



**BERWICK MONTUNA GOLF CLUB**  
**ACN 004 815 427**

# **FINANCIAL REPORT**

For the Year Ended 30<sup>th</sup> June 2017

## **TABLE OF CONTENTS**

President's Report	2
Treasurer's Report	3-4
Directors' Report	5-7
Auditor's Independence Declaration	8
Financial Reports	
Statement of Financial Performance	9
Statement of Financial Position	10
Statement of Cash Flows	11
Notes to the Financial Statements	12-20
Directors' Declaration	21
Independent Audit Report	22-23
Captain's Report	24
Lady President's & Captain's Report	25-26
Greens Report	27
Acknowledgements	28
Club Staff	28

## **PRESIDENT'S REPORT 2017**

This time last year we pledged to continue to look at opportunities and explore creative methods for existing members to stay with BMGC and providing good reason for others to be a member. The benefit of offering more flexible memberships through under 40s status, play as you pay and modernising the dress code has seen the total membership numbers year on year remaining at the same level albeit different categories. The importance here is that many clubs continue to report diminishing numbers where as BMGC levels remain constant. The greatest opportunity here is to build on this going forward and completely buck the trend and grow the numbers from here on. To do that we need to continue to improve the course, ensure all year-round playability, offer more services and continually promote the club across all methods of modern day media.

To this end, I cannot emphasise the importance of the Super raffle and what it has delivered to date, the 10<sup>th</sup> hole crossover, paths on the 7<sup>th</sup>, 3<sup>rd</sup> hole surrounds and drainage works on the 2<sup>nd</sup>. Again, I ask all of you to support the raffle if you can, whereby we pledge to continue to feed the funds into the golf course, if every member purchased 1 ticket we would be sold out now and looking forward to someone winning \$15,000 in December.

Getting approval from the membership to pursue the purchase of the driving range supports the desire to look for ways to improve service and provide a new revenue stream that we believe will secure the Club's future.

The Social group headed by Pete Sanders, Drew Clapton and Bert Ainge had an extremely busy year with events such as Corporate day, twilight and big hole golf, both the Grand Final and Melbourne Cup Calcutta's, Mothers night, Trivia night and members recognition night 2.

The greens committee headed by Andy McLellan and Chris Hand (who has since decided to move on for a career change in Sales) have done a great job ensuring the conditions of the course are of the highest order. During the year we purchased a new Toro workman, replaced the wet end irrigation pump and a new Toro greens roller. A special mention to Wade McGill and his team in being instrumental in performing the works around the 10<sup>th</sup>, 3<sup>rd</sup> and 7<sup>th</sup>, as well as Wayne Westwick in managing the Special projects.

The fixture for this year has been a lot of fun, particularly the introduction of Handiskins, the ongoing success of GPL and the preparedness of being flexible and to this end I thank John Kneebone for his bold captaincy over the last two years.

The Ladies committee have been a great support all year round, and to Joan Bowman and De'Arne Gipp a big thank you.

Again, the Club's success hinges on those prepared to give up their time to make things happen, and to that end I thank all the volunteers on behalf of all the members for your tireless efforts around the Club.

Sean, Sue, Vic, Glen and Chris and your teams, thank you for ensuring the services and professionalism is of the highest order.

To the Board I have worked with over the last year, I thank you for your contribution, the late nights, the difficult discussions and your overall commitment, it has been a rewarding year.

To the membership, it is my pleasure to serve you as President and I will strive to work as hard to deliver the experience you are after as a member of Berwick Montuna Golf Club.

Rob Savage

**President**

## **TREASURER'S REPORT 2016 / 2017**

In what is widely accepted as a very "tough" market, the Club has again produced an Operating Surplus of \$61,313 for the 12 months ending June 2017. Despite falling short of the 2016 figure, this was a very satisfactory result considering the atrocious weather we experienced at the start of the financial year (July through October 2016). Our position going into November 2016 was well behind the previous year due to revenue shortfalls through the Pro Shop and Bar over the period July to October. It highlighted just how reliant the Club's overall revenue is on the prevailing weather conditions and how detrimental continuing rainfall can be to the bottom line.

The Club's raw membership numbers remained steady despite a small drop in subscription revenue created through the introduction of more flexible membership options combined with the overall strategy to increase the percentage of members aged between 25 and 39. The Board identified this age group as being crucial to the Club's future and when comparing our fee levels with other local Clubs it became obvious that something needed to change to avoid excessive attrition in this demographic. Even though this strategy has seen a slight decrease in subscription revenue it has seen the Club maintain its raw number of members which is undoubtedly a positive step considering many Clubs continue to operate on dwindling membership levels.

