



*Annual Report*  
2008

# Howlong Country Golf Club Limited

A.C.N. 001 023 516

## **BOARD OF DIRECTORS 2009**

President: R. G.Reid  
Vice Presidents: D. S. Longley J. J. Arthur  
Captain: G. J. Andrew  
Bowls Manager: A. Prosser  
Directors: D. L. Miller S. Van de Ven  
G. L. Male T. J. O'Riley  
W. R. Olcorn C. L. Dawson  
B. E. Bengough  
Chief Executive Officer: S. W. Cheater

## **ELECTION OF OFFICE BEARERS AND DIRECTORS 2009**

Nominations are called for the positions of

PRESIDENT  
TWO (2) VICE-PRESIDENTS  
CAPTAIN  
BOWLS MANAGER  
SIX (6) ORDINARY DIRECTORS

Nominations must be in writing, and signed by two (2) eligible Full members of the Club and the nominee, and must be delivered to the Secretary at least seven (7) days prior to the Annual General Meeting of the Club.

Retiring Office Bearers and Directors seeking re-election must nominate. Nomination forms may be obtained from the Secretary or at the Clubhouse.

**THE CLUB'S NEW CONSTITUTION WAS ADOPTED AT THE GENERAL MEETING HELD ON 16 APRIL 2009. THE ELECTION OF THE BOARD OF DIRECTORS AT THE 2009 ANNUAL GENERAL MEETING WILL TAKE PLACE IN ACCORDANCE WITH THE PROCEDURE SET OUT IN THE NEW CONSTITUTION, AS FOLLOWS:**

Pursuant to Rule 35.3, the Board will consist of eleven (11) Directors in all. Of these, nine (9) Directors will be subject to the Triennial Rule, and the Captain and Bowls Manager will both be elected annually.

As provided in Rule 35.4, at the 2009 Annual General Meeting Members will elect a President, two (2) Vice Presidents, a Captain, a Bowls Manager and six (6) Ordinary Directors. Note: The term of office of the President and Vice Presidents is one year, but at the end of that period a President or Vice President who continues to be a member of the Board is eligible to stand for re-election to office.

When the Board has been elected, the provisions of Clause 2 of the Schedule to Rule 37.1 will then immediately come into operation, with the nine (9) elected Directors who are subject to the Triennial Rule drawing lots to divide them into three groups to serve one, two and three years respectively. Board members are eligible to stand for re-election at the expiry of their designated term of office.

# Howlong Country Golf Club Limited

A.C.N. 001 023 516

## **NOTICE OF ANNUAL GENERAL MEETING**

to be held at Clubhouse

**Thursday, 28th May 2009 at 7.30 pm.**

### **BUSINESS**

- 1) Reading and confirmation of the minutes of the previous Annual General Meeting held on Thursday 27th April 2008.
- 2) Confirmation of appointment of Returning Officer and appointment of Assistant Returning Officers.
- 3) Election of Directors and Office Bearers for 2009.
- 4) Submission and adoption of Annual Accounts, Directors Report, Presidents Report and Auditors Report.
- 5) Appointment of Auditor. The Board of Directors recommends the appointment of Johnsons MME as auditors.
- 6) Special Business of which due notice has been given:
  - a) That Marjorie Nicholas be elected to Distinguished Membership of the Club in accordance with Clause 14 of the Clubs Constitution.
  - b) That this meeting authorise and approve expenditure relating to Directors, including attending meetings and seminars, attending to club matters, provision of light meals and refreshments at meetings and presidents travel expenses and honorarium up to a total of \$7,000.00 for the ensuing year.

It is requested that members who wish to raise queries at the Annual General Meeting about Financials, give notice in writing of their queries or requests with the Chief Executive Officer seven (7) days prior to the meeting. This will enable properly researched replies to be prepared for the benefit of all members.

G. N. Lawrence  
Acting Chief Executive Officer

# Howlong Country Golf Club Limited

A.C.N. 001 023 516

## PRESIDENTS REPORT 2007/08

It is with pleasure that I submit my report on the activities of our club for 2007/08 financial year.

This financial year has been a year of challenges that we and our local economy have had to endure. The effects of high interest rates, petrol prices and also the drought have hit home hard.

Our club has incurred an operating loss of \$507,498.00 and in this economic climate certainly brings us back to earth. I have highlighted in the table below the key reasons for this deterioration. Now more than ever your board realizes that this club can no longer rely solely on the income from the poker machines. As you will see throughout this report that where we suffered our biggest loss is in the downturn in trade in our gaming room. All other areas of our club have traded at or above last years figures.

### Key reasons for deterioration

Decrease in net poker machine trading	-	373,370
Increase in employee related costs (1)	-	172,332
Increase in repairs & maintenance	-	82,550
Asset write-off	-	64,284
	-	<u>692,536</u>

	2008	2007
(1) Wages & Salaries	1,214,587	1,126,119
Superannuation	103,918	93,162
Staff Training	47,163	39,926
Uniforms	12,803	2,616
Leave movements	11,386	8,851
Payroll tax	46,173	33,835
Worker's Comp	34,651	11,542
	<u>1,470,681</u>	<u>1,298,349</u>
Movement	<u>172,332</u>	

Our club is not alone in recording a loss this year. The whole of the industry is struggling to survive due to the increased taxation and smoking bans and the economic climate.

Our club is still cash flow positive, but your board and management need to keep an eye on all areas of the club and to also look at ways of diversifying our income. Your board is continuing to look at all options to see what is viable for your club, like continuing investigations regarding the lifestyle village.

Greg Lawrence was appointed marketing manager last February to promote our club, and at this stage Greg's efforts have shown a big improvement in the promotion of our club and a marked increase in the occupancy of our motel.

In last years presidents report it was stated we had to get away from our reliance on poker machines and this year our poker machines are the reason for our loss for the year.

## **CLUB CONSTITUTION**

The club's constitution has been re-written and I am pleased to report has been adopted at a general meeting of members held on Thursday the 16th of April 2009.

Special thank you to Marjorie Nicholas, John Arthur, Sue Van de Ven, and Terry O'Riley for all their hard work in re-writing the club's constitution.

## **POKER MACHINES**

Over the last 12 months your board has visited other clubs to investigate the viability of putting poker machines in an outdoor area. Upon favourable findings, we applied for a permit in June 2008, and finally received approval in January 2009. Construction of the outdoor gaming area on the Western side of the club house commenced in February 2009 and should be completed by mid to late April 2009.

## **TAB**

Management of your club have been in discussion with Tabcorp to have a TAB established at the club. We are now in the final stages of receiving approval and having a TAB kiosk installed.

## **SPORTING BODIES**

Congratulations to our men's and ladies' golf and bowls club champions in all grades and also to our pennant teams. A big thank you to our Captain, Graham Andrew, Bruce Bengough, members of the Silver Colts committee and the Ladies President, Bev Coughlan and her committee for their assistance and another successful year.

Our thanks also too Graeme Andrew and Claire Meade our men's and ladies handicappers, Anthony, Matt and Alex in the Pro shop for an outstanding job throughout the year.

Congratulations to our Bowls Manager, Arthur Prosser, bowls coordinator, Bob Schneider and their committee for coordinating a successful bowls season. To the ladies' bowls President Melba Steinke and her committee for all their hard work throughout the year.

## **VALE**

Sadly I record the passing of our esteemed and respected members:

Mr W Mavity	William (Bill) Elliott
Phillip Smith	Vera Schorobura
Jean West	Dorothy (Merle) Gale
Laura Healey	Maria Chappell
Rex Kleehammer	Dawn McLennan
Margaret Prince	Audrey Feore
Collis Burgess	Mrs M Trump
Harry Healey	Cornelia (Lia) Volk
Stephen Jones	Carlyle Hunter
Andrew Reid	Theodore Harvey
John Stanley Taylor	Tom Styles
Trevor Larcombe	

## **FINANCIALS**

A detailed financial report is contained in another section of this report.

## **THANKYOU**

I also wish to record my personal thanks and I am sure the thanks of our members to the following people for their efforts during 2008:

To our Chief Executive Officer, Stephen Cheater for his tireless efforts throughout this very hard year, most members do not realise the number of hours Steve puts in each week in keeping our club up to date with the rules and regulations, reviewing, learning and training.

