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SHOALHAVEN HEADS GOLF CLUB LIMITED
ABN 76 003 000 217

SHOALHAVEN HEADS GOLF CLUB LIMITED

ANNUAL GENERAL MEETING REPORT

2017

Email: shgolfclub2@bigpond.com
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SHOALHAVEN HEADS GOLF CLUB LTD 2017 SPONSORS

PATRON

John Greenaway

GOLD SPONSORS

Mountain View Resort
Parrish Plumbing
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SILVER SPONSORS

Ace Gutters
Shoalhaven Heads Pharmacy
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BRONZE SPONSORS

Berry Smash Repairs
Heads Hotel
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CLUB SUPPORTERS

All Creatures Vet Clinic
Shoalhaven Auto
Shoalhaven Heads Bowling Club
Booth Partners
Clear Shield
Assured Locksmiths
Lion Nathan
Alpine Glass
Little Bottler
Mountainside Meats
Hairitage
Kel Campbell
Plantique



**THE ANNUAL GENERAL MEETING WILL BE HELD IN THE CLUB HOUSE
ON WEDNESDAY 22nd MARCH 2017 AT 7.00 PM**

AGENDA

1. Apologies.
2. Presidents' Report.
3. Treasurers' Report.
4. Receive and consider the Annual Financial Report of the Club for the year ended 31st December 2016, the accompanying Directors' Report and Auditors' Report
5. Election of Officers and Executive Committee pursuant to the operation of the Triennial Rule as provided for in Schedule 4 of the Registered Act.
6. Election of Honorary Life Members
7. Any other business that may be brought forward in accordance with the Corporations Act 2001.

On behalf of the Board

**Glenn Askew
Honorary Secretary**

PRESIDENT'S REPORT 2016

Our Club has once again had a very successful year both financially and in terms of achieving the objectives the Board set at our April meeting. Our financial success will be outlined in the Treasurer's report.

At the start of the year we pleasingly welcomed two new course sponsors – **Clear Shield and Assured Locksmiths**, whilst **Alpine Glass, Mountain View Resort** and the **Shoalhaven Heads Bowling and Recreation Club** sponsored the scorecards. Like all our Club sponsors their financial support is very much appreciated.

In March the Club welcomed **Chad Casinelli**. Chad replaced **Troy Pieper** who took up a position at Jamberoo Golf Club. Chad has proven to be a terrific acquisition to the Greens staff.

In April the practice nets were upgraded and they are safer as a consequence of thoughtful planning. Thanks to **John Schott, Keith Muller** and **Arthur Laidlaw** who replaced the old netting and lay the new artificial turf. I also want to acknowledge **Newkem** who helped fund the project.

In June the main pipeline and the laterals and sprinklers on the northern section of the course were replaced. This \$80 000 project was fully funded by the Club. This work was essential as the old pipeline was regularly failing with countless sections of it splitting and resulting in a great deal of water wastage. The new pipeline is significantly larger in diameter thus enabling the water from the lateral sprinklers being able to reach the periphery of the course. The rough along the 14th – 18th holes has much better grass growth as a consequence.

This work was completed on budget and also in the given time frame. This wouldn't have been possible without the fantastic work of project manager **Paul Davies** and his team of workers. To them the Board is ever thankful. We are also appreciative of the efficient work done in laying the main pipeline by **Parrish Plumbing**.

In July we sadly lost **Jill Gumley** who was one of our foundation members. In the early history of this Club Jill's tireless work as Secretary was instrumental in helping to obtain additional land from the Crown to extend the size of our course. She was a genuine character who is sadly missed.

In August work began on the extension to the Pro shop. This \$70 000 project was jointly funded by the Club and the State Government. Local builders **Murray Jones** and **Mick Skinner** (Aspect Building Concepts) undertook the construction work and did a fabulous job. Volunteers under the guidance of **Peter Badman** and **Gary Salway** then undertook the painting and fit out. Club sponsor **Gary Podmore** (David John Joinery and Kitchens) then installed the bench and cupboards and on Saturday 9th October an excited Club Professional reopened the renovated Pro shop.

In September the Club was encountering problems with the supply of reclaimed water from the sewerage works due to extensive algal growth, which was clogging the solenoids in our irrigation system. To solve this ongoing problem we installed a self-cleaning filtration system. The cost of this unexpected project was \$27 000. Shoalhaven City Council agreed to share this cost.

Paul Davies was instrumental in planning the installation of the filtration unit. His small team of volunteers once again did a great job. Club sponsor **Manindra** donated two 1000 litre collection tanks for which the Club was thankful.

Throughout the year there were 6200 recorded hours of work undertaken by our many volunteers. Out on the course work has seen many improvements. The most obvious of these are the cart paths leading along the 17th green to the 18th tee box and from the 6th green to the 7th tee box. They are a significant improvement for the many golfers who use carts. Thanks to **Pat Herrick** and his team who are undertaking this work. Other volunteers have focused on tasks such as filling in the small trenches created when the lateral irrigation lines were installed, clearing the areas around the solenoid boxes, creating a new garden adjacent to the 10th tee and eradicating ants and Parramatta grass from the course.

Of course, it would be remiss of me if I didn't mention the great work done by the Bush care group every Monday. Aply led by **Noel Schneider** this group conscientiously ensures we meet the stringent vegetation management requirements of Shoalhaven City Council.

Thanks also to **Bill Hendry** and **Bob Margerison** who regularly mow the rough, **Gordon Howes** who ensures the Club surrounds are always in pristine condition, **Terry Simister** and **Greg Wood** who do the on course garbage run and **Garry Hoare** who regularly works on repairing and maintaining our machinery.

In the Clubhouse we are fortunate to have many volunteers who regularly undertake important and necessary tasks. **Bob Cookson**, **Col Parrish** and **Rod Porter** ensure the beer lines are cleaned every Monday, our quartermaster **Greg Montgomery** is responsible for maintaining the stock, whilst **David Wilson** and **Brian and Lorraine Rowe** check the bar takings every day. We have been very fortunate to have Brian and Lorraine come on board to replace **Celia Hendry** and **Vi Duffy** who did this very important job for many years. Thanks to these two wonderful ladies!