The Pro Shop has again generated a substantial percentage of the Club's overall revenue further justifying the decision to sub-contract this department to an independent contractor. Glenn, Bradley and Eddie continue to be the face of the Club, ensuring that both Members and Visitors get a positive experience when utilising the facilities.

The Bar and Function department produced a positive even though the sales revenue dropped slightly over the 12 month period. Despite rising costs continually being imposed by suppliers the Board again maintained the membership prices for the majority of alcoholic beverages, with increases being restricted to non-member pricing only. The Board will continue with this preferential bar pricing policy provided it remains sustainable as many suppliers are implementing increases annually, with some twice annually. Sue Long continue to do an excellent job overseeing the Club's Bar and Function business by maintaining strict controls over expenditure and the casual labour costs. The contract caterer (Vic Prasad – Chef Recruitment) has now been at the Club for over 12 months and the service provided by his team ensures the Club continues to offer a value for money venue for after golf snacks, casual meals and functions. I would encourage every member to support the kitchen through the Friday night member's Bistro, especially over the coming daylight savings period as I know there are some fun twilight events planned.

The Super Raffle made another significant contribution to the financial health of the Club with the net result exceeding \$10,000 again this year. It is a vital revenue stream that continues to be quarantined for use on making improvements to the golf course and the equipment needed to maintain it. This year the 3<sup>rd</sup>, 7<sup>th</sup> and 10<sup>th</sup> holes benefitted from this funding. As a Club we MUST continue to give this annual raffle our full support!

I would like to acknowledge the contribution of the club sponsors and volunteer members who assist in course maintenance.

The purchase of the driving range next door will hopefully be completed by the time this report is circulated. The Board believe that the purchase of this facility will give the Club a new lease of life as well as a totally new revenue stream which will be vital to our long term survival. Club President Rob Savage and member Mick Giddins must be recognised for the huge amount of work that they have both personally put into securing this

**FINANCIAL REPORT for the Year Ending 30<sup>th</sup> June 2017**

deal on the Club's behalf. Rob especially has been the driving force behind this purchase and his "never say die" approach has seen the project continue and nearly reach completion, despite the seemingly endless hurdles that have appeared along the way.

My thanks again to the Club's General Manager Sean Constable, for his continued support, hard work and dedication. The contribution that he makes towards managing the Club finances is invaluable and certainly makes my life as Treasurer a lot easier. I must also thank Chris Hand and his team for their efforts in ensuring we all play on a beautifully presented golf course week in week out, despite the unreliable Melbourne weather.

I remain confident that all Members would acknowledge the outstanding value for money our Club continues to offer both on and off the course. Your Board will continue to focus on exploring new and innovative revenue streams whilst maintaining operating costs at a manageable level. I look forward to the year ahead and believe the Club is on the cusp of creating something very special once the driving range acquisition has been finalised.

Garry Tanner

**Treasurer**

## DIRECTORS' REPORT

Your directors present their report on the company for the financial year ended 30<sup>th</sup> June 2017.

### Directors

The names of the directors in office during the financial year ended 30<sup>th</sup> June 2017 are:

R. Savage	President
E. Nicolette	Vice President
J. Kneebone	Captain
G. Tanner	Treasurer
A. McLellan	Director
W. Westwick	Director
AV. Ainge	Director
P. Sanders	Director
J. Deed	Director July 2016 to November 2016
A. Clapton	Director November 2016 to June 2017

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

### Operating Results

The Loss of the company for the financial year after providing for income tax amounted to (55,257).

### Review of Operations

A review of the operations of the company during the financial year and the results of those operations found that; during the year, the company continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

### Significant Changes in State of Affairs

No significant changes in the state of affairs of the company occurred during the financial year.

### Principal Activity

The principal activity of the company during the financial year was to promote the game of golf.

No significant change in the nature of these activities occurred during the year.

### After Balance Date Events

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

### Likely Developments

Likely developments in the operations of the company and the expected results of those operations have not been included in this report as the directors believe, on reasonable grounds, that the inclusion of such

**FINANCIAL REPORT for the Year Ending 30<sup>th</sup> June 2017**

information would be likely to result in unreasonable prejudice to the company. At June 30 the company had submitted an offer of \$1.95 million to purchase the adjacent property known as the “Beacy Driving Range”.

