,010
Other - prepayments		34,900	50,932
Total Current Assets		<u>3,258,863</u>	<u>4,330,365</u>
NON-CURRENT ASSETS			
Property, plant and equipment	8	13,770,750	10,976,180
Investments		32	32
Other - unsecured loan		455,794	520,907
Total Non-Current Assets		<u>14,226,576</u>	<u>11,497,119</u>
TOTAL ASSETS		<u>17,485,439</u>	<u>15,827,484</u>
CURRENT LIABILITIES			
Trade and other payables	9	1,561,974	1,517,172
Interest bearing liabilities	10	-	-
Provisions	11	362,232	316,689
Total Current Liabilities		<u>1,924,206</u>	<u>1,833,861</u>
NON-CURRENT LIABILITIES			
Trade and other payables		452,886	448,162
Interest bearing liabilities	10	0	0
Provisions	11	73,461	92,313
Total Non-Current liabilities		<u>526,347</u>	<u>540,475</u>
TOTAL LIABILITEIS		<u>2,450,553</u>	<u>2,374,336</u>
NET ASSETS		<u>15,034,886</u>	<u>13,453,148</u>
MEMBERS'EQUITY			
Current Years Earnings		1,583,707	1,692,907
Adj in trade debtors last yr		-1,969	
Retained profit		13,453,148	11,760,241
TOTAL MEMBERS'EQUITY		<u>15,034,886</u>	<u>13,453,148</u>

The accompanying notes form part of these financial statements.

MULWALA AND DISTRICT SERVICES CLUB LIMITED ACN: 000 908 485

STATEMENT OF CHANGES IN EQUITY

AS AT 30 JUNE 2019

	Notes	Retained Surplus
		\$
Balance as at 1 July, 2017		<u>11,760,241</u>
Profit		<u>1,692,907</u>
Balance as at 30 June, 2018		<u>13,453,148</u>
<i>Adjustment made to trade debtors (last year)</i>		<u>-1,969</u>
		<u>13,451,179</u>
the entity Surplus for the year attributable to members of the entity		<u>1,583,707</u>
Balance at 30 June 2019 – Total Members Equity		<u>15,034,866</u>

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2019

	Notes	This Year inflows/-outflows \$	Last Year inflows/-outflows \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		17,251,467	16,806,731
Payments to suppliers & employees		-14,543,754	-13,694,439
Finance costs		-	-
Interest Received		19,709	12,919
Adjustment to Previous Financial Year			
Net cash provided by operating activities	2	<u>2,727,422</u>	<u>3,125,211</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant & equipment		-3,598,381	-1,404,900
Proceeds from sale of fixed assets		-	-
Proceeds from sale of Poker Machine Licences			
		<u>-3,598,381</u>	<u>-1,404,900</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		87,234	-1,448
Proceeds from borrowings		-153,980	260,276
Repayment of loan		-65,113	65,114
Net cash flows from financing activities		<u>-131,859</u>	<u>323,942</u>
Movement in cash		-1,002,818	2,044,253
Cash at the beginning of the financial year		3,987,837	1,943,584
Cash at the end of the financial year	1	<u>2,985,019</u>	<u>3,987,837</u>

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	2,290,247	3,383,815
Cash on hand	694,772	604,022
	<u>2,985,019</u>	<u>3,987,837</u>

2. Reconciliation of Net Cash provided by Operating Activities to Operating Profit after Income Tax

Operating profit after income tax	1,583,707	1,692,907
Adjustment to Previous Financial Year		
ADD - Non cash flows in operating activities		
Amortisation	184,011	188,914
Depreciation	965,966	1,025,506
	<u>2,733,684</u>	<u>2,907,327</u>
LESS - Profit on sale of fixed assets	-	-
	<u>2,753,684</u>	<u>2,907,327</u>
Change in operating assets & liabilities		
Increase (Decrease) Creditors & accruals	-65,993	278,190
Adjustment to Previous Financial Year		
(Decrease) Increase Subscriptions & deposits in advance	-8,953	-33,798
(Increase) Decrease Trade debtors	23,079	-30,537
(Increase) Decrease Prepayments	16,032	-17,470
(Increase) Decrease Stock on hand	29,573	21,499
Cash flows from operations	<u>2,727,422</u>	<u>3,125,211</u>

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 JUNE 2019

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 23rd September, 2019 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 2018.

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.

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.

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.