Although there are far too many to acknowledge personally I want to thank all those Club members who undertake bar duty each and every month. Your efforts are very much appreciated.

Speaking of the bar, whilst I am on duty, I often ask visitors to our Club what they think of our course. Many of them are very complimentary of its quality and condition. It is often referred to as a "hidden gem". Obviously this is a consequence of the diligent and conscientious work that is done by our greens staff **Tony Orford**, **Brendan Dunphy**, **Lachlan Maddinson** and **Chad Casinelli**.

Another reason we are developing as a Club is the great work done by our Golf Professional **Greg Collins** and his Pro shop team of **Jo Collins**, **Cec Montgomery**, **Danny Wenborn** and **Paul Ryan**. Being the 'first port of call' for our members and visiting golfers it is reassuring when a friendly and cordial staff member meets them. Additionally, many golfers are appreciative of a Pro shop that is well stocked with equipment and apparel at very reasonable prices and golf carts for hire that are always in excellent condition.

Pleasingly, I can report that Greg and Jo recently signed a new contract for the next five-year period which gives both them and the Club tenure and security.

An important aspect of our Club membership is the juniors. It is imperative that we focus on ensuring that our junior ranks grow and in this regard **Harry and Pauline Delany** must be applauded for their dedicated efforts in nurturing the skills of our youngest members. **Jim Butt** who is working with the older juniors is ably supporting them.

One of my primary objectives since becoming President has been to strengthen the communication channels to our members. **Felicity Percival** is continuing to do an excellent job as our Publicity Officer. We now have a regular quarterly newsletter for our members that she does a fabulous job of editing. Pleasingly, we have improved the manner of distributing the newsletter and other information to members via email and Facebook that **Mark Henning** has been instrumental in utilising. Additionally, thanks to **Glenn Askew**, the Board is regularly conveying information to members via the Clubhouse TV.

Finally, I once again want to thank all members of the Board for their vision for the Club's development and for the support they give me. I believe we meld very well together as a team and this is instrumental in the steady growth of this Club.

I must acknowledge the continued support and guidance given to me by Vice President **Cec Montgomery**, the dedicated and conscientious work of both **Gail Wilson** and her replacement **Glenn Askew** who do the majority of the Club's ancillary work as our Club Secretary and to our Treasurer **Mark Henning** and our Business Manager **Rebecca Hardy** for ensuring we remain financially strong.

Rob Russell

TREASURER'S REPORT 2016

The overall result for the year ending 31st December 2016 showed a profit of \$65,873. This result includes a once off grant of \$35,000 so the underlying result is \$30,873. The previous year's result was \$22,084. The 2016 result is a pleasing one and the significant "free cash flow" generated enabled the Club to undertake capital works such as the new irrigation lines, the upgraded Pro Shop, a new filtration pump and continuing work on cart paths.

Listed below are a number of comments associated with the year's trading –

Income

- Bar trading profit was \$124k, up 4% on the previous year.
- Green Fees were \$321k, up 6% on the previous year.
- Membership subscriptions income was \$216k, up 8% on the previous year.
- Sponsorships and donations were \$43k, up 4% on the previous year.
- Total Income from normal trading (ie excluding grants) amounted to \$777k or 7% higher than the previous year.

Expenditure

- Course maintenance expenditure, including wages but excluding depreciation, totalled \$345k; up 10% on the previous year. Just under half of this increase relates to employee costs, with the other big impact being chemicals required to minimise and repair damage on the greens due to high humidity in the January to March period.
- Rent to the Department of Lands for our land was \$20k, and rent for the car park road owned by the Jerrinja Land Council totalled \$10k.
- A Catering retainer was introduced during the year as a way of underwriting the caterer's financial situation, whilst also ensuring our members continued to have a food service provided.
- Total expenditure excluding depreciation was \$652k or 5% higher than the previous year predominantly due to an increase in golf course maintenance combined with the new caterer's retainer.

Balance Sheet

- Current Assets are \$10k lower than the same time last year due to the holding of slightly less cash on hand at the end of December.
- Our Non Current assets which includes the course itself, the clubhouse and all plant and equipment were \$88k higher than the previous year. This was a result of capital works totalling \$182k associated with the pro shop, irrigation lines, new filtration pump and other minor improvements offset by an additional \$94k depreciation provision.
- Current and Non Current Liabilities are \$12k higher than the previous period as a result of more accounts payable on hand at the end of December than the corresponding time last year.
- The club remains free of a bank loan, although it does have borrowings related to the leasing of course machinery. These total \$55k and were reduced by \$28k during the year. They are paid down each month and funded through the normal operating budget process.
- Overall the Total Equity (value) of the golf club increased by \$66k.

The 2017 budget forecasts a similar profit to 2016, and importantly, another healthy cash flow. A plan is in place to allocate a large portion of the free cash to a capital works plan which includes items such as an electricity supply upgrade, new practice green, connection of the clubhouse sewer to Council mains, a new greens roller and continuation of works on the cart paths. It is also planned to set aside and invest surplus funds of up to \$40k into a "future fund" to underwrite the Clubs financial security into the future.

Mark Henning CPA, Honorary Treasurer

CAPTAIN'S REPORT 2016

2016 has been a great year for our Golf Club with us hosting the Golf Illawarra Pennant Finals for the first time and walking away with the A Grade Pennant flag. On that note, I must congratulate the team consisting of **Mark Johnston, Ian Asbury, Gary Roche, Lachlan Maddinson, Simon Rudd and Dan O'Neill**. I would also like to thank all pennant players for the spirit in which the games were played.

During my term as Captain we have had a win in the B grade Pennant in 2014, Shoalhaven Shield in 2015 and the Illawarra Pennant in 2016. These are great results for our Club and all our Members should be proud of these achievements.