**Environmental Issues**

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

**Dividends Paid or Recommended**

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

**Information on Directors**

The information on directors is as follows:

<b>R. Savage</b>	<i>Management and Business experience Nineteen years membership of Berwick Montuna Golf Club</i>
<b>E. Nicolette</b>	<i>Management and Business experience Twelve years membership of Berwick Montuna Golf Club Director responsible for Clubhouse &amp; Juniors</i>
<b>J. Kneebone</b>	<i>Management and Business experience Twenty three years membership of Berwick Montuna Golf Club Captain responsible for Match &amp; Handicap</i>
<b>G. Tanner</b>	<i>Management and Business owner Fifteen years membership of Berwick Montuna Golf Club Treasurer responsible for Financial Matters</i>
<b>A. McLellan</b>	<i>Business experience / Small Business owner Twenty four years membership of Berwick Montuna Golf Club Director responsible for Greens Maintenance</i>
<b>W. Westwick</b>	<i>Business experience / Small Business owner Twenty nine years membership of Berwick Montuna Golf Club Director responsible for Greens New Development</i>
<b>AV. Ainge</b>	<i>Extensive experience in golf administration &amp; Community service Thirty two years membership of Berwick Montuna Golf Club Lecturer Mathematics</i>
<b>P. Sanders</b>	<i>Sixteen years membership of Berwick Montuna Golf Club Director responsible for Marketing and New Members</i>
<b>J. Deed</b>	<i>Sales and Business experience Four years membership of Berwick Montuna Golf Club</i>
<b>A. Clapton</b>	<i>Market analysis and Business development Eighteen years membership of Berwick Montuna Golf Club</i>

### Meetings of Directors

DIRECTORS	DIRECTORS' MEETINGS	
	Number eligible to attend	Number attended
R. Savage	11	11
E. Nicolette	11	8
J. Kneebone	11	11
G. Tanner	11	6
A. McLellan	11	11
W. Westwick	11	8
AV. Ainge	11	7
P. Sanders	11	8
A. Clapton	7	6
J. Deed	4	1

### Indemnification of Officer or Auditor

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company.

### Proceedings on Behalf of the 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.

### Auditor's Independence Declaration

The auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the page 8.

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

### DIRECTORS:



R. Savage

**PRESIDENT**



G. Tanner

**TREASURER**

Dated this 25<sup>th</sup> day of October, 2017

## **AUDITOR'S INDEPENDENCE DECLARATION**

### **UNDER SECTION 307C OF CORPORATIONS ACT 2001**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2017 there have been:

- i. No contraventions of the auditor's independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- ii. No contraventions of any applicable code of professional conduct in relation to the audit.



George Carydias

**REGISTERED COMPANY AUDITOR**

Oakleigh, Melbourne

Dated this 25<sup>th</sup> day of October, 2017



## STATEMENT OF FINANCIAL PERFORMANCE

### FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017	2016
		\$	\$
Sales revenue		1,136,076	1,189,251
		<hr/>	<hr/>
		1,136,076	1,189,251
		<hr/>	<hr/>
Cost of Sales		(113,335)	(118,008)
Administrative expenses		(440,004)	(436,259)
Other expenses from ordinary activities		(586,143)	(612,527)
		<hr/>	<hr/>
		(1,139,482)	(1,166,794)
Borrowing costs expense	2	(51,851)	(52,982)
		<hr/>	<hr/>
<b>Profit from ordinary activities</b>		<b>(55,257)</b>	<b>(30,525)</b>
		<hr/>	<hr/>

*The accompanying notes form part of these financial statements.*

## STATEMENT OF FINANCIAL POSITION

### AS AT 30 JUNE 2017

	Notes	2017 \$	2016 \$
<b>CURRENT ASSETS</b>			
Cash assets	4	177,677	190,790
Receivables	5	71,795	49,129
Inventories	6	28,085	27,809
Other	7	64,681	55,334
<b>TOTAL CURRENT ASSETS</b>		342,238	323,062
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	8	2,683,595	2,743,719
<b>TOTAL NON-CURRENT ASSETS</b>		2,683,595	2,743,719
<b>TOTAL ASSETS</b>		3,025,833	3,066,781
<b>CURRENT LIABILITIES</b>			
Payables	9	299,277	284,760
Interest-bearing liabilities	10	58,461	51,476
Provisions	11	76,350	57,128
<b>TOTAL CURRENT LIABILITIES</b>		434,088	393,364
<b>NON-CURRENT LIABILITIES</b>			
Interest-bearing liabilities	10	1,117,032	1,143,447
<b>TOTAL NON-CURRENT LIABILITIES</b>		1,117,032	1,143,447
<b>TOTAL LIABILITIES</b>		1,551,120	1,536,811
<b>NET ASSETS</b>		1,474,713	1,529,970
<b>EQUITY</b>			
Retained profits	13	511,598	542,123
Asset Revaluation Reserve		1,018,372	1,018,372
Current Year Earnings		(55,257)	(30,525)
<b>TOTAL EQUITY</b>	12	1,474,713	1,529,970