To our marketing Manager, Gregory Lawrence for his efforts in promoting our club through T.V, Radio, print and because of this we have seen increases in our functions, motel occupancy and let's not forget the very successful Murray Masters Pro Am.

To our Operations Manager, Shane Berry congratulations on trialing different styles of entertainment at the club and improving savings in the rosters, purchasing and transport.

To all of our wonderful staff in Administration, Reception, Bar/Gaming, Cleaning/Housekeeping, Ground staff and Maintenance we appreciate your efforts in what has been a trying year.

Thank you to Aaron Miller for his contributions to our course and we wish him well with his appointment to Tura Beach. Congratulations to Sara Hagy in becoming our course superintendent and what a fine effort she has done since being appointed.

Thank you to Wayne and Lizzie McRae for their many years of service in the kitchen, we wish them well in their position at the Corowa Golf Club.

We welcome Gordon and Kellie Perry as our new caterers to the club, we look forward to a long and successful venture.

To Janet and Kerry Rogers on once again keeping our gardens well maintained.

All the volunteers who help run our Friday nights and other events.

Finally I wish to thank my fellow Directors for their invaluable contributions in what has been a hard year, it can be an onerous task at times, but seeing the ongoing viability of the Club is reward in itself.

### **THE YEAR AHEAD 2009**

Undoubtedly 2009 will present many challenges, but with the support of members our club will continue to prosper and grow.

In closing I would like to thank you the members for the privilege of being your President and wish all the new directors every success in the future, and all the members a bright and happy 2009.

A handwritten signature in black ink, appearing to read 'R Reid', with a large, sweeping flourish at the top.

Robert Reid  
President.

# Howlong Country Golf Club Limited

A.C.N. 001 023 516

## **ANNUAL CAPTAIN'S REPORT 2008**

It is with pleasure that I present this report on the golfing activities of the Howlong Country Golf Club for the 2008 financial year. This year has once again seen a slight increase in player numbers from those recorded in 2007, there being an increase in competition numbers close to 1600 players whilst both green fee players and member social rounds have decreased by 1300 players. It is encouraging to have an increase as some other clubs have not had it quite as good, mainly due to the dry conditions, and fuel costs which have reduced visitor numbers to the area.

We are lucky to have a nice green course due to currently having a good supply of bore water which is our sole source of water at the moment. However our course watering system is badly in need of a major upgrade, it is very old and is costing a lot of money in repairs at the moment. Steps have been taken to rectify this problem.

### **THANK YOU**

There are a lot of people involved in the successful running of a golf program, a large number of these being voluntary. I take this opportunity to thank the following people.

To my Vice Captain Bruce Bengough for his assistance with competition results, Golf Link data entries, committee decisions, and just general assistance, thank you Bruce. To Graeme Male for his input. To Anthony Hunter, Matthew Kane, and Alex McCulloch in the Pro Shop, thank you all.

Special thanks to Anthony Hunter for his assistance with the years golf program plus the formulation of the Summer Pennant program.

To Bruce Bengough and his committee for another successful year with the Silver Colts, with the player numbers continuing to increase.

To Len Scott for his assistance with handicapping during the year. To our Manager Stephen Cheater and the girls in the office, for assistance with mail outs, flyers, Golf Link membership changes, plus numerous day to day tasks, thank you all. To ladies Captain Jan Carter and her committee thank you for a job well done, to Claire Meade for her continuing work as ladies handicapper, and to all involved with the running of the ladies golf, thank you.

Part way through the year our course superintendent Aaron Miller resigned. There is no doubt that Aaron along with his assistant Sara Hagy did a magnificent job with our course

during his time with us. One of his achievements being the introduction of Legends Couch to our fairways, which has proved to be a great success. I would like to wish Aaron and his wife Jo and family all the best for the future from us all. The Board appointed Sara Hagy to take over as superintendent, with Xavier Palamarczuk as her assistant. Since then Sara & Xavier along with the other ground staff have kept the course up to the high standard that we have come to expect. Thank you all.

To all other people who assisted during the year with catering, marking of white boards, checking score cards, completing major event results, your time and efforts are greatly appreciated.

To all our sponsors your continuing support is also greatly appreciated. I do urge you the members to support our sponsors if you have need for the services they provide.

### **CLUB CHAMPIONSHIPS**

I extend my congratulations to Tony Davis for winning the 2008 club championships. Tony returned Scratch scores of 79 72 73 75 for a four round total of 299. Winners of the other divisions are listed in the Presidents report.

### **ANNUAL TOURNAMENT**

This years player numbers were slightly up on last years with 710 players competing over the six days, with representatives from at least 18 clubs competing.

The mens 27 hole open winner this year was Nathan Schneider with a gross score of 108 successfully defending his title. Runner Up being John Barfoot from Commercial/Albury with a score of 109.

The Ladies 27 hole open winner was Sue Eisenhauer with a gross score of 122. Sue defeated defending champion Sara Hagy in a play off. Congratulations to these players and I hope to see them back again for the 2009 events.

### **MDGA PENNANT GOLF – SEASON 2008**

Once again both our Pennant sides made it into the finals with the scratch team getting up on the last putt of the day. Nathan Boehm from Commercial/Albury rolled his 1st putt to within 1.2 metres of the hole then our Zac Grubisa miss judged the pace of the green and left his 1.8 metres away. Zac sank his putt with Nathan missing his, so another thrilling victory with young Zac taking part as he did in 2007. The handicap team lost by the narrowest of margins. This year was a stellar year with both teams getting into the finals and one team coming out on top. They didn't quite achieve the "Magnificent Double" but gave it a damn good try.

## **SCRATCH**

This year started with the team struggling for players but this was soon rectified, and we started with a win against 2006 champions Thurgoona. The season is a home and away series with Howlong winning 3½ matches, the only losses being to Corowa at Corowa and to Albury at Albury.

The last game was against Albury at Howlong and we had to win that game to get into the final, and we were successful. Most players played well but with other commitments the team was comprised of a different line up each week, eventually using 11 players for the season, and due to the rules we only had 8 players eligible for the final against Albury.

The final was played at Thurgoona, and with the games at 3 all, Zac Grubisa knocked in a putt on the 18th whilst his opponent 3 putted to give us a narrow win. This was a great effort by all players from both teams. A special mention to Daniel Krause and Tom Grubisa who both won on the last day after not winning many matches during the season, a great effort.

## **HANDICAP**

The handicap season comprises 6 teams each playing each course, with Howlong jumping out of the box with a good win in its first game at Jindera, and once on grass greens they were very hard to beat, being undefeated for the season.

The team played well and had the luxury of having 9 players throughout the season. Howlong has won this event now 6 times in the last 11 years, not a bad effort. Richard Alexander was unlucky not to win the handicap player of the year award, missing out by just a few points to Gordon Webb of Holbrook.

All the players including some new ones this year played well and enjoyed the entire season.

The final was at held at Thurgoona with Howlong playing against Albury and Howlong losing 4-3. 2 players took it to the last hole but were unsuccessful.

Thank you to Bruce Bengough for organizing both of the teams as well as doing all the media reports etc, and to Geoff Eisenhower as captain of the handicap team, and to all of the players for such a magnificent effort.

Finally thank you the members for your confidence in me throughout the year, and to my fellow directors on the Board for your assistance when needed.

## **MEN'S GOLF RESULTS 2008**

Club Champion:	Tony Davis
B Grade Champion:	Richard Alexander
C Grade Champion:	Philip Bacon
D Grade Champion:	Scott Campbell
Senior Champion:	John Arthur
Junior Champion:	Dylan Pool
Open Champion:	Nathan Schneider
Scratch Match Play Champion:	Stephen Bindon
Handicap Match Play Champion:	Richard Alexander
Veteran Match Play Champion:	Robert Ross
Match Play Champions:	Richard Alexander, Craig Warburton
Foursomes Champions:	Alex Krause, Daniel Krause
Rex Wilson Memorial Trophy:	John Arthur
Medal of Medals:	Andy Jammer

Graham Andrew  
Club Captain.

## **WOMEN'S BOWLING CLUB ANNUAL REPORT 2008**

It is with pleasure that I present my Annual Report for the year 2008.