One concern that I do have is regarding the slow pace of play, although I do feel that it is improving. The most important thing to remember is to try to keep up with the group playing in front of you. If your group is held up, call the next group through. Remember it is better for one group to take five (5) hours to play rather than hold up the rest of the field. Also, on that note, you only have five (5) minutes to look for a lost ball.

With respect to course machinery during 2016, major repairs were required to the tractor and workman.

Thanks to **Tony** and his team for providing a great golf course on which to play. As time goes on our course will only improve with Member's input and planning.

Congratulations to:

Club Champion **Ian Asbury**.

B Grade Champion **Geoff Collins**

C Grade Champion **Bill Ryan**

Singles Match Play Champion **Max Lamond** - Not only winning at 85 years of age but also beating his age, off the stick, in both the semi final and final.

Remember it's only a game to be enjoyed!

Happy golfing.

Captain Garry

PRO SHOP REPORT 2016

In 2016 the club saw a very steady flow of golfing traffic through the course and a large reason for this was due to the fantastic condition the ground staff led by **Tony Orford** kept the course in. To **Tony, Brendan, Chad, Troy, and Lachlan** a job well done and keep up the great work.

On the competition side of things most of the club's competitions ran as per usual with steady numbers across the board. The **Macey Insurance Heads Open** attracted a field of 140 players of which around 50 players were off handicaps of 5 or less. **Grahame Stinson** from the Grange won the event in tough conditions. He shot a score of 2 over par 73. Trying to avoid the very windy August period the 2017 event is scheduled for Sunday May 28th. Macey Insurance will once again be the main sponsor with Titleist also sponsoring the event.

Another of the major events at the club is the **Heads Hotel Summer Teams** competition kindly sponsored by **Col Waller**. In 2016 approximately 2500 rounds of golf were played over the 18 weeks of competition. Not only has this event attracted many new players and members to the club but this year we have also attracted a number of new club sponsors, which is fantastic to see. Thank you to everyone involved for making the event as successful as it is.

A big story in 2016 was the success of our homegrown A Pennants team who were successful in winning the title over Links Shell Cove in extra holes. With the team down 2 matches to 1 and **Ian Asbury** and **Mark Johnston** forced to go to extra holes both players won the 19th to secure a memorable Pennant victory for the club. Congratulations to **Dan O'Neill** (manager), **Gary Roche, Ian Asbury, Troy Monie, Simon Rudd** and **Lachlan Maddinson** on a very impressive achievement.

Another great story in 2016 came from the **Holden Scramble**. Only 60 golfers played in the local event; however, the winning team in **Gary Roche, Barney Kingdom, Duncan and Cooper Maddinson** were also successful winning the regional final at Macquarie Links to progress to the Australian Final at Twin Waters on the Sunshine Coast. Unfortunately **Barney** was unable to go as he had an overseas trip planned so **Kevin Franklin** replaced him. At Twin Waters I was also able to join them to make a 5 man team. Whilst we played solidly we missed the two day cut by a couple of shots but we fired well on the last day to win the consolation final. This was a trip of a life time and on the back of this success we are running two Scrambles sponsored by **Nowra City Holden** in 2017. Hopefully other Heads teams can experience a trip to the Regional and National finals. Thanks again to **Sean Ryan** and Nowra City Holden for your continued support.

In the shop itself it has been a long and disruptive year. The pro shop expansion is absolutely fantastic and I'd like to thank the **Board of Directors** and the building committee for their efforts, along with **Aspect Building Concepts** who did a great job. A big thank you as well must go to **Gary Podmore** from **David John Joinery** for his joinery and sponsorship support.

Whilst all of this was happening **Danny Wenborn** left the shop and moved to sunny Hilston, Jo and I welcomed our second child Henry to the world in June. Additionally, Dan, Cec and I all had knee operations whilst the shop was being renovated. Consequently, the year was full on and it was great to be fully operational in time for the busy holiday period.

Paul Ryan joined the Pro shop team when Danny left and I would not only like to thank Paul but especially Cec and Danny for their efforts over the year. With the course getting busier and busier, help is required and for that I am extremely thankful.

Lastly, a big thank you to all of the members who support our shop and the club itself. I believe this is the best club on the coast with a model that works really well. This is in an industry where more than 50% of clubs are in financial difficulty. The main reason the club works so well is due to the enormous efforts of the volunteers. All I can say to everyone involved is a job well done and keep up the great work.

Congratulations to President **Rob Russell**, Vice President **Cec Montgomery**, Treasurer **Mark Henning**, Secretary **Glenn Askew** and the entire Board for an exceptional job and the club's healthy position proves what a great job you are doing. I wish the outgoing Board members all the best and look forward to working with the new Board in 2017.

Greg Collins
Club Professional

VETERAN GOLFER'S REPORT 2016

The Heads Vets have had a very successful 2016. Our Vets Membership continued to increase with fields averaging around 120 per week. It is also pleasing to see the Lady numbers continue to increase. As always, Interclub events were well supported with all teams proving competitive in each event.

The Vets have been proud to support the Club in the following areas:-

- The cart path project by purchasing road base and timber edging. The paths have proved popular with the Members. Special mention to Project Manager, Pat Herrick who oversaw the construction. Also Geoff Collins who provided and operated the bobcat.
- Sprinkler heads to complement the new irrigation system
- Vouchers and Certificates of Appreciation to Vincentia High School students who do work experience on the course on each Thursday.
- Fertiliser needed on the greens and fairways
- Core Collector saving a lot of back ache to green staff and volunteers

In February we again had the privilege of hosting Day 2 of the 2016 **Mid South Coast Veterans' Week of Golf**. In excess of 140 players enjoyed our magnificent course that was excellently presented by the dedicated greens staff. We received many compliments from visiting players who indicated that they will be back to play our special course. A big thank you to **Greg Collins** in the Pro Shop, **Greg Montgomery and Captain David Wilson** for organising the event. We look forward to being a major part of this event once again in 2017.

The **Balkwill – Simmons Shield**, an annual medley event between Callala and the Heads Vets, saw the Heads successfully defend the title.

