



**Annual Report & Financial Statements  
For 12 months ended 30<sup>th</sup> June 2019**

**Leongatha Golf Club (A0006814B)  
ABN: 46 325 018 423  
855 Koonwarra-Inverloch Road  
Leongatha South Victoria 3953**

**(03) 5664 3314  
info@leongathagolf.com.au**

## **Board of Management**

<b>President</b>	Peter Waters
<b>Vice-President</b>	Garry Friend
<b>Treasurer</b>	Richard Comerford
<b>Secretary</b>	Greg Welsford
<b>Men's Captain</b>	Colin Bear
<b>Ladies Captain</b>	Patricia Owen
<b>Green's Chairman</b>	Andrew Bassett
<b>General Position</b>	Kevin Castwood
<b>General Position</b>	Rebecca Wilson
<b>Life Members</b>	Pat West Allan Edney Daryl Pease Trevor Steer Jon Smith Noreen Webster Colin Sperling Nancy Sperling Pat Pease
<b>Acting Manager</b>	Sharon Marsh
<b>Superintendent</b>	Dylan McMeekin
<b>Club Auditor</b>	Cardell Chartered Accountants

# LEONGATHA GOLF CLUB INC - A 0006814B

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Leongatha Golf Club will be held in the Clubhouse at 855 Koonwarra-Inverloch Road, Leongatha South on Friday 23<sup>rd</sup> August, 2019 at 7.00 pm. All Members are invited to attend at 6.00pm to socially engage prior to the meeting. Complimentary finger food will be available.

Eligible members seeking nomination and election can obtain nomination forms from the Greg Welsford, Club Secretary and are requested to lodge completed said forms by no later than 4pm Thursday 15<sup>th</sup> August 2019.

Questions for the Board are to be sent to the Club ([admin@leongathagolf.com.au](mailto:admin@leongathagolf.com.au)) no later than 5:00pm Wednesday 21<sup>st</sup> August, 2019. These questions will be given first priority over any questions from the floor. Questions from the floor will only be answered if time permits.

### BUSINESS

1. Apologies
2. To confirm the minutes of the previous Annual General Meeting held on 24<sup>th</sup> August 2018.
3. Business arising from the minutes of the previous Annual General Meeting
4. President's Report
5. Presentation of 2018/2019 Financial Statements
6. Member Questions
7. To elect officers of the Club and the ordinary members of the Board for the year 2019/2020

By Order of the Board

Greg Welsford

Club Secretary

**NB: ONLY FINANCIAL MEMBERS WHO HAVE PAID THEIR SUBSCRIPTIONS (excluding Junior Members under the age of 18, Social, 5-Day and Pay & Play members) FOR THE YEAR 2019-2020 MAY VOTE AT THE MEETING.**

## President's Report

It is with pleasure that I present this report to you as President in my own right, having filled in as Interim President last year.

The 2018-19 year has essentially been a repeat of 2017-18, with success again for our club both on and off the course. On course, we have again seen an increased utilization of our wonderful course as shown by an increase in number of rounds of golf played. Our members are playing competition golf more regularly, and this has been accompanied by a slight increase in green fee players over the period.

Our pennant teams again performed admirably, and while not winning a pennant this year, two of our Men's teams reached the final only to be beaten in the closest of contests. I was proud of the sportsmanship shown by our teams, a great reflection of our Club.

Dylan and his course team have worked extremely hard and effectively throughout the year to present a course of the highest standard to you. They have been supported by a dedicated team of volunteers who give huge amounts of time and energy to our club. Several improvements have been made to tees, fairway drainage, tree limb clearing, turf nursery etc that will benefit the club for many years to come. Such has been the rate of course improvement, combined with excellent maintenance, that the course now sits at Number 61 in the top 100 Australian Public Access Courses, an outstanding achievement for a club our size! We are the highest rated course in all Gippsland, and should be very proud of this.

Off course, our club has continued to prosper. The club has again achieved a very solid financial result (see the Treasurer's report), which allows us to continue with our course improvement program. In addition to this, our club has continued to receive excellent service from our clubhouse staff, in no small part due to the hard work and skills of our General Manager, Josh Hall. Our staff have been supported by a team of volunteers who have allowed us to run successful major events and functions.