### **PENNANT**

Because quite a few players continue to be on the sick list, we could only field two Pennant Sides in 2008 - one in Division 2 and the other in Division 3. Unfortunately, the Division 2 side did not win enough points to remain in Division 2 and in 2009 will play in Division 3, resulting in the Club having two sides playing in that Division.

### **CLUB CHAMPIONSHIPS**

Singles Champion	Margaret Bourne
Runner Up	Doreen Kindred
Pairs Winners	Bev Pilfoot, Margaret Williams (S)
Runners Up	Ruth Kirk, Merle Welsh (S)
Minor Singles	Carrie Athanitis
Runner Up	Margaret Williams
Consistency	Lorna Lean
Runner Up	Margaret Bourne
Single Sets	Margaret Bourne
Runner Up	Ruth Kirk

Congratulations Ladies

### **DISTRICT SUPER VETERANS' DAY**

At the Henty Bowling Club in October, Marie Anthony received a Super Veteran's Badge to mark her 80th Birthday while Joan McCooke and Thelma O'Halloran each marked their 90th Birthday by receiving a "Star" Super Veteran's Badge. Congratulations to all of them.

### **DONATIONS**

Our Charity was again the Howlong Rural Fire Brigade (\$350), and we also donated to the Veterans' Cancer Appeal (\$50) and to Australia's Biggest Morning Tea (\$55).

## **CATERING**

It was a very busy year for those doing the catering for different functions – RDWBA Presentation Day, A. & D. Veterans' Day, N.E. Veterans' Day, Roys Boys Day, the Club Annual Fours Tournament and the Club Break-up and Presentation Day - mostly under the guidance of Doreen Kindred and Jeanette Cameron with many Club helpers. Thank you to all.

## **GENERAL**

Quite a number of our Members were on the sick list in 2008 and we hope 2009 will be a better year for everyone. Our Membership remained at forty-seven, considerably lower than the sixty in previous years; however, even with this small number, there were many prepared to assist in running the Club.

I would like to thank those members who elected to stand for office - Secretary Margaret Crichton, Treasurer Eileen Wiersma, Vice-Presidents Edna Eaton and Margaret Williams, Publicity Officer Margaret O'Donnell, and Match Chairman Margaret Bourne and her Committee (Jenny Bourne, Ruth Kirk, Lorna Lean, Jan McLennan) - for their assistance during the year, as well as those who provided wonderful help when catering needed to be done. Without all of you we would not have a Club.

Members continuing to serve on the Executive of the Riverina District Women's Bowling Association are Margaret Crichton (Club and District Secretary), Eileen Wiersma (Club Treasurer and District Vice-President) and Margaret Bourne (Club and District Match Committee Chairman), so we are fortunate indeed to have first-hand knowledge of what takes place at both District and State level.

To our men bowlers, who each week join us in playing Social Bowls, thank you for helping to swell our numbers.

Thank you to President Robert and Directors, Secretary/Manager Stephen, Greenkeeper Sara and her staff, and all Reception, Bar and Bistro staff, for always being ready to assist us.

I wish all bowlers a happy and healthy bowling season in 2009, when our Club is looking forward to celebrating its Fortieth Anniversary.

Melba Steinke  
President.

# Howlong Country Golf Club Limited

A.C.N. 001 023 516

## **MENS BOWLS CLUB ANNUAL REPORT 2008/2009**

Men's Bowls has progressed favourably over the last 12 months. Firstly, we must congratulate Sara and her staff for getting the bowling greens up to such an excellent condition. Visitors and tournament competitors have all remarked on how well our greens are performing.

As well as the usual social and pennant fixtures, we trialed a Men's 2 bowl triple tournament in February, and succeeded in filling both greens (96 players). All competitors complimented our match committee on our efforts. Although not making a big profit, the event proved good public relations for further tournaments.

With the assistance of our office staff, a charity "Pink Lady" (Breast Cancer) fun day was held with a very good financial result.

The Green's Bar - With the help of Gordon Routledge, Bill Iverach and other RSA staff we have been able to set up a Bar room at the bowling green. This has proved to be a win-win situation for both Men's Bowls Club and the Howlong Country Golf Club.

As I write we are still awaiting insurance approval to replace shade blinds damaged in the recent wind storm. We are hoping to have these replaced in time for our Easter Tournament.

It was with regret we learned of the passing of Laura and Harry Healey. Both did a wonderful job running our Wednesday night Charity bowls competition and are both sadly missed.

Our sympathies to Joyce Kleehammer for the loss of her husband Rex. Rex was just beginning to enjoy his bowls when a heart condition took him from us.

At the time of writing this report, our Championship events are still in progress, so results are unavailable.

General comments - Owing to the economic downturn, I feel that we need to operate efficiently with what we have, rather than spend money on big projects, at least until the economy shows positive signs of improvement.

I would like to take this opportunity to thank the board for its support over the difficult past 12 months, and to my Bowls match committee for their hard work and continued support.

Thanks too, to our Lady Bowlers for their support, especially in regards to our catering and pennant etc.

I will not be standing for Bowls Manager or Board membership for the upcoming elections, but I would ask all members to support our Bowls Club and the Howlong Country Golf Club, as it is “your” club.

I have enjoyed the company of all members in bowls and at board level.

Arthur Prosser  
Bowls Manager.

## **Howlong Country Golf Club Limited**

A.C.N. 001 023 516

### **PRESIDENTS REPORT 2008 LADIES GOLF**

As we all know, any Club is reliant on the input from its members and it would be remiss of me not to acknowledge the fact that the Howlong Ladies' Golf Club Members make a very worthwhile contribution to our Club. The success of our Open Competition Days is a tribute, in so many ways, to the warm welcome extended to all by our lady members and the efficiency with which these events are run. The fact that we have some of the best cooks in Howlong is also a contributory factor to our success.

We are fortunate to have Pam Boswell - Vice President, Janet Rogers - Captain, Sue Eisenhauer - Vice Captain, Gail Arthur - Treasurer, Lorraine Walton - Secretary, Claire Meade - Handicapper and Bev Parmenter, Maralyn Seddon, Jan Carter, Julie Cox, Heather Poole and Jillian Schmidt on Committee this year. These ladies are doing a sterling job and we thank them for their dedication and commitment in keeping our Club so viable. We also express our thanks to the ladies who stood down from Committee. Each person's input is of great value.

We acknowledge, also, Di Tyrell-Miller who is our Vet Representative, Pam Boswell and Dot McGrory who buy our Trophies, Bev Parmenter who organises our raffles and arranges the flowers on our Open Competition Days, Janet Rogers and Bev Parmenter who organise the catering for these days. We thank them sincerely for their invaluable contribution realising that it is work that goes on quietly in the background that contributes to the success of our undertakings.

We congratulate our 2008 Club Champions - Open Champion & Grade Champion - Sue Eisenhauer, B Grade Champion - Nola Carmosin, C Grade Champion - Pat Barker, D Grade Champion - Clare Jackson. We also had two Holes-in-One this year - Maralyn Seddon and Sue Eisenhauer - a very commendable feat.

We are well-represented at other Club Competitions, Riverina and North East District Events and we thank the members who make themselves available to represent us in the Pennant Competitions. Our 9-hole ball comp on Mondays (when there are no Vets Comps scheduled) is continuing to be a great success. Times need to be booked at the Pro Shop. This is a fun morning and we can have up to twenty-five ladies participating.

The beautiful condition of our Course is due to the marvellous job done by Sara Hagy and her band of merry men and we thank them for providing us with a course of which we can be justifiably proud. We thank Anthony Hunter and the Pro shop staff for their assistance throughout the year. Steve Cheater, the Office Staff and the Bar Staff are always helpful and obliging and are also deserving of our thanks.

We look forward to the challenges that we face in 2009 and wish all members "Good Golfing".

### **LADIES GOLF RESULTS 2008**

<u>Championship Results:</u>	A Grade:	Sue Eisenhauer
	B Grade:	Nola Carmosin
	C Grade:	Pat Barker
	D Grade:	Clare Jackson
	Open Champion:	Sue Eisenhauer
O'Halloran Perpetual Trophy:		Pat Barker

Bev Coughlan  
President.

**Howlong Country Golf Club Limited**  
A.C.N. 001 023 516

**GENERAL PURPOSE  
FINANCIAL REPORT**

For the year ended 30th November 2008

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# Howlong Country Golf Club Limited

A.C.N. 001 023 516

## DIRECTORS' REPORT

For the year ended 30 November 2008

Your directors present their report on the financial statements of the Howlong Country Golf Club Limited (the Company) for the year ended 30 November 2008.