The Heads **Shoalhaven Shield team** put up a gallant effort but were unable to retain the Shield. The team comprised, **Captain Bob McDowell, Rod Elliott, Geoff Collins, Keith Muller, Gary Salway, Ken Miller, Bill Ryan, Jim Johnston, Pat Herrick, Rob Willdig and Paul Hawker**.

Nowra Ex Services won the **Lee/Wellard Shield** for the first time since its inception. This annual competition between the Heads and Nowra Ex Services, Worrigea has been ongoing since 2004. Again, this year Nowra Vets retained the **Bolong Bucket** despite the Heads winning the first round. Nowra eclipsed us in the return game at their home course.

The **Heads Vets Championships** were well supported and closely contested in all 4 divisions:-

1st Division Champion: Robert (Bluey) Everest, runner up: Rod Elliott. Net winner: Paul Hawker, runner up: Graham Leonard.

2nd Division Champion: John Duffy, runner up Col Parrish. Net Winner: Ken Miller, runner up: Bob Cookson.

3rd Division Champion: Peter Corkhill, runner up: Noel Schneider. Net winner: Kevin Higgins, runner up: Owen Pickering.

Women's Vets Champion : Connie Parrish, runner up: Marie Miller. Net winner: Mary McDowell, runner up: Pat Pearson.

Eclectic Winner: Trevor Duncan. **Women's Eclectic Winner:** Louise Barnes.

Matchplay (L&G Wellard Shield): Winner: Ken Miller, Runner up: Bob McDowell.

Bill Robertson Perpetual Shield Winner: Charlie Swyer.

Patron's Anzac Shield Winner: Barry Behan.

Special Awards were presented to David Wilson and Bill Hendry in recognition of their long term service to the Vets. Ian Ashby and his team from Vincentia High School were presented with Certificates of Appreciation for their valuable assistance around the course.

Vale to Jill Gumley, Doug Upton, Robert Sunderland and Don O'Driscoll they are fondly remembered and missed.

Special mention to outgoing **Captain, David Wilson** who opted not to renominate for the position at the Vet's 2016 AGM. David's organising skills and fine eye for detail will be missed in the future. Finally, a big thank you to David for the support that he has given me since taking over the Captaincy.

On behalf of the Committee and all members, I would like to thank our Pro shop staff, caterers and bar staff for their continued assistance throughout the year. Thanks also to Tony and the greens staff as well as the volunteers for the presentation of our course of which we are very proud. I take this opportunity of thanking Club President Rob Russell and Board members, for their continued support. Special thanks indeed to all of our volunteers who assist with the mowing of the course and in a myriad of ways around the clubhouse. Finally, thank you to the Vet's committee for their ongoing contribution and assistance.

Brian (Barnie) Curran

Heads Captain (On behalf of President Greg Montgomery who is overseas at time of writing this report).

LADIES REPORT 2016

2016 has been a successful year for the ladies. We have raised money for the local Parkinson's support group and breast cancer. Also again in 2016 Felicity's amazing cupcakes raised money for special Christmas treats for less privileged Nowra children.

A big congratulations goes out to all our winners.

Club Champions.

Division 1. **Peta Griffin.**

Division 2. **Karen Hansen.**

Division 3. **Janet Bowden.**

Foursomes. **Maureen Latimer and Maureen Hollis.**

Medal of Medals. **Pauline Delany.**

On behalf of all the ladies, I would like to give a huge thanks to all the greens staff, the pro shop and all the volunteers that help make our course and club house great.

The new fans are now up in the clubhouse and look fantastic, but most importantly helped cool down many hot golfers in our recent extreme heat wave.

The new ice machine is great and as a regular member of the bar staff, it will certainly be a godsend on hot days.

Thanks also to the Wood family for the new water canister on the bar. This will make for better tasting water for all.

Best wishes for health and handicap reduction to all members of the club in 2017.

Tara Mackie
Ladies President

Notes

SHOALHAVEN HEADS GOLF CLUB LIMITED
A.B.N. 76 003 000 217

FINANCIAL REPORT
FOR THE YEAR ENDED
31 DECEMBER 2016

SHOALHAVEN HEADS GOLF CLUB LIMITED
A.B.N. 76 003 000 217

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SHOALHAVEN HEADS GOLF CLUB LIMITED
A.B.N. 76 003 000 217

DIRECTORS' REPORT

Your directors present their report on the company for the financial year ended 31 December 2016.

Principal Activities

The principal activities of the company during the financial year were:

To provide and maintain a golf club.

Objectives & Strategies

The short and long term objectives of the Company are to provide golf club facilities to members and their guests.

The strategy for achieving these objectives is to conservatively manage and monitor the company's financial position, and ensure that member facilities are kept at the highest of standards.

Performance Measurement

The company uses industry accepted financial and non-financial KPI's to monitor performance.

Membership

The number of members registered in the Register of Members at 31 December 2016 were as follows:

Playing	514
Life	15
Social	125
Total Members	<u>654</u>

The company is incorporated under the Corporations Act 2001 and is an entity limited by guarantee. If the company is wound up, the Constitution states that each member is liable to contribute a maximum of \$2 each towards meeting any outstanding obligations of the entity. At 31 December 2016 the collective liability of members was \$1,308 (31 December 2015: \$1,306).