*The accompanying notes form part of these financial statements.*

## STATEMENT OF CASH FLOWS

### FOR THE YEAR ENDED 30 JUNE 2017

	Notes	2017	2016
		\$	\$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Receipts from customers		1,151,699	1,263,598
Receipts from investments – bank interest		0	0
Payments to suppliers and employees		(1,036,967)	(1,132,660)
Borrowing costs		(58,279)	(58,031)
Net cash provided by operating activities	<b>16 (b)</b>	56,453	72,907
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant and equipment		4,545	70,660
Payment for property, plant and equipment		(57,982)	(226,187)
Net cash used in investing activities		(53,437)	(155,527)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings		30,000	196,358
Repayment of borrowings		(46,129)	(90,582)
Net cash provided by/(used in) financing activities		(16,129)	105,776
Net increase in cash held		(13,113)	23,156
Cash at beginning of financial year		190,790	167,634
Cash at end of financial year	<b>16 (a)</b>	177,677	190,790

***The accompanying notes form part of these financial statements.***

## **NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

This financial report is a special purpose financial report prepared in order to satisfy the financial report preparation requirements of the Corporations Act 2001. The directors have determined that the company is not a reporting entity.

The financial report is for the entity Berwick Montuna Golf Club as an individual entity. Berwick Montuna Golf Club is a company limited by guarantee, incorporated and domiciled in Australia. The financial report has been prepared in accordance with the requirements of the Corporations Act 2001.

No other applicable Accounting Standards, Urgent Issues Group Consensus Views or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The report is also prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

### **(a) Going Concern Policy Note**

At June 30 2017 the value of the Current Liabilities exceeded the value of Current Assets and despite the loss of \$55,257 the Directors are confident that the Club continues as a going concern. Due to the timing of subscription renewals from 1<sup>st</sup> September to 1<sup>st</sup> March, an amount of \$206,735 has been included in the current liabilities outlined at Note 9. This amount represents the portion of subscription income yet to be allocated for the membership year ending 28<sup>th</sup> February 2018 and is not outstanding monies. Further supporting this is that the actual result before the \$116,570 non-cash expenses of depreciation and Profit /Loss on Sale of Asset was a \$58,304 profit. The Directors continue to monitor the overall financial performance of the Club and initiate actions including increased subscriptions, expense reduction activities and other opportunities to increase profitability.

### **(b) Revaluation Policy of Non Current Assets**

The Board of Directors review the carrying value of Non Current Assets as per Accounting Standard AASB116. The revalued amount shall be based on its fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated

impairment losses. The Board of Directors commissioned a property valuation in June 2014 with the result seeing the property, buildings and improvements valued at \$2.5 million which is reflected in the financial statements.

**(c) Income Tax**

No provision for income tax has been raised. The company must self-assess its' income tax status on an annual basis based on the concept of mutuality.

**(d) Inventories**

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on a first-in first-out basis and include direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenses.

**(e) Property, Plant and Equipment**

Property, plant and equipment are carried at cost, independent or directors' valuation. All assets, excluding freehold land and buildings, are depreciated over their useful lives to the company.

All assets, excluding freehold land and buildings are depreciated over their useful lives or at depreciation rates set by the Commissioner of Taxation.

**(f) 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. Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the company will obtain ownership of the asset, or over the term of the lease.

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.

**(g) Cash**

For the purposes of the statement of cash flows, cash includes cash on hand and at call deposits with banks or financial institutions, investments in money market instruments maturing within less than two months and net of bank overdrafts.

**(h) Revenue**

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

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

	2017	2016
<b>NOTE 2: PROFIT FROM ORDINARY ACTIVITIES</b>		
Profit (losses) from ordinary activities has been determined after:		
(a) Expenses:		
Borrowing costs	51,851	52,982
Depreciation/Amortisation of property, plant and equipment	116,570	115,018
	<hr/>	<hr/>

**NOTE 3: REMUNERATION AND RETIREMENT BENEFITS**

Number of directors whose income from the company or any related parties was within the following bands:

	No.	No.
\$0 - \$9,999	10	12

Refer Directors' Report Page 6 for the names of directors who have held office during the financial year.