### DIRECTORS

The names of the directors in office at any time during or since the end of the financial year are:

R Reid

J Arthur

G Routledge resigned 27 March 2008

D Harrison resigned 27 March 2008

J Carter resigned 27 March 2008

T O'Riley

B Bengough

D Miller

D Longley

G Andrew

W Olcorn

G Male

S Van de Ven appointed 27 March 2008

A Prosser appointed 27 March 2008

C Dawson appointed 27 March 2008

resigned 24 November 2008

### PRINCIPAL ACTIVITIES

The principal activities of the Company during the year were promotion and conduct of golf, bowls and a motel for the purpose of promoting these sports and club amenities.

### DIVIDENDS

The Company is a public Company limited by guarantee and therefore prohibited from paying a dividend.

### REVIEW OF OPERATIONS

A review of operations for the financial year discloses the following:

	2008	2007
	\$	\$
Operating profit/(loss) after income tax	(507,498)	204,238

### SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Company during the financial year.

## **MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR**

There have been no matters or circumstances that have arisen since the end of the financial year that have significantly affected or may significantly affect:

- (a) the Company's operations in future financial years;  
or
- (b) the results of those operations in future financial years; or
- (c) the Company's state of affairs in future financial years.

## **ENVIRONMENTAL REGULATION**

The Company's operations were not subject to any particular or significant environmental regulations during the year.

## **PROCEEDINGS ON BEHALF OF THE COMPANY**

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to 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 part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

## **INFORMATION ON DIRECTORS**

R G Reid  
Director since 1983  
Occupation – Farmer & Grazier

D Miller  
Director since 2005  
Occupation – Semi retired/lecturer

J Arthur  
Director since 2005  
Occupation – Farmer & Grazier

T O'Riley  
Director since 2005  
Occupation – Retired

B E Bengough  
Director since 2002  
Occupation – Retired

G Andrew  
Director since 2006  
Occupation – Retired

D S Longley  
Director since 2003  
Occupation – Investor

G Male  
Director since 2007  
Occupation-Retired

W Olcorn  
Director since 2007  
Occupation  
– Warehousing/Forklift Operator

A Prosser  
Director since 2008  
Occupation – Retired

S Van de Ven  
Director since 2008  
Occupation – Company Director

C Dawson  
Director since 2008  
Occupation - Retired

## MEETINGS OF DIRECTORS

The number of meetings of the Company's directors held during the year ended 30 November 2008, and the numbers of meetings attended by each director were:

	<b>No. of Meetings Attended</b>	<b>No. of Meetings Held*</b>
<b>R G Reid</b>	<b>18</b>	<b>20</b>
G G Routledge	7	8
B E Bengough	17	20
D S Longley	17	20
J Arthur	19	20
D Harrison	1	3
T O'Riley	14	20
D Miller	15	20
G Andrew	19	20
J Carter	8	8
W Olcom	10	20
G Male	20	20
S Van de Ven	8	12
A Prosser	10	12
C Dawson	4	12

*\* reflects the number of meetings held during the time the director held office during the year.*

## INSURANCE OF OFFICERS

During the financial year the Company paid a premium of \$961 (2007: \$961) to insure its directors and officers in respect to liabilities that may arise from their position as directors and officers of the Company.

## **AUDITORS**

Johnsons MME continues in office in accordance with section 327 of the *Corporations Act 2001*.

## **AUDITOR'S INDEPENDENCE**

A copy of the auditors' independence declaration as required by section 307C of the *Corporations Act 2001* has been received and can be found following this director's report.

Signed in accordance with a resolution of the directors.



Robert Reid  
Director



David Longley  
Director

Howlong  
28 April 2009

### Auditors' Independence Declaration

As lead auditor for the audit of Howlong Country Golf Club Limited for the year ended 30 November 2008, I declare that, to the best of my knowledge and belief, there have been:

- a) No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) No contraventions of any applicable code of professional conduct in relation to the audit.



Stephen Clarke  
Partner  
Johnsons MME

Albury  
28 April 2009

## **DIRECTORS' DECLARATION**

For the year ended 30 November 2008

The directors declare that the financial statements and notes set out on pages 25 to 45:

- a) comply with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
- b) give a true and fair view of the Company's financial position as at 30 November 2008 and of its performance, as represented by the results of its operations and its cash flows, for the financial year ended on that date.

In the directors opinion:

- a) the financial statements and notes are in accordance with the *Corporations Act 2001*; and
- b) 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 directors.



Robert Reid  
Director



David Longley  
Director

Howlong  
28 April 2009

# Howlong Country Golf Club Limited

A.C.N. 001 023 516

## INCOME STATEMENT

For the year ended 30 November 2008

	Note	2008 \$	2007 \$
<b>Revenue</b>	2	3,800,744	4,237,641
Cost of goods sold	3	345,242	358,264
Employee related expense		1,470,681	1,298,349
Depreciation	3	557,699	522,722
Repairs and maintenance expense		460,372	377,822
Advertising and promotion expense		220,632	212,175
Members expense		141,829	151,565
Poker machines taxes & monitoring fees		294,577	393,953
Electricity expense		125,165	125,060
Asset disposal		64,284	-
Other expenses		627,761	593,493
<b>Profit/(Loss) before income tax</b>		<u>(507,498)</u>	<u>204,238</u>
Income tax expense	1(b)	-	-
<b>Net Profit/(Loss)</b>		<u><u>(507,498)</u></u>	<u><u>204,238</u></u>

*The above income statement should be read in conjunction with the accompanying notes.*

# Howlong Country Golf Club Limited

A.C.N. 001 023 516

## BALANCE SHEET

As at 30 November 2008

	Note	2008 \$	2007 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4	835,550	1,058,083
Trade and other receivables	5	31,365	2,504
Inventories	6	64,387	60,398
Other	7	29,858	36,123
Total Current Assets		<u>961,160</u>	<u>1,157,108</u>
<b>Non-Current Assets</b>			
Property, plant and equipment	8	4,682,392	4,906,975
Intangible assets	9	180,369	180,369
Total Non-Current Assets		<u>4,862,761</u>	<u>5,087,344</u>
<b>Total Assets</b>		<u>5,823,921</u>	<u>6,244,452</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	10	265,889	275,838
Borrowings	11	11,687	6,220
Employee provisions	12	123,291	104,021
Other	13	173,265	106,784
Total Current Liabilities		<u>574,132</u>	<u>492,863</u>
<b>Non-current liabilities</b>			
Borrowings	14	31,521	17,937
Employee provisions	15	31,823	39,709
Total Non-Current Liabilities		<u>63,344</u>	<u>57,646</u>
<b>Total Liabilities</b>		<u>637,476</u>	<u>550,509</u>
<b>Net Assets</b>		<u>5,186,445</u>	<u>5,693,943</u>
<b>EQUITY</b>			
Retained profits		5,186,445	5,693,943
<b>Total Equity</b>		<u>5,186,445</u>	<u>5,693,943</u>

*The above income statement should be read in conjunction with the accompanying notes.*

# Howlong Country Golf Club Limited

A.C.N. 001 023 516

## STATEMENT OF CHANGES IN EQUITY

As at 30 November 2008

	2008	2007
	\$	\$
Retained profits at the beginning of the financial year	5,693,943	5,489,705
Net profit/(loss) for the year	(507,498)	204,238
Retained profits at the end of the financial year	<u>5,186,445</u>	<u>5,693,943</u>

*The above income statement should be read in  
conjunction with the accompanying notes.*

# Howlong Country Golf Club Limited

A.C.N. 001 023 516

## CASH FLOW STATEMENT

For the year ended 30 November 2008

	Note	2008 \$	2007 \$
<b>Cash Flows from Operating Activities</b>			
Receipts from members & customers (inclusive of GST)		3,725,909	4,583,235
Payments to suppliers and employees (inclusive of GST)		(3,634,791)	(3,933,882)
		91,118	649,353
Interest received		55,292	59,069
<b>Net cash inflow/(outflow) from operating activities</b>	16	146,410	708,422
<b>Cash Flows from Investing Activities</b>			
Payments for property, plant and equipment		(402,716)	(830,280)
Proceeds from the sale of property, plant and equipment		14,722	13,714
<b>Net cash inflow/(outflow) from investing activities</b>		(387,994)	(816,566)
<b>Cash flows from Financing Activities</b>			
Proceeds from borrowings		27,800	-
Repayment of borrowings		(8,749)	(6,220)
<b>Net cash inflow/(outflow) from financing activities</b>		19,051	(6,220)
<b>Net Increase/(Decrease) in Cash Held</b>		(222,533)	(114,364)
Cash at the beginning of the financial year		1,058,083	1,172,447
<b>Cash at the End of the Financial Year</b>	4	835,550	1,058,083
Non-cash financing and investing activities	23		

*The above income statement should be read in conjunction with the accompanying notes.*

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

For the year ended 30 November 2008

### **Note 1. Summary of significant accounting policies**

This financial report is a general purpose financial report that has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

#### **Basis of preparation**

The principal accounting policies adopted in the presentation of the financial report are set out below. These policies have been consistently applied to both years presented, unless otherwise stated.