Directors

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

Robert Russell

President

Qualifications, experience, and special duties:

Board Member 2013-2016

Former Senior Secondary School Teacher for 39 years

Director Leeton Golf Club 1997-1999

SHOALHAVEN HEADS GOLF CLUB LIMITED
A.B.N. 76 003 000 217

DIRECTORS' REPORT

Cec Montgomery

Vice President

Qualifications, experience, and special duties:

Board Member 2014 -2016

Banker for 32 years

Owned and operated own business for 16 years

Board member for 8 years various golf clubs

Mark Henning

Treasurer

Qualifications, experience, and special duties:

Board Member 2012-2016

CPA

Finance and Administration Manager for 15 years

Business Performance Manager for 5 years

Garry Hoare

Captain

Qualifications, experience, and special duties:

Board Member 2013-2016

Qualified Mechanical Engineer

NRMA Patrolman for 30 years

Former Mechanical Service Manager

Glenn Askew

Secretary

Appointed 18/05/2016

Qualifications, experience, and special duties:

Board Member 2016

Secretary 2016

Former Credit Union Manager for 14 years

Gregory Montgomery

Director

Qualifications, experience, and special duties:

Board Member 2012-2016

Former Woolworths Manager for 18 years

President of Clubs Veteran Golfers Association

Connie Parrish

Director

Qualifications, experience, and special duties:

Board Member 2014-2016

Site Secretary current employment

President of Woman's Golf Club 2 years

Harry Delany

Director

Qualifications, experience, and special duties:

Board Member 2014-2016

Antill Golf Club board member for 2 years

SHOALHAVEN HEADS GOLF CLUB LIMITED
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DIRECTORS' REPORT

Keith Muller

Director

Qualifications, experience, and special duties:

Board Member 2015-2016

Motor Mechanic

Plant Operator & Supervisor for 22 years.

Gail Wilson

Secretary

Resigned 2/05/2016

Qualifications, experience, and special duties:

Board Member 2014-2016

Secretary for 20 years

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

Summary of Meeting Attendances:

13 ordinary meetings and 1 special meeting were held during the year.

	<i>Number of Meetings Eligible To Attend</i>	<i>Number of Meetings Attended</i>
Robert Russell	14	12
Cec Montgomery	14	10
Mark Henning	14	13
Garry Hoare	14	11
Glenn Askew	7	7
Gregory Montgomery	14	13
Connie Parrish	14	11
Harry Delany	14	11
Keith Muller	14	11
Gail Wilson	7	6

SHOALHAVEN HEADS GOLF CLUB LIMITED
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DIRECTORS' REPORT

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 31 December 2016 has been received and can be found on page 7 of the financial report.

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

Director:


Mr Robert Russell

Dated 20 February 2017

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF
SHOALHAVEN HEADS GOLF CLUB LIMITED
A.B.N. 76 003 000 217**

Audit Opinion

We have audited the financial report of Shoalhaven Heads Golf Club Limited (the company), which comprises the statement of financial position as at year ended 31 December 2016, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, except for the matters referred to below, the accompanying financial report of Shoalhaven Heads Golf Club Limited is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the company's financial position as at the year ended 31 December 2016 and of their performance and cash flows for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis of Opinion

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

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

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

Other Information

The Directors are responsible for the other information. The other information does not include the financial report and our auditor's report thereon, but comprises the Supplementary Information contained in the annual report, which we obtained prior to the date of this auditor's report, and the President's Report, Treasurer's Report etc, which are expected to be made available to us after the date of this auditor's report.

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

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

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

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF
SHOALHAVEN HEADS GOLF CLUB LIMITED
A.B.N. 76 003 000 217**

Responsibilities of the Directors for the Financial Report

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

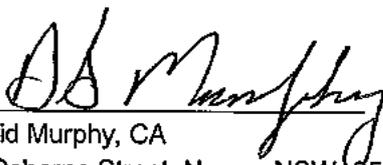
In preparing the financial report, the Directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company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

Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

Booth Partners



David Murphy, CA
52 Osborne Street, Nowra NSW 2541
Dated 20 February 2017

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
SHOALHAVEN HEADS GOLF CLUB LIMITED
A.B.N. 76 003 000 217**

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2016, there have been no contraventions of:

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

Booth Partners



David Murphy, CA

52 Osborne Street, Nowra NSW 2541

Dated 20 February 2017

SHOALHAVEN HEADS GOLF CLUB LIMITED
A.B.N. 76 003 000 217

STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 \$	2015 \$
Revenue	2	900,969	817,753
Cost of sales		(89,328)	(89,500)
Administration expenses		(27,250)	(26,133)
Depreciation expenses		(93,714)	(87,675)
Employment expenses		(225,516)	(209,801)
Golf expenses		(241,469)	(225,070)
Interest expenses		(3,734)	(4,927)
Occupancy expenses		(61,321)	(61,846)
Other expenses		(92,764)	(90,717)
Profit before income tax	3	65,873	22,084
Income tax expense		-	-
Profit (loss) attributable to members of the company		65,873	22,084
Total comprehensive income (loss) attributable to members of the company		65,873	22,084

The accompanying notes form part of these financial statements.

SHOALHAVEN HEADS GOLF CLUB LIMITED
A.B.N. 76 003 000 217

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

	Note	2016 \$	2015 \$
CURRENT ASSETS			
Cash and cash equivalents	4	115,655	139,568
Trade and other receivables	5	3,795	2,823
Inventories	6	21,724	18,527
Other current assets	7	72,131	62,817
TOTAL CURRENT ASSETS		<u>213,305</u>	<u>223,735</u>
NON-CURRENT ASSETS			
Property, plant and equipment	8	1,329,543	1,240,957
TOTAL NON-CURRENT ASSETS		<u>1,329,543</u>	<u>1,240,957</u>
TOTAL ASSETS		<u>1,542,848</u>	<u>1,464,692</u>
CURRENT LIABILITIES			
Trade and other payables	9	131,788	66,545
Borrowings	10	22,466	33,573
Short term provisions	11	39,752	45,653
Other current liabilities	12	151,159	169,688
TOTAL CURRENT LIABILITIES		<u>345,165</u>	<u>315,459</u>
NON-CURRENT LIABILITIES			
Borrowings	10	14,994	37,460
Long term provisions	11	5,043	-
TOTAL NON-CURRENT LIABILITIES		<u>20,037</u>	<u>37,460</u>
TOTAL LIABILITIES		<u>365,202</u>	<u>352,919</u>
NET ASSETS		<u>1,177,646</u>	<u>1,111,773</u>
EQUITY			
Retained earnings		1,177,646	1,111,773
TOTAL EQUITY		<u>1,177,646</u>	<u>1,111,773</u>

The accompanying notes form part of these financial statements.