**NOTE 4: CASH ASSETS**

Cash on hand	3,500	3,500
Cash at bank	174,177	187,290
	<hr/>	<hr/>
	177,677	190,790
	<hr/>	<hr/>

**NOTE 5: RECEIVABLES**

**CURRENT**

Trade debtors	13,104	3,754
Other debtors	58,691	45,375
	<hr/>	<hr/>
	71,795	49,129
	<hr/>	<hr/>

**NOTE 6: INVENTORIES**

**CURRENT**

Finished goods at cost	28,085	27,809
	<hr/>	<hr/>

**NOTE 7: OTHER ASSETS**

**CURRENT**

Unexpired Costs	64,681	55,334
	<hr/>	<hr/>
	64,681	55,334
	<hr/>	<hr/>

## NOTE 8: PROPERTY, PLANT AND EQUIPMENT

	2017 \$	2016 \$
<b>LAND</b>		
Freehold Land:		
At cost	828,899	828,899
At Directors' Valuation	1,018,372	1,018,372
Total Freehold Land	1,847,271	1,847,271
<b>BUILDINGS</b>		
At cost	782,754	775,490
Less accumulated depreciation	(404,303)	(365,314)
	378,451	410,176
<b>PLANT AND EQUIPMENT</b>		
(a) Plant & Equipment		
At cost	748,397	733,041
Less accumulated depreciation	(422,907)	(390,673)
	325,490	342,368
(b) Irrigation System		
At cost	201,814	201,814
Less accumulated depreciation	(112,707)	(107,630)
	89,107	94,184
(c) Motor Vehicles		
At cost	45,252	45,252
Less accumulated depreciation	(16,462)	(12,901)
	28,790	32,351
(d) Office Equipment		
At cost	66,360	65,863
Less accumulated depreciation	(65,003)	(64,478)
	1,357	1,385
(e) Cables & Wires		
At cost	15,754	15,754
Less accumulated depreciation	(15,651)	(15,461)
	103	293
(f) Furniture, Fixtures & Fittings		
At cost	74,059	72,871
Less accumulated depreciation	(71,266)	(69,592)
	2,793	3,279
(g) Golf Shop – Fixtures & Fittings		
At Cost	25,642	25,642
Less accumulated depreciation	(22,597)	(21,621)
	3,045	4,021
(h) Catering & Kitchen Equipment		
At Cost	33,718	33,718
Less accumulated amortisation	(26,530)	(25,329)
	7,188	8,389
Total WDV Plant & Equipment	457,872	486,270
Total WDV Property, Plant & Equipment	2,683,595	2,743,719



## (a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year

	Freehold land	Buildings	Plant, Equip. & Improvements	Motor Vehicles
	\$	\$	\$	\$
<b>2017</b>				
Balance at the beginning of the year	1,847,271	410,176	350,757	32,352
Additions	-	7,264	49,033	-
Disposals	-	-	1,536	-
Depreciation expense	-	38,990	65,576	3,562
Write-offs/Adjustments	-	-	-	-
Carrying amount at end of year	1,847,271	378,451	332,678	28,790

	Office Equipment	Furniture, Fixtures & Fittings	Cables & Wires	Irrigation	Total
	\$	\$	\$	\$	\$
<b>2017</b>					
Balance at the beginning of the year	1,386	7,300	293	94,184	2,743,719
Additions	496	1,189	-	-	57,982
Disposals	-	-	-	-	1,536
Depreciation expense	525	2,651	190	5,077	116,570
Write offs/Adjustments	-	-	-	-	-
Carrying amount at the end of the year	1,357	5,838	103	89,107	2,683,595

## NOTE 9: PAYABLES

### CURRENT

#### Unsecured liabilities

	2017	2016
Trade creditors	17,577	9,912
Superannuation	7,505	7,771
PAYG Tax	5,482	5,582
Payroll Tax	0	0
GST Payable	22,993	22,590
Subscriptions in Advance	206,735	202,993
Other creditors	38,985	35,912
	<u>299,277</u>	<u>284,760</u>

## NOTE 10: INTEREST BEARING LIABILITIES

<b>CURRENT</b>		<b>2017</b>	<b>2016</b>
<b>Secured liabilities</b>			
Bank Overdrafts		0	0
Bank Loans		0	0
Chattel Mortgage		49,850	42,865
Debentures		2,750	2,750
Hire Purchase Liability	<b>14</b>	5,861	5,861
		<u>58,461</u>	<u>51,476</u>
<b>NON-CURRENT</b>			
<b>Secured Liabilities</b>			
Bank Loans		949,960	949,960
Chattel Mortgage		131,375	148,628
Premium Membership		18,700	22,000
Hire Purchase Liability	<b>14</b>	16,997	22,858
		<u>1,117,032</u>	<u>1,143,446</u>

The bank loan is secured over the freehold land of the club. The Bank Facilities provided to the Club are secured by way of a Registered Mortgage given by the Berwick Montuna Golf Club and also a Registered Equitable Mortgage given by the aforementioned over all of the company and business assets.