As you all know, Josh has accepted the position of General Manager at Lonsdale Golf Club, and he left our club after 5 ½ years of great service to it. Josh brought a new level of professionalism to our club and combined this with enthusiasm to drive our club forward. We have the excellent junior and beginner women's programs as examples of the great work Josh did for us. He leaves us with our best wishes for his future.

Another significant achievement during the year has been the replacement of the leaking, asbestos clubhouse roof. This "elephant in the room" has literally been hanging over our heads for some time, and in recognising the need to take action to rectify this situation, your Board applied for a grant to cover the cost of the roof replacement, but was unsuccessful. Undeterred by this, the Board decided to press ahead as a matter of urgency, and the roof replacement took place in May/June. Thankfully the cost of this has come in at the lower end of our expectations, and we are thankful to Trevor Bowler and his team at TS Constructions for completing the works so efficiently.

Throughout the year I have been supported by a team of excellent Board members who have worked effectively and cohesively and for this I thank each one of them for their contribution. There will be some personnel changes to the incoming Board this year, with our Secretary, Greg Welsford indicating that he will not seek renomination. Greg has been a great Secretary, producing comprehensive minutes of

meetings and also making useful contributions to discussion. Our Treasurer, Richard Comerford has indicated that he is willing to seek renomination as is Our Women's Captain, Trish Owen.

My writing of this report coincides with a recent change in management structure at the club following Josh Hall's resignation as General Manager. Your Board is confident that we have assembled a team that will continue to guide us on our journey of sustainability and prosperity. Please give them every encouragement and assistance you can to ensure that the club continues to flourish.

Finally, to all of you who have volunteered in any capacity throughout the year, I say thank you. Without your efforts the club would have to pay additional wages and would thus not be in a position to make the improvements we have made in recent times.

Your Board believes that the club is well positioned to look forward to the future with confidence.

**Peter Waters -President**

### **Women's Golf**

The following are the initiatives undertaken by the 2018/2019 Women's Committee (Lianne Adamson (Women's Coordinator) Toni West (Handicapper) Vice Captain (Liz Hodge/ replacing Karen Orford) Karen Bear (Secretary) Debbie Miller Sue Woods Sue Bowler)

- Due to the efforts of our Handicapper, Toni West, we now have a 'new' and shorter pink course. This was well received by most members, especially during the winter months. Toni has also revisited the stableford index for both the red and pink course and made significant alterations. The most pleasing of which is the change to the red course 14th hole from 18 to 13.! Thank you Toni!
- In an endeavour to speed up play, a recurring discussion at meetings, Karen Bear initiated the idea of an online forum to seek input from members. The collated information was discussed by the committee with the best suggestions being emailed to the members. The first issue 'discussed' was.. "if your group is falling behind what can you do?". There were many varied and helpful suggestions which indicated that many players are aware of this problem. The proposal to use a tazer on slow players was not implemented.
- The women no longer provide trophies for their Wednesday competitions. Members that wish to sponsor a competition are encouraged to purchase club vouchers. Unfortunately, for the club, there has been a significant decrease in women sponsoring events. The committee were hopeful that this would result in members being more willing to provide a weekly raffle. But there has also been a significant decline in this endeavour.
- Karen Orford and Karen Bear have both completed a Community Instructors course. These two have been instrumental in helping the newer players transition into the club. They have given up many hours to play with the women coming from the clinics, providing invaluable support. As a follow on from this Karen Bear outlined a special membership category for these players. To date it has proved very successful in retaining these new players.
- Thanks to Debbie Miller we now have a resource that the committee can access which provides information on the history leading up to the formation of our Board events and their sponsors.
- To encourage greater participation in Monthly Medal days a significant change was made to the previously 'formal' approach. Players are no longer required to play within their grade limits. In

addition, as is the case with the men, players are permitted to pick up their ball when their score reaches ten.

- With guidance from Nurse Lianne Adamson and Karen Bear a Snake Bite Policy was formulated to be on display in the 'summer snake season'.
- Sue Woods was responsible for organising the instruction on the use of the club defibrillator. Amy Lockart from the Heart Foundation provided a very informative session.
- The women's committee revisited the idea of vouchers to enable members to bring along friends to play. This has recently been approved by the Board and these will soon be available to members.
- Thanks to the push from our Handicapper and research from our very competent men's Captain Colin Bear, we now have in place a rule for relief from tree roots. This new rule was approved by the Match committee earlier in the year.