SHOALHAVEN HEADS GOLF CLUB LIMITED
A.B.N. 76 003 000 217

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016

	Retained Profits
Balance at 1 January 2015	1,089,689
Profit (loss) for the year	22,084
Other comprehensive income for the year	-
Total comprehensive income attributable to members of the entity	<u>22,084</u>
Income tax expense	-
Balance at 31 December 2015	<u><u>1,111,773</u></u>
Balance at 1 January 2016	1,111,773
Profit (loss) for the year	65,873
Other comprehensive income for the year	-
Total comprehensive income attributable to members of the entity	<u>65,873</u>
Balance at 31 December 2016	<u><u>1,177,646</u></u>

The accompanying notes form part of these financial statements.

SHOALHAVEN HEADS GOLF CLUB LIMITED
A.B.N. 76 003 000 217

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 \$	2015 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		882,581	825,365
Payments to suppliers and employees		(688,478)	(736,386)
Interest received		1,590	2,442
Interest expense		(3,734)	(6,579)
Net cash provided by (used in) operating activities		<u>191,959</u>	<u>84,842</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		-	200
Payments for property, plant and equipment		(182,299)	(47,255)
Net cash provided by (used in) investing activities		<u>(182,299)</u>	<u>(47,055)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		(33,573)	(54,002)
Net cash provided by (used in) financing activities		<u>(33,573)</u>	<u>(54,002)</u>
Net increase (decrease) in cash held		(23,913)	(16,215)
Cash at beginning of financial year		139,568	155,783
Cash at end of year	4	<u>115,655</u>	<u>139,568</u>

The accompanying notes form part of these financial statements.

SHOALHAVEN HEADS GOLF CLUB LIMITED
A.B.N. 76 003 000 217

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

1 Summary of Significant Accounting Policies

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the requirements of the Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board and the Corporations Act 2001. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in the financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of these financial statements are presented below. They have been consistently applied unless otherwise stated.

The financial statements, except for cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements of Shoalhaven Heads Golf Club Limited for the year ended 31 December 2016 were authorised for issue in accordance with a resolution of the directors on 20 February 2017.

SHOALHAVEN HEADS GOLF CLUB LIMITED
A.B.N. 76 003 000 217

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and cessation of all involvement in those goods.

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the period of the memberships.

Grant revenue is recognised in the statement of comprehensive income when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

Shoalhaven Heads Golf Club Limited receives non-reciprocal contributions of assets from the government and other parties for zero or nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of comprehensive income.

Donations and bequests are recognised as revenue when received.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

Trade and Other Receivables

Trade receivables are recognised initially at the transaction price (i.e. cost) and are subsequently measured at cost less provision for impairment. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

At the end of each reporting period, the carrying amount of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in statement of comprehensive income.

SHOALHAVEN HEADS GOLF CLUB LIMITED
A.B.N. 76 003 000 217

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

Inventories

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

Stores are valued at cost.

Prepayments

Prepayments are recognised when a payment is made for services that the company expects to utilise over a period of time. Prepayments are measured at the unexpended portion of the contractual cost of the services. Expenditure is transferred to profits and losses on a straight line basis over the period to which it relates.

Property, Plant and Equipment

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

Plant and Equipment

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

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

SHOALHAVEN HEADS GOLF CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

The depreciation rates used for each class of depreciable asset are:

Class of Fixed Asset	Depreciation Rate
Building at Cost	2.5 - 10%
Course Improvements at Cost	2.5%
Plant and Equipment	7.5 - 20%
Kitchen Equipment	10 - 20%
Furniture and Fittings	20 - 25%
Course Equipment	5 - 25%

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Classification and Subsequent Measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, prices quoted in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

SHOALHAVEN HEADS GOLF CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

(i) Financial assets at fair value through profit or loss

Financial assets are classified as 'fair value through profit or loss' when they are held for trading for the purpose of short term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

SHOALHAVEN HEADS GOLF CLUB LIMITED
A.B.N. 76 003 000 217

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with changes in such fair value (i.e. gains or losses) recognised in other comprehensive income (except for impairment losses and foreign exchange gains and losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as current assets when they are expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as non-current assets.

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are immediately recognised in profit or loss. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written off amounts are charged to the allowance account of the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance accounts.

SHOALHAVEN HEADS GOLF CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognised the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition

Financial assets are derecognised when the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Impairment of Assets

At each reporting date, the company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement, unless the asset is carried at a revalued amount in accordance with another standard. Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other standard.

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

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Trade and Other Payables

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

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 the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

SHOALHAVEN HEADS GOLF CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

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

Income Tax

The company is exempt from income tax under section 50-45 of the Income Tax Assessment Act 1997.

Employee Benefits

Short term employee benefits

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages and salaries. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages and salaries are recognised as a part of current liabilities in the statement of financial position.

Other long-term employee benefits

The company classifies employee's long service leave and annual leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the company's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

The company's obligations for long-term employee benefits are presented as non-current liabilities in the statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current liabilities.

Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

SHOALHAVEN HEADS GOLF CLUB LIMITED
A.B.N. 76 003 000 217

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the income statement in the period in which they are incurred.

Comparative Figures

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

Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments 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 externally and within the Company.

Key judgments - Employee benefits

For the purpose of measurement, AASB 119: Employee Benefits (September 2011) defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. As the company expects that most employees will not use all of their annual leave entitlements in the same year in which they are earned or during the 12-month period that follows the directors believe that obligations for annual leave entitlements satisfy the definition of other long-term employee benefits and, therefore, are required to be measured at the present value of the expected future payments to be made to employees.