## NOTE 11: PROVISIONS

<b>CURRENT</b>		<b>2017</b>	<b>2016</b>
Employee entitlements	(a)	<u>76,350</u>	<u>57,128</u>
(a) Aggregate employee entitlements liability		<u>76,350</u>	<u>57,128</u>

## NOTE 12: EQUITY

Total equity at the beginning of the financial year	1,529,970	1,560,892
Total changes in equity recognised in the Statement of Financial Performance	(55,257)	(30,525)
Property Revaluation		0
Prior Year Adjustments		(397)
Total equity at the reporting date	<u>1,474,713</u>	<u>1,529,970</u>

## NOTE 13: RETAINED PROFITS

	2017	2016
Retained profits at the beginning of the financial year	511,598	542,520
Property Revaluation	1,018,372	1,018,372
Prior Year Adjustments		(396)
Net profit (loss) attributable to members of the entity	(55,257)	(30,525)
Retained profits at the end of the financial year	<u>1,474,713</u>	<u>1,529,971</u>

## NOTE 14: CAPITAL AND LEASING COMMITMENTS

(a) Hire purchase commitments

Payable

- not later than one year		6,635	6,837
- later than one year and not later than five years		17,883	24,518
Minimum hire purchase payments		24,518	31,355
Less: future finance charges		(1,660)	(2,636)
Total hire purchase liability		<u>22,858</u>	<u>28,719</u>
Represented by:			
Current liability	10	5,861	5,861
Non-current liability	10	16,997	22,858
		<u>22,858</u>	<u>28,719</u>

## NOTE 15: RELATED PARTY TRANSACTIONS

(a) The following transactions with Directors are minor or domestic in nature and occurred within the normal member/supplier relationship on terms and conditions no more favourable than those which it is reasonable to expect would have been adopted if dealing with the Director at arm's length in the same circumstance:

- Payment of Members' Fees and use of Club facilities
- Club's purchase of goods

## NOTE 16: CASH FLOW INFORMATION

	2017	2016
<b>(a) Reconciliation of cash</b>		
Cash at the end of the financial year as shown in the statements of cash flows is reconciled to the related items in the statement of financial position as follows:		
Cash on hand	3,500	3,500
Cash at bank	174,177	187,290
	<u>177,677</u>	<u>190,790</u>
 <b>(b) Reconciliation of cash flow from operations with profit from ordinary activities after income tax</b>		
Profit (Loss) from ordinary activities after income tax	(55,257)	(30,526)
Non-cash flows in profit from ordinary activities		
Depreciation/Amortisation	116,570	115,018
Loss on disposal of fixed assets	(3,009)	6,384
Charges to provisions	(19,222)	(229)
Changes in assets and liabilities:-		
(Increase)/Decrease in receivables	(26,666)	6,975
(Increase)/decrease in other assets	(9,347)	(5,014)
(Increase)/decrease in inventories	(276)	(1,230)
Increase/(decrease) in payables and other liabilities	11,216	(18,471)
Cash flows from operations	<u>56,453</u>	<u>72,907</u>

## NOTE 17: MEMBERS' GUARANTEE

The company is limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the company. At 30 June 2017 the number of members was 407 (2016: 407).

## **DIRECTORS' DECLARATION**

The directors have determined that the company is not a reporting entity. The directors have determined that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 9 to 20:
  - (a) comply with Accounting Standards as detailed in Note 1 to the financial statements and the Corporations Act 2001; and
  - (b) give a true and fair view of the financial position as at 30 June 2017 and performance for the financial year ended on that date of the company in accordance with the accounting policies described in Note 1 to the financial statements.
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 directors.

### **DIRECTORS:**



**R. Savage**  
**PRESIDENT**



**G. Tanner**  
**TREASURER**

Dated this 25<sup>th</sup> day of October, 2017



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
BERWICK MONTUNA GOLF CLUB**

**Report on the Audit of the Financial Report:**

**Opinion**

We have audited the financial report of Berwick Montuna Golf Club, which comprises the balance sheet as at 30 June 2017, the statement of profit or loss for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the company at 30 June 2017 and its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

**Basis for Opinion**

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

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

**Emphasis of Matter – Basis of Accounting**

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to satisfy the requirements of the company's constitution and meet the needs of the members. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

**Responsibilities of the Directors for the Financial Report**

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the constitution and the needs of the members. The director's responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

**Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they



**Aubrey Paton & Associates**

*incorporating Michael Harvey & Co*

Accountants, Tax Agents, Auditors

GEORGE CARYDIAS B.Ec, CA  
GEORGE PSIAKIS Dip. Com. CPA, CTA

could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and event in a matter that achieves fair presentation.

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

George Carydias

**Registered Company Auditor**

17D Chester Street  
Oakleigh Vic 3166

Dated this 25<sup>th</sup> day of October, 2017

WHEELERS FINANCIAL PTY LTD (ACN 151 871 957), ATF WHEELERS FINANCIAL TRUST (ABN 90 225 468 308)

Liability limited by  
scheme approved  
under Professional  
Standards Legislation.