I would like to thank all the committee for their contributions over the year and to the many members that never fail to offer assistance. A special thank you to Lianne Adamson, as the Women's Coordinator for her support and to Toni West for her invaluable input.

### **Trish Owen - Women's Captain**

#### **Men's Golf**

2018-19 has been a successful year for men's golf with a strong increase in the number of rounds being played by our members. Tuesday and Thursday golf continues to attract increasing participation with over 6,400 competition rounds played this year (up by just over 6% on last year). Saturdays was also up with over 4,500 rounds played (an increase of 7% compared to last year). Obviously, the Club is providing a welcoming and encouraging environment for members to enjoy a day on the golf course with their fellow members.

The Men's Golf Committee have been proactive in providing additional opportunities for women to play in Saturday Board events that were previously only open to men. With the support of the event sponsors we now have six Board events played jointly by men and women on Saturdays continuing the Club's desire to provide greater opportunities for all members to play golf on our wonderful course.

Our much loved events, Super League, BJS Insurance Top Gun, Putting Competition and Hyland Cup all had higher numbers of entries as member continued to get behind these events too.

Our 2019 Pennant season was a great success with 41 men donning the Leongatha shirt to represent the Club. We were pipped on the post in Division 3 and Division 5 finals after finishing on top of the ladder in both grades. Division 1 just missed out on the final after losing a couple of crunch matches on the last hole in the last week of matches. More importantly, every person who represented the Club did so with a great attitude and admirable sportsmanship. Special thanks to team captains, Tom Sorrell, Chris Indian and John McLennan who set the tone and organised their teams with great enthusiasm.

2019 saw the introduction of the new Rules of Golf with the challenge of updating all members on the significant changes to the rules. The transition went smoothly with members coming into 2019 with a good understanding of the new rules. The Men's Golf Committee are making sure that we are keeping abreast of the Rules of Golf and providing regular feedback to members. Committee members Don Smith

and Colin Bear have completed the R&A Level 1 Accreditation exam so we can be a little more confident of answering your rule enquiries.

A perfect day on our golf course is only made possible through the great work of our Greens Committee and our course staff so many thanks and high praise to Greens Chair, Andy Bassett, and Course Superintendent, Dylan McMeekin, and their respective teams for providing an outstanding environment for us every time we go out to play.

It has been a pleasure to work with Women's Captain, Trish Owen, as we continue to work together on the Match Committee to discuss issues relevant to all members.

Thanks to Ashleigh Hutton who continues to do an important job of organising the handicaps for all of our new members. Bryan McCorkell keeps on providing the report to our local newspapers every week, so may thank Bryan too.

My thanks to all members of the Men's Golf Committee for their support over the year in helping to run our events and providing input into all decisions and plans to make a day on the golf course more enjoyable and rewarding for all members.

Good hitting in 2019-20.

**Colin Bear -Men's Captain**

### **Course Report**

The Greens Committee consisted for the majority of 2018-19 of Andy Bassett (Chairman), Wendy-Anne Parker, Peter Brownlie, John Moor, Russell Williams, Colleen Touzel (Match C'Tee Rep) Michael Thomas, Garry Rotteveel, David Elvins and Dylan McMeekin (Superintendent). Manager, Josh Hall and Peter Waters (President) regularly attended and gave insight and advice.

Peter Seth resigned earlier year from the Committee after a number of valuable years, but along with Leon Collier, Peter Walsh, Andrew Smith, Bruce Cathie, Ian Murchie and Gordon Morrison, remained one of the committed members of the Club who contributed weekly as volunteers and supported Dylan and his team. Many thanks to each of you, but especially to Peter and Leon.

The Committee dealt with a number of governance issues throughout the year including the drafting of updated Roles and Responsibilities for the Committee, developing our Club's Environmental Statement, developing a Work, Health and Safety Plan, and developing a Volunteers Program.

Many hours of discussions and research have gone into these processes which better protects the Club, our staff, the Club's assets, and our environment and I thank the Committee for their active engagement in the processes.

The Committee also recently reviewed the progress on recommendations made by David Elvins in his 2016 Strategic Course Report. I am pleased to say that 85% of the recommendations have been addressed, a result which reflects Dylan's work strategies managing the general course on-going maintenance and improvement, with targetted activity aligned with the strategic plan.