SHOALHAVEN HEADS GOLF CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016 \$	2015 \$
2 Revenue		
Operating activities		
Trading Revenue	213,475	208,891
Interest	1,590	2,442
Advertising, Signs and Sponsorship	25,223	30,787
Apprenticeship Grant	-	2,000
Community Grant	35,000	-
Competition Fees	42,278	42,587
Donations	17,670	10,287
Fundraising	5,544	7,473
Green Fees	320,659	302,812
Subscriptions & Nominations	215,726	198,621
Sundry Income	23,804	11,853
	<u>900,969</u>	<u>817,753</u>
3 Profit from Ordinary Activities		
Profit from ordinary activities before income tax expense has been determined after:		
Expenses:		
Cost of sales	89,328	89,500
Depreciation of non-current assets	93,714	87,675
4 Cash and Cash Equivalents		
Current		
Cash on Hand	3,830	15,308
National Australia Bank - Current Account	43,428	18,436
NAB Business Card	500	500
National Australia Bank Maximizer	67,897	105,324
	<u>115,655</u>	<u>139,568</u>

SHOALHAVEN HEADS GOLF CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016	2015
	\$	\$
Reconciliation of cash		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:		
Cash and cash equivalents	<u>115,655</u>	<u>139,568</u>
	<u>115,655</u>	<u>139,568</u>
5 Trade and Other Receivables		
Current		
Trade Debtors	<u>3,795</u>	<u>2,823</u>
6 Inventories		
Current		
Stock on Hand - Other	13,360	10,456
Stock on Hand - Bar	<u>8,364</u>	<u>8,071</u>
	<u>21,724</u>	<u>18,527</u>
7 Other Current Assets		
Current		
Prepayments	<u>72,131</u>	<u>62,817</u>
8 Property, Plant and Equipment		
Land and Buildings		
Building at Cost	298,838	231,012
Less: Accumulated Depreciation	<u>(110,258)</u>	<u>(98,117)</u>
	188,580	132,895
Course Improvements at Cost	1,125,458	1,020,317
Less: Accumulated Depreciation	<u>(277,977)</u>	<u>(254,318)</u>
	<u>847,481</u>	<u>765,999</u>
Total Land and Buildings	<u>1,036,061</u>	<u>898,894</u>

SHOALHAVEN HEADS GOLF CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016	2015
	\$	\$
Plant and Equipment		
Plant & Equipment at Cost	228,388	221,628
Less: Accumulated Depreciation	<u>(191,568)</u>	<u>(181,661)</u>
	36,820	39,967
Kitchen Equipment at Cost	8,123	8,123
Less: Accumulated Depreciation	<u>(5,399)</u>	<u>(4,478)</u>
	2,724	3,645
Furniture & Fittings, at Cost	10,603	10,603
Less: Accumulated Depreciation	<u>(10,184)</u>	<u>(9,529)</u>
	419	1,074
Course Equipment, at Cost	490,339	487,767
Less: Accumulated Depreciation	<u>(236,820)</u>	<u>(190,390)</u>
	253,519	297,377
Total Plant and Equipment	<u>293,482</u>	<u>342,063</u>
Total Property, Plant and Equipment	<u>1,329,543</u>	<u>1,240,957</u>

All of the land and buildings leased by the club are located at Staples Street Shoalhaven Heads and are considered 'Core Property' (as defined in the Registered Club Act 1976).

Movements in Carrying Amounts

Movements in carrying amount for each class of property, plant and equipment between the beginning and the end of the financial year:

	Carrying Value				Carrying Value
	1 Jan 2016	Additions	Disposals	Depreciation	31 Dec 2016
Building at Cost	132,895	67,826	-	(12,141)	188,580
Course Improvements at Cost	765,999	105,141	-	(23,659)	847,481
Plant and Equipment	39,967	6,760	-	(9,907)	36,820
Kitchen Equipment	3,645	-	-	(921)	2,724
Furniture and Fittings	1,074	-	-	(655)	419
Course Equipment	297,377	2,573	-	(46,431)	253,519
	<u>1,240,957</u>	<u>182,300</u>	<u>-</u>	<u>(93,714)</u>	<u>1,329,543</u>

SHOALHAVEN HEADS GOLF CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016	2015
	\$	\$
9 Trade and Other Payables		
Current		
Sundry Creditors	125,622	61,279
Voluntary Workers	4,548	3,439
GST Liability	1,618	1,827
	131,788	66,545
Financial liabilities at amortised cost classified as trade and other payables		
Trade and other payables:		
- Total current	131,788	66,545
- Total non-current	-	-
	131,788	66,545
Less:		
GST	(1,618)	(1,827)
Financial liabilities as trade and other payables	130,170	64,718
10 Borrowings		
Current		
Hire Purchase Liability	24,127	37,308
Less: Unexpired Interest	(1,661)	(3,735)
Total current borrowings	22,466	33,573
Non-Current		
Hire Purchase Liability	15,809	39,936
Less Unexpired Interest	(815)	(2,476)
Total non-current borrowings	14,994	37,460
Total borrowings	37,460	71,033

National Australia Bank holds the following security on the bank loan facility and the hire purchase loans:

a. Registered Mortgage Debenture over the Club's assets.

SHOALHAVEN HEADS GOLF CLUB LIMITED
A.B.N. 76 003 000 217

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016	2015
	\$	\$
11 Provisions		
Current		
Provision for Holiday Pay	27,034	34,034
Provision for Long Service Leave	12,718	11,619
	<u>39,752</u>	<u>45,653</u>
Non-Current		
Provision for Long Service Leave	5,043	-
	<u>5,043</u>	<u>-</u>
Aggregate Employee Benefit Liability	<u>44,795</u>	<u>45,653</u>
12 Other Liabilities		
Current		
Income In Advance	48,917	62,000
Subscriptions in Advance	85,937	95,976
Sponsorship In Advance	16,305	11,712
	<u>151,159</u>	<u>169,688</u>
13 Contingent Liabilities		
Estimates of the potential financial effect of contingent liabilities that may become payable:		
Contingent Liabilities		
NSW Trade & Investment		
NSW Trade & Investment granted \$32,000 to the Club in October 2013 for the purpose of building a new access road. The grant must be refunded to the extent that it exceeds 50% of the total cost of the road.	<u>32,000</u>	<u>32,000</u>
14 Related Party Transactions		

Transactions between related parties are on normal commercial terms and conditions. These terms and conditions are no more favourable than those available to other parties unless otherwise stated.