Comparative information has been reclassified where appropriate to enhance comparability.

#### **(a) Revenue**

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

##### *(i) Sale of goods and services*

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

Revenue from the rendering of a service is recognised upon delivery of the service to customers.

##### *(ii) Subscription revenue*

Subscriptions revenue is brought to account on a progressive basis over the period in which members are able to enjoy the use of the Company's facilities. Any subscriptions received in advance are brought to account as a liability (refer note 13).

##### *(iii) Interest*

Interest revenue is recognised on an accrual basis taking into account applicable interest rates.

#### **(b) Income Tax**

The Company has received advice from the Australian Taxation Office that it is exempt from income tax and will remain so whilst its activities remain the same as at present and the income tax legislation does not change in relation to the exemption provisions.

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS cont...**

**(c) Borrowing Costs**

Borrowing costs are recognised as expenses in the period in which they are incurred.

**(d) Maintenance & Repairs**

Maintenance, repair costs and minor renewals are charged as expenses as incurred.

**(e) Cash and Cash Equivalents**

Cash and cash equivalents includes cash on hand and other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash which are subject to an insignificant risk of changes in value.

**(f) Trade and Other Receivables**

All trade receivables are carried at their nominal amount. Collectability of debtors is reviewed on an ongoing basis. Debts, which are known to be uncollectible, are written off. A provision for doubtful debts is raised when some doubt as to collection of the debt exists.

**(g) Inventories**

Inventory is stated at the lower of cost and net realisable value.

**(h) Property, Plant & Equipment**

All property, plant and equipment is stated at cost less depreciation and impairment losses. Cost is measured as the fair value of the assets given up, liabilities undertaken at the date of acquisition plus incidental costs directly attributable to the acquisition.

The purchase method of accounting is used for all acquisitions of assets.

All depreciation is calculated using straight line or diminishing value methods, depending on when the financial benefits of an asset will be derived, to write off the net cost of each item of property, plant and equipment (excluding freehold land) over its expected useful life to the Company. The expected useful lives are as follows:

Buildings	10-40 years
Plant and equipment	4-10 years

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS cont...**

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the income statement.

### **(i) Intangible Assets**

#### **Goodwill**

Goodwill is initially recorded at the amount at which the purchase price for a business exceeds the fair value attributed to its net assets at the date of acquisition. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses.

#### **Water Licence**

The water licence is recognised at cost. The licence has an indefinite life but is tested annually for impairment in accordance with note 1 (j).

### **(j) Impairment of Assets**

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value, less cost to sell and value in use.

### **(k) Trade and Other Payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. These amounts are unsecured and usually paid within 30 days of recognition.

### **(l) Goods and 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 Tax 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 expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS cont...**

### **(m) Employee Entitlements**

#### *(i) Wages and salaries*

Liabilities for wages and salaries are recognised and measured as the amount unpaid at the reporting date at current wage rates in respect of employees' service up to that date.

#### *(ii) Annual leave*

Liabilities for annual leave are recognised and are measured as the amount unpaid at the reporting date at pay rates expected to apply when the obligation is settled in respect of employees' services up to that date, including on-costs. All annual leave balances are classified as a current liability.

#### *(iii) Long service leave*

Long service leave entitlements payable are assessed at balance date having regard to expected employee remuneration rates on settlement, employment related oncosts and other factors including accumulated years of employment, on settlement, and experience of employee departure per year of service. All long service leave which the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after reporting date is disclosed as a current liability and is measured at nominal value based on the amount expected to be paid when settled. Long service leave expected to be paid later than one year has been measured at the present value of the estimated future cash outflows to be made for these accrued entitlements. Commonwealth bond rates are used for discounting future cash outflows.

### **(n) Borrowings**

Borrowings are carried at their principal amounts, which is not materially different to the present value of future cash flows associated with servicing the debt. Any interest payable on borrowings is accrued over the period it becomes due and is recorded as part of other creditors.

**NOTES TO AND FORMING PART OF  
THE FINANCIAL STATEMENTS cont...**

**(o) Statutory Status**

The Company is incorporated as a Company limited by guarantee. In accordance with the Memorandum of Association of the Company, every member of the Company undertakes to contribute an amount limited to \$20 per member in the event of winding up the Company during the time he or she is a member or within one year thereafter.

**(p) Critical Accounting Estimates**

The directors evaluate estimates and judgements incorporated into the financial report 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 internally and externally.

***Key Estimates***

The company assesses impairment at each reporting date by evaluating conditions specific to the company that may lead to impairment. Where evidence of impairment exists, the recoverable amount of the asset is determined. The value-in-use calculations performed in assessing recoverable amounts incorporate a number of estimates. No impairment has been recognised in respect of goodwill relating to the motel for the year ended 30 November 2008.

# Howlong Country Golf Club Limited

A.C.N. 001 023 516

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS cont...

### Note 2. Revenue

	2008	2007
Revenue from operating activities	\$	\$
Poker Machines	1,739,115	2,216,925
Bar	707,831	702,871
Motel	469,885	444,726
Subscriptions, entrance and affiliation fees	239,243	236,237
Competitions and green fees – golf	337,521	312,795
Competition fees – bowls	17,492	16,364
Raffle proceeds	68,508	58,343
Bingo	13,766	13,521
Commission	69,496	39,022
	<u>3,662,857</u>	<u>4,040,804</u>

### Revenue from outside the operating activities

Rental income	-	18,137
Interest	54,853	56,992
Government grants	-	42,333
Sundry	41,483	57,574
Sponsorship and donations	25,976	7,098
Conferences and Functions	6,169	14,474
Profit from sale of PP&E	9,406	229
	<u>137,887</u>	<u>196,837</u>
	<u>3,800,744</u>	<u>4,237,641</u>

### Note 3. Profit

#### Net gains and expenses

Profit before income tax expense includes the following expenses:

#### Expenses

Cost of sales of goods	345,242	358,264
Depreciation		
Buildings	207,888	192,656
Plant and equipment	349,811	330,116
	<u>557,699</u>	<u>522,772</u>

# Howlong Country Golf Club Limited

A.C.N. 001 023 516

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS cont...

### Note 4. Current assets – Cash and Cash Equivalents

	2008	2007
	\$	\$
Bank accounts of associated sporting clubs	17,224	13,975
Hume Business cheque account	67,274	93,759
Hume Keno account	4,300	2,715
Hume Motel account	(1,929)	6,718
Hume Investment account	5,239	250,289
Hume Fixed Term Investment account	683,122	630,107
Cash on hand	60,320	60,520
	<u>835,550</u>	<u>1,058,083</u>

### Note 5. Current assets – Trade and Other Receivables

Trade debtors	31,300	2,000
Less: Provision for doubtful debts	(300)	(300)
	<u>31,000</u>	<u>1,700</u>
Accrued income	365	804
	<u>31,365</u>	<u>2,504</u>

### Note 6. Current assets – Inventories

Bar stocks	29,857	26,602
Golf course, bowling green supplies and sundries	31,133	29,855
Motel	3,397	3,941
	<u>64,387</u>	<u>60,398</u>

### Note 7. Current assets – Other

Prepayments	<u>29,858</u>	<u>36,123</u>
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# Howlong Country Golf Club Limited

A.C.N. 001 023 516

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS cont...