17D Chester Street  
Oakleigh Victoria 3166

Telephone 03 9563 4688  
Facsimile 03 9563 4843  
Email [office@aubreypaton.com.au](mailto:office@aubreypaton.com.au)  
Website [www.aubreypaton.com.au](http://www.aubreypaton.com.au)

Postal Address: PO Box 120  
Oakleigh  
Victoria 3166

## **CAPTAIN'S REPORT 2017**

First up, may I say what a privilege it has been to occupy the office of Club Captain at Berwick Montuna over the last two years. The role has given me a heightened appreciation of the hard work and dedication of those members who have served in this capacity over the years.

I have always considered myself as something of a stop-gap captain and I will hand the reins to the incoming captain confident in the knowledge that the job will be in good hands for the next two years and beyond. (At the time of writing, I was aware of two outstanding candidates who had indicated a desire to take on the job).

As members will know, a good deal of time and energy has been spent over the last 12 months in trying to secure the driving range adjoining our club. If this purchase is to eventuate (and again, at time of writing it was looking extremely promising), I feel sure it will prove to be a development that helps secure the long-term future of Berwick Montuna. The likely purchase is very much due to the drive and ambition of our club president, Rob Savage, and his determination to find alternative revenue sources at a time when the golf industry is facing unprecedented challenges.

I would like to thank my match committee (Lady Captain De'Arne Gipp, club professional Glenn Beckett, vice-captain Steve Pratt and Olds and Bolds supremo Chris Bourke. All have been a great support and have the best interests of the club at the forefront of all decisions.

Glenn's experience is proving invaluable to our pennant side, and while the results in Division 5 did not match the excitement of the flag of the previous year, we comfortably avoided relegation and showed that we will be extremely competitive in the new season early next year. Likewise, our Colts also found the step up from their flag in 2015 a hard ask, but managed a creditable 7<sup>th</sup> of 9 teams in Division 5.

This year sees our club championships switched from early in the calendar year to the last two Saturdays in November and the first weekend in December. The switch was driven largely on the basis that this timeslot has generally seen the course at its best and it also (hopefully) avoids the strong possibility of heat-wave conditions around February. Good luck to all in chasing our Open championship and the Grade titles.

In conclusion, I would like to send out a general thankyou to our membership. My time in the Captain's chair has been remarkably free of the petty squabbles and back-biting that are a blight on too many clubs. Thanks also to our general manager, Sean Constable, for his continued hard work and support, as well as to our "house" and grounds staff. Special mention, also, to Chris Hand for his efforts over the years at Berwick Montuna and my best wishes to him in his new career.

Last but not least, a special thankyou to Les Donaldson for his generosity in sponsoring the Captain's Plate in recognition of a club member chosen by the Captain for his or her contribution to the betterment of the club. John Cairns was a particularly worthy inaugural winner and I look forward to the second winner being announced at our Presentation Night in early February.

Regards & Good Golfing,

John Kneebone

**Club Captain**



## **LADY PRESIDENTS & CAPTAINS REPORT**

It has been a pleasure and an honour for both of us to serve the Ladies and the Club this year. We have enjoyed great team work with our committees comprising Sylvie Wilkinson (Vice President), Denise Todd (Vice Captain) Sheilah Harper (Secretary) and Match & Handicap members – Denise Todd, Glenda Gorton, Marie Thomas and Shirley Atchison. Also, special thanks go to Sheilah for continuing the role of Bowl Secretary. We thank everyone most sincerely for the commitment they have displayed particularly with regard to a number of very successful events that were held including Open Day, Guest Day and a very profitable Charity Day with all proceeds being donated to the Palliative Care Unit of Casey Hospital.

This year we farewelled two of our golfers – Jenny Koraus and Mary Barrett who transferred to Gardiners Run, a course closer to their homes. A small number did not renew their membership and others have availed themselves of other optional membership deals. However, on the other hand, we were delighted to welcome new members, Pam Wallis, Val Higham and Judy Barron. It's lovely to have you with us.

Our players have participated in a number of Peninsula Victoria events during the year including Pennant, Handicap Match Play and Club Bowls. Just recently our team of Louise Ford, Melinda Crawford, Sheilah Harper and Sylvie Wilkinson won our own Handford Bowl by defeating nine other teams from District clubs. Well done by all of our players – we are very proud of you.

The fields were quite depleted during the winter months due to a number of members leaving home to seek the warmth further north. Added to that were a couple of injuries that stopped the ladies from playing and then it seemed that Wednesdays were a popular day for the rain.