SHOALHAVEN HEADS GOLF CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016	2015
	\$	\$
<hr/>		
15 Financial Risk Management		
<p>The company's financial instruments consist mainly of deposits with banks, accounts receivable and payable, and leases.</p> <p>The carrying amounts for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:</p>		
Financial Assets		
Cash and cash equivalents	115,655	139,568
Loans and receivables	3,795	2,823
Total Financial Assets	<u><u>119,450</u></u>	<u><u>142,391</u></u>
Financial Liabilities		
Financial Liabilities at amortised cost		
- Trade and other payables	130,170	64,718
- Borrowings	37,460	71,033
Total Financial Liabilities	<u><u>167,630</u></u>	<u><u>135,751</u></u>

SHOALHAVEN HEADS GOLF CLUB LIMITED
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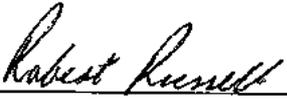
DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes are in accordance with the Corporations Act 2001 and:
 - (a) comply with Australian Accounting Standards.
 - (b) give a true and fair view of the financial position of the company as at 31 December 2016 and of its performance for the year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the board of directors.

Director:



Mr Robert Russell

Dated 20 February 2017

SHOALHAVEN HEADS GOLF CLUB LIMITED
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DISCLAIMER ON ADDITIONAL FINANCIAL INFORMATION

The additional information on the following pages is in accordance with the books and records of Shoalhaven Heads Golf Club Limited which have been subjected to the auditing procedures applied in the audit of the company for the year ended 31 December 2016. It will be appreciated that the audit did not cover all details of the additional financial information. Accordingly, we do not express an opinion on such financial information and no warranty of accuracy or reliability is given.

In accordance with our firm policy, we advise that neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any person (other than the company) in respect of such information, including any errors or omissions therein, arising through negligence or otherwise however caused.

Booth Partners



David Murphy, CA

52 Osborne Street, Nowra NSW 2541

Dated 20 February 2017

SHOALHAVEN HEADS GOLF CLUB LIMITED
A.B.N. 76 003 000 217

SUPPLEMENTARY INFORMATION
DEPARTMENTAL PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 \$	2015 \$
Bar Trading			
Refreshment Sales		<u>213,475</u>	<u>208,891</u>
		213,475	208,891
LESS: COST OF GOODS SOLD			
Opening Stock		7,337	8,469
Closing Stock		(8,364)	(7,337)
Purchases		<u>90,355</u>	<u>88,368</u>
		<u>89,328</u>	<u>89,500</u>
GROSS PROFIT FROM TRADING		<u>124,147</u>	<u>119,391</u>

The accompanying notes form part of these financial statements.

SHOALHAVEN HEADS GOLF CLUB LIMITED
A.B.N. 76 003 000 217

SUPPLEMENTARY INFORMATION
PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016	2015
	\$	\$
INCOME		
Bar Trading	124,147	119,391
Advertising, Signs and Sponsorship	25,223	30,787
Apprenticeship Grant	-	2,000
Community Grant	35,000	-
Competition Fees	42,278	42,587
Donations	17,670	10,287
Fundraising	5,544	7,473
Green Fees	320,659	302,812
Interest Income	1,590	2,442
Subscriptions & Nominations	215,726	198,621
Sundry Income	23,804	11,853
16	811,641	728,253
LESS : EXPENDITURE		
Accountant	20,000	19,133
Advertising	3,745	3,793
Affiliation Fees	18,784	19,239
Audit Fees	7,250	7,000
Bank Charges	5,738	6,719
Catering Retainer	9,924	-
Cleaning	6,925	6,926
Commission Paid	62,591	62,803
Depreciation	93,714	87,675
Donations	6,083	4,578
Electricity & Gas	22,768	23,659
Fuel & Oil	12,856	11,927
Holiday Pay Provision	17,265	17,734
Insurance	28,099	31,608
Interest Paid	3,734	4,927
Leasing Charges	3,004	3,326

The accompanying notes form part of these financial statements.

SHOALHAVEN HEADS GOLF CLUB LIMITED
A.B.N. 76 003 000 217

SUPPLEMENTARY INFORMATION
PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016 \$	2015 \$
Licensing Fees	6,257	5,063
Long Service Leave Expense	6,142	746
Members Expenses	928	3,494
Minor Equipment Purchases	-	1,100
Postage	774	633
Printing & Stationery	8,659	10,805
Prizes - Golf Balls & Trophies	35,541	35,093
Rates & Taxes	1,969	2,048
Rent	29,659	29,213
Repairs & Maintenance	100,655	89,381
Security Costs	785	775
Staff Training & Welfare	507	962
Subscriptions	987	1,258
Sundry Expenses	-	1,722
Superannuation Contributions	18,709	17,506
Telephone	4,781	5,238
Tool Replacement	5,915	876
Unders and Overs	(29)	177
Uniforms	912	67
Volunteers	5,127	5,751
Wages	181,981	172,786
Waste Disposal	5,516	5,431
Water	7,513	4,997
	<u>745,768</u>	<u>706,169</u>
OPERATING PROFIT	<u><u>65,873</u></u>	<u><u>22,084</u></u>

The accompanying notes form part of these financial statements.

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NOTES TO THE SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016	2015
	\$	\$
16 Sundry Income		
Coffee Machine	842	1,118
Corporate Day	4,419	3,171
Course Development Levy	11,750	-
Fuel Tax Rebate	5,049	4,705
Kitchen Rent	-	1,487
Other Income	1,489	1,045
Photocopying	255	127
Sale of Old Equipment	-	200
	<u>23,804</u>	<u>11,853</u>

The accompanying notes form part of these financial statements.
These statements should be read in conjunction with the attached disclaimer of Booth Partners.