### Note 8. Non-current assets – Property, Plant and Equipment

	2008 \$	2007 \$
<b>Land and buildings</b>		
Freehold Land – at cost	598,747	548,747
Club House – at cost	1,822,999	1,800,191
Less: Accumulated depreciation	1,183,390	1,142,184
	<u>639,609</u>	<u>658,007</u>
Golf course and green improvements – at cost	997,859	981,789
Less: Accumulated depreciation	475,044	423,745
	<u>522,815</u>	<u>558,044</u>
Improvements – at cost	696,455	682,641
Less: Accumulated depreciation	470,338	431,851
	<u>226,117</u>	<u>250,790</u>
Bowling Complex – at cost	182,018	182,018
Less: Accumulated depreciation	150,191	141,065
	<u>31,827</u>	<u>40,953</u>
Water Supply – at cost	794,209	757,127
Less: Accumulated depreciation	426,686	391,841
	<u>367,523</u>	<u>365,286</u>
Motel Buildings – at cost	1,002,020	1,002,020
Less: Accumulated depreciation	375,040	349,921
	<u>626,980</u>	<u>652,099</u>
Improvements – Motel – at cost	164,761	164,419
Less: Accumulated depreciation	95,886	88,080
	<u>68,875</u>	<u>76,339</u>
Total Land and Buildings	<u>3,082,493</u>	<u>3,150,265</u>
<b>Plant and equipment</b>		
Plant, Furniture and Equipment – at cost	4,498,392	4,344,172
Less: Accumulated Depreciation	3,139,768	2,859,652
	<u>1,358,624</u>	<u>1,484,520</u>
Plant and Machinery – Motel – at cost	73,891	73,891
Less: Accumulated depreciation	52,993	48,155
	<u>20,898</u>	<u>25,736</u>

# Howlong Country Golf Club Limited

A.C.N. 001 023 516

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS cont...

### Note 8. Non-current assets – Property, Plant and Equipment (continued)

	2008 \$	2007 \$
Furniture, Fixtures and Fittings – Motel – at cost	345,120	343,647
Less: Accumulated depreciation	182,680	161,477
	<u>162,440</u>	<u>182,170</u>
Motor vehicle – at cost	27,800	-
Less: Accumulated depreciation	3,260	-
	<u>24,540</u>	<u>-</u>
Software – at cost	57,064	-
Less: Accumulated depreciation	23,667	-
	<u>33,397</u>	<u>-</u>
Total Plant and Equipment	<u>1,599,899</u>	<u>1,692,426</u>
<b>WIP</b>		
Work In Progress – at cost	-	64,284
	<u>4,682,392</u>	<u>4,906,975</u>

**NOTES TO AND FORMING PART OF  
THE FINANCIAL STATEMENTS cont...**

**Note 8. Non-current assets – Property, Plant and Equipment  
(continued)**

	<b>Freehold Land</b>	<b>Buildings</b>	<b>Plant and equipment</b>	<b>Work In Progress</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Carrying amount at 1 December 2007	548,747	2,601,518	1,692,426	64,284	4,906,975
Additions	50,000	90,116	262,600	-	402,716
Disposals	-	-	(5,316)	-	(5,316)
Transfers	-	-	-	(64,284)	(64,284)
Depreciation	-	(207,888)	(349,811)	-	(557,699)
Carrying amount at 30 November 2008	598,747	2,483,746	1,599,899	-	4,682,392

# Howlong Country Golf Club Limited

A.C.N. 001 023 516

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS cont...

### Note 9. Non-current assets – Intangible Assets

	2008	2007
	\$	\$
Goodwill – Motel	96,369	96,369
Water license – at cost	84,000	84,000
	<u>180,369</u>	<u>180,369</u>

### Note 10. Current liabilities – Trade and Other Payables

Trade creditors	188,319	130,990
Accrued expenses	80,359	99,880
GST payable	(2,789)	44,968
	<u>265,889</u>	<u>275,838</u>

### Note 11. Current liabilities – Borrowings

Hire purchase liability - Telstra	6,220	6,220
Lease liability – Motor Vehicle	5,467	-
	<u>11,687</u>	<u>6,220</u>

### Note 12. Current liabilities – Employee Provisions

Employee Entitlements - Annual Leave	103,029	90,696
Employee Entitlements - Long Service Leave	20,262	13,325
	<u>123,291</u>	<u>104,021</u>

### Note 13. Current liabilities – Other

Subscriptions received in advance	112,857	61,887
Motel deposits in advance	28,831	17,332
Affiliation fees in advance	31,577	27,565
	<u>173,265</u>	<u>106,784</u>

### Note 14. Non-current liabilities – Borrowings

Hire purchase liability - Telstra	11,717	17,937
Lease liability – Motor Vehicle	19,804	-
	<u>31,521</u>	<u>17,937</u>

### Note 15. Non-current liabilities – Employee Provisions

Employee Entitlements – Long Service Leave	31,823	39,709
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# Howlong Country Golf Club Limited

A.C.N. 001 023 516

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS cont...

### Note 16. Reconciliation of Profit to Net Cash Outflow from Operating Activities

	2008	2007
	\$	\$
Profit after income tax	(507,498)	204,238
Depreciation	557,699	522,772
Asset disposal	64,284	-
Net (profit)/loss on sale of non current assets	(9,406)	(229)
Change in operating assets and liabilities:		
(Increase)/decrease in trade and other receivables	(28,861)	10,177
(Increase)/decrease in inventories	(3,989)	26,920
(Increase)/decrease in other current assets	6,265	(20,575)
Increase/(decrease) in trade and other payables	(9,949)	(4,088)
Increase/(decrease) in other liabilities	66,481	(21,943)
Increase/(decrease) in employee provisions	11,384	(8,850)
Net cash inflow from operating activities	<u>146,410</u>	<u>708,422</u>

### Note 17. Related party transactions

#### (a) Key Management Personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the company either directly or indirectly. The key management personnel of the company comprise the directors and executives who are responsible for the financial and operational management of the company.

Compensation paid to key management personnel of the company was as follows:

	2008	2007
	\$	\$
Short-term employee benefits	204,115	195,639
Post-employment benefits	17,062	15,260
	<u>221,177</u>	<u>210,899</u>

#### (b) Transactions with related parties

There were no transactions with directors or director related entities during the year.

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS cont...**

### **Note 18. Financial Instruments**

#### **18(a) Interest Rate Risk Exposures**

The Company's exposure to interest rate risks and the effective interest rates of financial assets and financial liabilities, both recognised and unrecognised at balance date, are as follows:

Financial Instruments	Note	Floating Interest Rate	Fixed Interest Maturing in 1 year or less	Fixed Interest Maturing in 2 to 5 years	Non Interest Bearing	Carrying Amount per Sheet	Weighted Average Effective Interest Rate
		\$	\$	\$	\$	\$	%
<i>(i) Financial Assets</i>							
Cash on hand	4	-	-	-	60,320	60,320	N/A
Cash at bank	4	86,869	-	-	-	86,869	2.25%
Term deposits	4	-	688,361	-	-	688,361	6.5%
Trade & other receivables	5	-	-	-	31,365	31,365	N/A
<i>(ii) Financial Liabilities</i>							
Trade and other payables	10	-	-	-	(265,889)	(265,889)	N/A
Hire purchase liabilities	11,14	-	(5,467)	(19,804)	(17,937)	(43,208)	10.8%
<b>Net financial assets/ (Liabilities)</b>		<b>86,869</b>	<b>682,894</b>	<b>(19,804)</b>	<b>(189,256)</b>	<b>560,703</b>	

**2008**

**NOTES TO AND FORMING PART OF  
THE FINANCIAL STATEMENTS cont...**

**Note 18. Financial Instruments (continued)**

Financial Instruments	Note	Floating Interest Rate	Fixed Interest Maturing in 1 year or less	Fixed Interest Maturing in 2 to 5 years	Non Interest Bearing	Carrying Amount per Balance Sheet	Weighted Average Effective Interest Rate
		\$	\$	\$	\$	\$	%
<i>(i) Financial Assets</i>							
Cash on hand	4	-	-	-	60,520	60,520	N/A
Cash at bank	4	117,167	-	-	-	117,167	2.4%
Term deposits	4	-	880,396	-	-	880,396	6.7%
Trade & other receivables	5	-	-	-	2,504	2,504	N/A
<i>(ii) Financial Liabilities</i>							
Trade and other payables	10	-	-	-	(275,838)	(275,838)	N/A
Hire purchase liabilities	11, 14	-	-	-	(24,157)	(24,157)	N/A
<b>Net financial assets/(Liabilities)</b>		<b>117,167</b>	<b>880,396</b>	<b>-</b>	<b>(237,775)</b>	<b>759,788</b>	

2007

# Howlong Country Golf Club Limited

A.C.N. 001 023 516

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS cont...