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

Employee entitlements have been adjusted to take into account wages oncosts

2. Revenue	Notes	This Year	Last Year
Opening activities		\$	\$
Sale of goods and other trading revenue		17,110,937	16,683,442
Rental revenue		40,738	38,647
Profit on sale of non-current assets		-	-
Interest received		19,709	12,919
Members Subscriptions		91,853	111,711
Total Revenue		17,263,237	16,846,719

3. Expenses

Interest expense on financial liabilities,

includes hire purchase charges	-	-
Employee benefits expense - contributions to defined superannuation funds	6,206,917	5,901,055
Minimum lease payments	109,091	109,091
Audit Fees		
Audit Services	19,000	18,450
Other services		
Profit from ordinary activities before income tax has been determined after		
Depreciation of non-current assets		
Buildings	6,854	7,932
Amortisation	184,011	188,914
Plant and equipment	959,112	1,017,574
Total Depreciation	<u>1,149,977</u>	<u>1,214,420</u>
Amortisation of non-current assets		
Leasehold improvements	184,011	188,914
Rental expense on operating Leases		
Land rental	5a 109,091	109,091
Finance Cost	-	-

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

(a) 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-one renewable options, rental negotiable.

The club intends to take up the options of the club site lease. The current rental is \$109,091.

(c) The Company has the following capital commitments:

- Stage 1 Upper Floor (Gaming Room / Lounge areas \$6.2million, due for completion December 2019)

	This Year	Last Year
	\$	\$
6. Cash and cash equivalents		
Cash on hand	694,772	604,022
Cash at bank	2,290,247	3,383,815
	<u>2,985,019</u>	<u>3,987,837</u>
7. Trade and other receivables		
Current: Trade Debtors	<u>41,507</u>	<u>64,586</u>
8. Property, Plant and Equipment		
(a) Land and Buildings		
Freehold land - at cost	1,361,004	1,361,004
Less impairment	<u>-661,004</u>	<u>-661,004</u>
	<u>700,000</u>	<u>700,000</u>
Residential land and buildings	277,100	277,100
Less accumulated depreciation	<u>-185,077</u>	<u>-178,900</u>
	<u>92,023</u>	<u>98,200</u>

(24)

Leasehold improvements: -

Clubhouse, motel building, bowling green

and surrounds - at cost

15,848,393

15,848,393

Less accumulated amortization

-8,973,679

-8,782,814

Total land and buildings	6,874,714	7,065,579
(b) Plant and Equipment		
Plant and equipment - at cost	19,028,669	15,083,122
Less accumulated depreciation	-12,924,656	-11,970,721
Total Plant and equipment	6,104,013	3,112,401
Total	13,770,750	10,976,180

Reconciliation of the carrying amounts for each class of property, plant and equipment are set out below.

	Freehold Land	Residential Land & Buildings	Leasehold Improvement	Equipment, Fitting & vehicles	Total
Balance as at 1 July 2018	700,000	98,200	7,065,579	3,112,401	10,976,180
Additions				3,945,547	3,945,547
Disposals					
Depreciation expense		-6177	-190,865	-952,935	-1,149,977
Balance at 30 June 2019	700,000	92,023	6,874,714	6,104,013	13,770,750
		Notes	This Year		Last Year
			\$		\$
9. Trade and other payables					
Current					
Unsecured liabilities					
Trade creditors and accrued expenses			824,992		920,493
Term Contract Loans			592,459		443,203
Prepaid income			144,523		153,476
			<u>1,561,974</u>		<u>1,517,172</u>
Non-Current					
Unsecured liabilities					
Term Contract Loans			452,886		448,162
10. Interest Bearing Liabilities					
Secured liabilities					
Debenture Mortgage			0		0
			-		-
			0		0
Total Secured Liabilities			<u>-</u>		<u>-</u>
Current					
Total Interest Bearing Liability			<u>0</u>		<u>0</u>

Secured liabilities are secured by a registered mortgage over the assets and income of the company. Interest is charged at prevailing market rates.

(25)

11. Employee Provisions	2019	2018
	\$	\$
Opening Balance as at 1 July 2018	409,002	371,133
Additional provisions raised during year	308,160	335,374
Amounts used	-281,469	-297,505

Balance as at 30 June 2019	<u>435,693</u>	<u>409,002</u>
Analysis of Employee Provisions	2019	2018
	\$	\$
Current:		
Annual leave entitlements	333,556	287,578
Long service leave entitlements	<u>28,676</u>	<u>29,111</u>
Total current employee provisions	<u>362,232</u>	<u>316,689</u>
Non-Current:		
Long service leave entitlements	<u>73,461</u>	<u>92,313</u>

12. Gaming Machine Profit and Community Support and Development

The profit from poker machines for the poker machine tax year ended 31 August 2019 was \$10,290,023.