Many thanks to our exceptional Tour Director, Louise Ford who, with the help of De'Arne, organised a wonderful getaway to the Gold Coast for four days of sun, fun and golf. Louise has also organised the Ladies Annual Trip Away to the Murray River – this year to Rich River from 1st to 4th October. These trips are a great hit with the ladies. (Pardon the pun!)

Thank you to our Club President Rob Savage and the Board for their continued hard work guiding the Club to a stronger financial position allowing for much needed improvements on the course and thank you also to Club Captain John Kneebone for all the support he has given the ladies.

Our very special thanks to Sean Constable (General Manager) for his expertise and help in all areas - it is very much appreciated! Also, a very big thank you to the bar staff, in particular Sue and Anne. They are a great team and we certainly appreciate their assistance throughout the year.

Course Superintendent, Chris and his ground staff are to be congratulated on the fantastic they do to keep the course in great condition week after week, despite some very trying conditions at times. We would like to take this opportunity to wish Chris all the best as he heads down a new career path. He will be sorely missed.

After seven years of being on our Committee in various roles, De'Arne has chosen not to re-nominate. I want to thank De'Arne most sincerely for everything she has done to make sure that everything keeps ticking along nicely. Her input has been invaluable. Over these past two years De'Arne been a most efficient Captain who is well organised, pays attention to the finer details that make all the difference and handles everything with a minimum of fuss. On behalf of all the ladies – thank you so much, De'Arne.

Finally, congratulations to all our weekly and monthly winners and also the ladies who play every week. Thank you for your support of the Club and for making our days at golf most enjoyable. We have a truly wonderful group of ladies!

Good golfing everyone,

Joan Bowman

**Ladies President**

De'Arne Gipp

**Ladies Captain**

## **GREEN'S REPORT 2017**

I would like to personally thank the members of the Greens Committee Chris Hand, Tristan Cashin, Ash Stephenson and Dave Pateman for their support over the past 12 months, and to Sean behind the scenes who keeps the ground staff firing.

Presenting the golf course in a playable condition especially over the Winter months is not easy and the greens staff dedication and willingness to get the job done was much appreciated.

We have made significant headway into providing cart paths that will allow play throughout the Winter months and a special appreciation goes to Wade McGill and his team for their efforts on the 7<sup>th</sup> and 10<sup>th</sup> supported by our greens team headed up by Chris Hand. We hope to finalise the paths in the warmer months (if they arrive!) and thank you to the members who in the main did keep their carts on the nominated areas around the course.

We have had it all frost, high winds and rain which all impacted on our course yet we were able to keep open for those hardy members who will play in all weather conditions. We have had fantastic support from all of our volunteers this year. In particular, the volunteer program headed by Ash Stephenson, John Cairns and Murray Hogan has been a resounding success, allowing the course staff more time to focus on the jobs that require their expert attention.

We have purchased some new equipment which will see us keep the course in optimum condition over the year ahead and work planned to do more drainage and hopefully couch another fairway. The ground staff have been kept busy with the usual maintenance and upkeep of the course maintaining garden beds, removing dangerous or fallen trees and all the usual tasks so well done guys.

Like all golf clubs we will have issues or complaints about the course from time to time so I encourage you all to express these concerns or your ideas for improvements that will enhance our golfing journey to any of the Greens Committee because if we don't know about it we cannot take action.

Big welcome to Keith Jones who has joined us as a first-year apprentice so welcome Keith, members are encouraged to say giddy to all our greens staff as they go about their business remembering they are an integral part of our club.

I wish you all great golfing for the year ahead and thank you to all the Board for their continued support of the Greens Committee.

Regards,

Andy McLellan

**Greens Committee Chairman**

## **ACKNOWLEDGEMENTS**

Your Board desires to place on record its' sincere thanks to:-

- 1) The General Manager, Course Superintendent, Pro Shop Manager / Director of Golf and their respective staffs
- 2) The Ladies Committee and their continued generous support
- 3) The Club Auditor George Carydias of Aubrey Paton & Associates incorporating Michael Harvey & Co.
- 4) The Club's sponsors for their continued support
- 5) Those people who have served the Club in a variety of ways and who are too numerous to mention individually

## **CLUB STAFF**

GENERAL MANAGER:	Sean Constable
BAR SUPERVISOR:	Susan Long
BAR STAFF:	Anne McNeill, Kerryn Moore, Kristy Amos, Sarah Monk, Jack Bunnell & McKenzie Douglas
COURSE SUPERINTENDENT:	Chris Hand
COURSE FOREMAN:	David Clydesdale / Tristan Cashin
COURSE STAFF:	Zac Milon & Keith Jones
DIRECTOR OF GOLF / PRO SHOP MANAGER:	Glenn Beckett
PRO SHOP STAFF:	Eddie Nicolette, Bradley McGill, Jack Savage & Jacqueline Beckett