### 18(b) Credit risk exposures

The credit risk on financial assets is generally the carrying amount disclosed on the balance sheet.

### 18(c) Net Fair Values

For all financial assets and financial liabilities it is considered that carrying values as disclosed in the balance sheet reflect the net fair values.

### Note 19. Events Occurring after Reporting Date

There were no significant events occurring after the reporting date likely to impact the affairs of the Company in future.

### Note 20. Remuneration of Auditors

	2008	2007
	\$	\$
Auditor of the Company – Johnsons MME	10,605	10,100
Other services	16,775	20,134
	<u>27,380</u>	<u>30,234</u>

### Note 21. Commitments

#### (a) Capital Expenditure Commitments

Capital expenditure commitments contracted for:

Purchase of Land	-	50,000
Construction of a Outdoor Alfresco/Smoking area	-	-
	<u>-</u>	<u>50,000</u>

#### (b) Operating Lease Commitments

Commitments for minimum lease payments in relation to non-cancellable operating leases are as follows:

- Not later than 1 year	10,091	9,182
- Between 1 year and 5 years	24,417	26,479
	<u>34,508</u>	<u>35,661</u>

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS cont...**

### **Note 21. Commitments (continued)**

#### **(c) Finance Lease Commitments**

Commitments in relation to finance leases are payable as follows:

- Not later than 1 year	7,834	-
- Between 1 year and 5 years	22,217	-
Less future finance charges	(4,780)	-
	25,271	-
Represented by:		
Current (note 11)	5,467	-
Non-current (note 14)	19,804	-
	25,271	-

### **Note 22. Contingent Liabilities**

The Company had no contingent liabilities existed as at 30 November 2008.

### **Note 23. Non-cash financing and investing activities**

Acquisition of plant & equipment by means of finance lease	27,800	-
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### **Note 24. Financial risk management**

The Company's activities expose it primarily to the financial risks of liquidity, credit and interest rate risk. The Board and senior management are responsible for monitoring and managing the financial risks. They monitor these risks through monthly board meetings where management reports are presented and analysed. The Company does not enter into any derivative financial instruments nor speculate in any type of financial instrument.

#### **(a) Liquidity risk**

Liquidity risk is the risk the Company will be unable to meet its financial obligations as and when they fall due. The Company manages liquidity risk by maintaining adequate cash reserves to ensure sufficient cash is available to settle obligations as they fall due.

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS cont...**

### **Note 24. Financial risk management (continued)**

**(b) Credit risk**

Credit risk is the risk of financial loss to the Company as a result of a customer or counterparty to a financial instrument failing to meet its contracted obligations. The Company's exposure to credit risk is through its receivables balance which is not considered significant.

**(c) Interest rate risk**

Interest rate risk is the risk that changes in interest rates will affect the Company's income or value of its obligations. The Company is exposed to interest rates risk through its deposits with banks and lease liabilities. Interest rates and maturities are detailed in note 18.

**(d) Sensitivity analysis**

The Company has performed a sensitivity analysis relating to the exposure to interest rate risk at balance date. The sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in interest rates:

<b>30/11/07</b>		<b>30/11/08</b>
<b>\$</b>		<b>\$</b>
	<b>Change in profit</b>	
8,803	Increase in interest rate by 1%	6,884
(8,803)	Decrease in interest rate by 1%	(6,884)

<b>30/11/07</b>		<b>30/11/08</b>
<b>\$</b>		<b>\$</b>
	<b>Change in equity</b>	
8,803	Increase in interest rate by 1%	6,884
(8,803)	Decrease in interest rate by 1%	(6,884)

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOWLONG COUNTRY GOLF CLUB LIMITED**

### **Report on the Financial Report**

We have audited the financial report of Howlong Country Golf Club Limited (the Company), which comprises the balance sheet at 30 November 2008, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of accounting policies, other explanatory notes and the Directors' declaration.

### *Directors' Responsibility for the Financial Report*

The Directors' of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our 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 controls 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.

The financial report has been prepared for distribution to members for the purpose of fulfilling the Director's financial reporting requirements under the *Corporations Act 2001*. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

# Howlong Country Golf Club Limited

A.C.N. 001 023 516

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS cont...**

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

### *Matters Relating to the Electronic Presentation of the Audited Financial Report*

This auditor's report relates to the financial report of the Company for the year ended 30 November 2008 included on the Company's web site. The Company's directors are responsible for the integrity of its web site. We have not been engaged to report on the integrity of the web site. The auditor's report refers only to the statements named above. It does not provide an opinion 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 the audited financial report presented on this web site.

### *Independence*

In conducting our audit we have complied with the independence requirements of the *Corporations Act 2001*.

### **AUDITOR'S OPINION**

In our opinion the financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the Company's financial position as at 30 November 2008 and of its performance for the year ended on that date; and
- b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*.

Johnsons MME  
Chartered Accountants



Stephen Clarke  
Partner

Albury  
30 April 2009

**Howlong Country Golf Club Limited**  
A.C.N. 001 023 516

**DEPARTMENTAL TRADING  
STATEMENTS**

For the year ended 30 November 2008

	2008	2007
	\$	\$
<b>Golf &amp; Bowls</b>		
<b>Other Income</b>		
Subscriptions, Entrance & Affiliation Fees	239,243	236,237
Competition & Green Fees	337,521	312,795
Donations & Sponsorships	25,976	7,098
Competition Fees - Bowls	17,492	16,364
Other Income	636	-
	620,868	572,494
<b>Expenses</b>		
Affiliation Fees	81,761	70,472
Depreciation	100,544	108,502
Donations & Sponsorships	-	1,689
Freight & Cartage	338	811
Golf & Bowls Expenses	26,054	55,724
Golf professional	47,447	45,582
Murray Masters	22,500	-
Payroll Tax	9,397	8,147
Repairs & Maintenance - Golf Course & Surrounds	235,419	208,989
Repairs & Maintenance - Bowling Green	6,555	9,504
Salaries & Wages	262,345	248,541
Superannuation Contributions	23,902	21,691
Trophies & Tournament Expenses	49,118	59,545
Uniforms	3,580	-
Water	4,644	2,839
Workers Compensation Insurance	9,461	2,870
	883,065	844,906
Net Profit/(Loss)	(262,197)	(272,412)

*These supporting statements are not subject to audit.*

**Howlong Country Golf Club Limited**  
A.C.N. 001 023 516

**DEPARTMENTAL TRADING  
STATEMENTS**

For the year ended 30 November 2008

<b>Bar Trading</b>	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
Bar Sales	707,831	702,871
Less: Cost of Goods Sold		<hr/>
Opening Stock	26,602	31,868
Purchases	293,511	284,917
Freight & Cartage	5,218	5,555
Closing Stock	(29,857)	(26,602)
	<hr/>	<hr/>
	295,474	295,556
	<hr/>	<hr/>
<b>Gross Profit/(Loss) From Trading</b>	412,357	407,315
	58.3%	57.9%
<b>Expenses</b>		
Loss/(gain) on Sale of Non-current Assets	-	(131)
Bar Expenses	3,001	7,971
Complimentary Drinks	1,137	2,689
Depreciation	7,998	8,146
Payroll Tax	6,593	5,704
Repairs & Maintenance	8,535	12,184
Salaries & Wages	184,064	174,536
Superannuation Contributions	16,770	15,282
Workers Compensation Insurance	5,446	2,083
	<hr/>	<hr/>
	233,544	228,464
	<hr/>	<hr/>
<b>Net Profit/(Loss)</b>	178,813	178,851
	<hr/> <hr/>	<hr/> <hr/>
Poker Machine Trading		
Poker Machine Takings	1,739,115	2,216,925
Other Income	17,180	21,475
	<hr/>	<hr/>
	1,756,295	2,238,400
	<hr/>	<hr/>
<b>Expenses</b>		
Coach Subsidies	118,976	125,282
Depreciation	169,953	178,632
Payroll Tax	6,593	5,704
Poker Machine Licence & Taxes	262,296	359,945
Poker Machine Monitoring Fees	32,281	34,008
Poker Machine Promotions	19,444	28,474
Repairs & Maintenance	32,925	33,537
Salaries & Wages	184,064	174,536
Superannuation Contributions	16,770	15,282
Workers Compensation Insurance	5,446	2,083
	<hr/>	<hr/>
	848,748	957,483
	<hr/>	<hr/>
<b>Net Profit/(Loss)</b>	907,547	1,280,917
	<hr/> <hr/>	<hr/> <hr/>