The amount of community benefits paid under the Club Grants Scheme for the poker machine tax year was \$308,076.

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.

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 2018 was:

	Notes	This Year Carrying	Last Year Amount
Receivables	7	41,507	64,586
Cash & cash equivalents	6	2,985,019	3,987,837
Loan unsecured		455,794	520,907
		<u>3,482,320</u>	<u>4,573,330</u>

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	41,507	48,713
		<u>41,507</u>	<u>48,713</u>

Impairment Losses

The aging of the Club's receivables at reporting date was as follows:

	2019		2018	
	Gross	Impairment Losses	Gross	Impairment Losses
Not past due	41,507	0	64,586	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:

(27)

Financial Liabilities

	Carrying	Contractual	<12 months	1-2 Years	2-5 Years	>5 Years
30 June 2019	Amount \$	Cash Flows \$	\$	\$	\$	\$
Term Loan Contracts	1,045,345	592,459	592,459	452,886		
Trade & other payables (excl. employee benefits)	712,564	712,546				

& prepaid income)

1,757,909	1,305,005	592,459	452,886
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Financial Assets

	Carrying	Contractual	<12 months	1-2 Years	2-5 Years	>5 Years
30 June 2019	Amount \$	Cash Flows \$	\$	\$	\$	\$
Cash & cash equivalents	2,985,019	2,985,019				
Loan unsecured	455,974	no repayment arrangements at 30 June 2019				
Trade and other receivables	41,507	41,507				
	3,482,500	3,026,526				

Financial Liabilities

	Carrying	Contractual	<12 months	1-2 Years	2-5 Years	>5 Years
30 June 2018	Amount \$	Cash Flows \$	\$	\$	\$	\$
Term loan contracts	891,365	891,365	443,203	443,203	4,959	
Trade & other payables (excl. employee benefits & prepaid income)	920,493	920,493	920,493			
	1,811,858	1,811,858	1,363,696	443,203	4,959	

Financial Assets

	Carrying	Contractual	<12 months	1-2 Years	2-5 Years	>5 Years
30 June 2018	Amount \$	Cash Flows \$	\$	\$	\$	\$
Cash & cash equivalents	3,987,837	3,987,837				
Loan unsecured	520,907	590,907	No repayment arrangement as at 30 June 2018			
Trade and other receivables	64,586	64,586				
	4,573,330	4,643,330				

(28)

Interest Rate Risk

At the reporting date the interest rate profile of the company's interest bearing financial instruments was:

	Carrying Amount	2019	2018
Loan	Note 10	0	0
Variable instruments		0	0

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 2019		
+/- 1% interest rates	15,852	15,034
Year ended 30 June 2018		
+/- 1% interest rates	16,909	13,451
	2019 Carrying Amount \$	2018 Carrying Amount \$
Financial assets		
Cash on hand	2,985,019	3,987,837
Accounts receivable and other debtors	41,507	48,713
Total Financial assets	<u>3,026,526</u>	<u>4,036,550</u>
Financial liabilities		
Accounts payable and other payables	957,572	1,073,969
Term Loans	1,045,345	891,365
Total Financial liabilities	<u>2,002,917</u>	<u>1,965,334</u>

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 2019 the number of Members was 19,758.

16 Consulting Fees

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

Fees reportable are: Nil

(29)

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 15 to 29 are in accordance with the Corporations Act 2001 and:
 - a) Comply with Australian Accounting Standards; and
 - b) Give a true and fair view of the financial position of the company as at 30 June 2019 and of its performance 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.

Des O'Meara
Chairman

Col Brennan
Director

Dated this 23rd Day of September, 2019.

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 2019 there have been no contraventions of:

- i.) the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- ii.) any applicable code of professional conduct in relation to the audit.

JF HAEBICH FCA
CHARTERED ACCOUNTANT
38 Belmore Street, Yarrowonga VIC 3730

Dated this 23rd Day of September, 2019.

(30)

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 2019, 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 2019, 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.

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;

- (i) giving a true and fair view of the company's financial position as at 30 June, 2019 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the Corporations regulations 2001.

JF HAEBICH FCA
CHARTERED ACCOUNTANT
38 Belmore Street, Yarrawonga VIC 3730

Dated this 23rd Day of September, 2019.