*These supporting statements are not subject to audit.*

**Howlong Country Golf Club Limited**  
A.C.N. 001 023 516

**DEPARTMENTAL TRADING  
STATEMENTS**

For the year ended 30 November 2008

<b>Motel Trading</b>	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
Accommodation & Meal Proceeds	469,749	444,726
<b>Less: Cost of Goods Sold</b>		
Opening Stock	3,941	2,438
Catering & Guest Meals	46,224	64,029
Closing Stock	(3,397)	(3,941)
	46,768	62,526
Gross Profit/(Loss) From Trading	422,981	382,200
<b>Other Income</b>		
Interest Received	136	360
	423,117	382,560
<b>Expenses</b>		
Advertising	2,526	6,009
Bank Charges & Merchant Fees	5,469	6,137
Cleaning	3,751	5,423
Depreciation	58,966	61,471
Electricity	8,997	9,607
Fringe Benefits Tax	1,670	6,538
Gas	4,921	3,519
General Expenses	889	346
Insurance	3,941	6,926
Linen & Laundry	24,898	23,742
Payroll Tax	8,556	3,339
Printing, Postage & Stationery	-	393
Provision for Annual Leave	1,244	(1,491)
Provision for Long Service Leave	(1,346)	(12,028)
Provision for Severance Pay	-	(33,433)
Rates & Taxes	423	3,500
Repairs & Maintenance	25,816	21,391
Salaries & Wages	136,506	194,995
Staff Training & Welfare	3,258	1,655
Subscriptions & Publications	17,196	19,253
Superannuation Contributions	10,444	12,143
Telephone	8,815	10,222
Uniforms	277	300
Waste Disposal	1,986	1,732
Workers Compensation Insurance	9,013	3,022
	338,216	354,711
<b>Net Profit/(Loss)</b>	<b>84,901</b>	<b>27,849</b>

*These supporting statements are not subject to audit.*

**Howlong Country Golf Club Limited**  
A.C.N. 001 023 516

**DEPARTMENTAL TRADING  
STATEMENTS**

For the year ended 30 November 2008

<b>General Club Operations</b>	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
<b>Other Income</b>		
Sundry Income	21,054	79,132
Commissions Received	69,496	39,022
Conferences & Functions	6,169	14,474
Interest Received	54,717	56,632
Raffle Proceeds	68,508	58,343
Bingo Proceeds	13,766	13,521
Profit on Sale of Non-current Assets	8,770	7,896
Rent Received	-	18,137
Net loss from golf & bowls activities	(262,197)	(272,412)
Net profit from bar trading	178,813	178,851
Net profit from poker machine trading	907,547	1,280,917
Net profit from motel trading	84,901	27,849
	<b>1,151,544</b>	<b>1,502,362</b>
<b>Expenses</b>		
Advertising & Promotion	79,686	52,410
Asset disposal	64,284	-
Auditor's Remuneration	12,565	10,925
Bank Charges	740	2,019
Bingo Expenses	24,318	24,782
Cleaning	12,832	10,796
Conference & Function Expenses	7,270	16,165
Courtesy Bus	6,844	3,106
Depreciation	220,238	166,021
Directors Expenses	4,985	6,985
Donations & Sponsorships	16,700	24,083
Electricity	116,168	115,453
General Expenses	57,991	3,148
Insurance	40,378	27,623
Interest expense	1,388	-
Keno Expenses	2,489	1,970
Leasing Charges - Photocopier	8,020	3,161
Legal Costs	14,832	7,829
Licensing Fees	3,493	2,508
Members Amenities - Social & Entertainment	141,829	151,565
Motor vehicle expenses	1,103	-
Payroll Tax	15,034	10,941
Printing, Postage & Stationery	49,973	44,099
Professional Fees - Accounting	14,516	19,009
Provision for Annual Leave	11,090	16,982
Provision for Long Service Leave	398	21,119

**Howlong Country Golf Club Limited**  
A.C.N. 001 023 516

**DEPARTMENTAL TRADING  
STATEMENTS**

For the year ended 30 November 2008

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
Rates & Taxes	12,397	11,275
Repairs & Maintenance	151,122	97,044
Salaries & Wages	447,608	333,511
Staff Training & Welfare	43,905	38,271
Subscriptions & Publications	20,873	20,768
Superannuation Contributions	36,032	28,764
Telephone	19,713	13,334
Travelling Expenses	169	1,965
Uniforms	8,946	2,316
Waste Disposal	6,318	6,684
Workers Compensation Insurance	5,295	1,493
	<u>1,659,042</u>	<u>1,298,124</u>
Net Profit	<u>(507,498)</u>	<u>204,238</u>

*These supporting statements are not subject to audit.*

**Howlong Country Golf Club Limited**  
A.C.N. 001 023 516

(No 236870) – 30th November 2008

**REGISTERED CLUBS AMENDMENT  
ACT 2003 DISCLOSURES**

The following information is required to be disclosed pursuant to the “The Registered Club Amendment Act 2003” for the year ended 30th November 2008 and is important for club members. The original declarations, disclosures and returns made pursuant to Sections 41c, 41d, 41e and 41f and referred to below, are held with the Secretary of the Club. Such declarations, disclosures and returns are available for inspection by members on written applications to the Secretary.

**DISCLOSURES, DECLARATIONS AND RETURNS  
RECEIVED UNDER SECTIONS 41C to 41F**

- 41c Disclosures of interest in contracts (section 41c)  
During the year, no director of the Club declared to have a material personal interest in a contract that relates to the affairs of the Club.
- 41d Declarations of financial interest in hotels (section 41d)  
No director and no top executive of the Club held an interest in a hotel during the financial year.
- 41e Gifts from affiliated bodies (section 41e)  
No director or top executive received a gift of \$500 or more from an affiliated body during the financial year.
- 41f Gifts from organizations with a contract with the club (section 41f)  
No director or any employee of the club received a gift of \$500 or more during the financial year, from an organization that has a contract with the company.
- 41h(b) Employee remuneration (section 41h (1) (b))  
The number of club top executives whose total remuneration for the reporting period falls within each successive \$10,000 band commencing at \$100,000 is 1.
- 41h(c) Directors and employee overseas travel.  
No director or employee has travelled overseas in their capacity as a director or employee.
- 41h(d) Employee loans  
There were no loans made to employees during the year.

- 41h(e) Details of approved contracts  
During the year, the club did not enter into a contract with any of the directors or top executives, or entities in which the director or top executive has an interest.
- 41h(f) Related parties  
During the year, the company did not employ any persons who were related to a director or top executive.
- 41h(g) Payments to consultants, exceeding \$30,000.00  
There were no payments made to consultants during the year, which exceeded \$30,000.00
- 41h(h) Payments to consultants – other  
The total payments made to consultants during the year which did not exceed \$30,000.00 were \$21,599.00
- 41h(i) Legal settlements  
There were no settlements made during the reporting period with a member of the board or any employee of the club as a result of a legal dispute.
- 41h(j) Legal fees  
During the year, no legal fees were paid on behalf of a member of the board or any employee of the club.
- 41h(k) Net revenue from poker machine takings  
Net revenue from poker machines trading for the twelve (12) month period ended 31st August 2007 was \$2,148,293.00
- 41h(l) Community development and support  
Clubs earnings in excess of \$1,000,000.00 for twelve (12) months in gaming machine profit can apply part of such profit to community development and support in the twelve (12) month period ending 31st August 2008. The club applied \$17,224.00 to community development and support.

## NOTES

## NOTES



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