Peter Brownlie and John Moor in particular, have been the back bone of the working bee's and volunteer work during the year. Peter and "Plucka" Paul Luck have done a terrific job around the course with Paul's

excavator. Overall the working bees have also contributed towards Dylan's progress on the Strategic plan by freeing up staff hours from undertaking routine activity such as rough cutting and fairway mowing, and allowing staff to get to the targeted work. Assisting in the clean ups when the arborists are doing their work also speeds up the process, so any volunteer help is always gratefully accepted.

Many hours have been put into the course, raking leaves and sticks, trimming vegetation, gardening, racking bunkers, blowing fairways, oiling seats and tee markers, trimming sprinkler heads and tombstones, spraying weeds, filling sand bins, cleaning rubbish bins, filling divots and many other odd jobs, by volunteers and committee alike. Ian Watson along with Geoff Maher have done a great job around the Club house with apprentice Marea, doing carpentry odd jobs for Josh and again that work has added to our year.

On-going course improvements such as the Tee markers were also completed and improve the look around the Course. The Committee also has been able to work in with Dylan to target remedial work such as repairs on fairways, particularly 18<sup>th</sup>, 17<sup>th</sup>, 8<sup>th</sup> and 2<sup>nd</sup> where bare patches had developed and were impacting on the aesthetics of the course and more importantly, play. The growing season, spring should see some marked improvements now that a lot of those spots have been re-turfed.

Many thanks to Colleen, Helen, Libby and the rest of the ladies in particular, who have again, continued looking after the gardens around the Club rooms and carpark.

I am hopeful the Volunteers Program will be available on our website by the end of September so I invite you to have a look, and get on board. We have plenty of jobs that take an hour or so and can be undertaken at a time to suit you. Volunteering is an especially good way of meeting other club members you may not otherwise get to know.

Finally, I would like to thank President Peter Waters for his tireless work on the Course and his behinds the scene support. I would also like to thank outgoing Manager Josh Hall for his advice and input to me both when I was Captain and as Greens Committee Chairman, sharing his experiences and helping me to see clarity with a number of issues.

I look forward to working with the Sharon, Beck, Tyler and Dylan and the remaining Greens Committee members and welcome any new committee members to the Greens Committee in 2019-20.

## **Andy Bassett - Chairman of the Greens Committee**

### **Superintendent Report**

2018/19 has been extremely busy on and around the course. Tom Sorrell joined our staff and is a welcomed addition.

Our greens program has seen more frequent sand dustings and applications of organic compost tea. This is providing excellent overall health and reducing the need for fungicide applications.

The irrigation upgrade has settled in and continues to be a great asset saving many hours, power, water, and less inconvenience to golfers. As funds allow extra sprinklers are being added in areas to reduce the need for manual hoses.

Many projects have been completed over the past 12 months including the construction of the turf nursery, starting drainage across 12th fairway, construction of a new cart track around the 12<sup>th</sup> tee, added

native plants to the 14<sup>th</sup>, continued tree pruning to improve sunlight, and airflow, the rebuild and reduced depth of the 14<sup>th</sup> and 15<sup>th</sup> bunkers, re gravelling and grading of cart tracks, vegetation removal around big dam wall, and new turf added to the corner of the 18<sup>th</sup> fairway.

We have also been lucky enough to re build our verti drain aerater and sell some old machinery to allow for new upgrades. Repairs to our Toro rough cutter have also been welcomed after a lot of hard work.

Many thanks to all volunteers that have helped out during the past year. Your continued support really makes a difference to the condition and presentation of the course.

Thank you and I look forward to 2019/20

**Dylan McMeekin - Course Superintendent**

**Membership Report**

Membership Numbers held steady for the year with a net gain of 11 members.

2017/18			2018/19				
	Female	Male	Total		Female	Male	Total
<b>16/UND</b>	8	54	62	<b>16/UND</b>	6	35	41
<b>AGE 16-21</b>	0	7	7	<b>AGE 16-21</b>	0	9	9
<b>AGE 22-25</b>	0	7	7	<b>AGE 22-25</b>	1	6	7
<b>AGE 26-30</b>	0	5	5	<b>AGE 26-30</b>	0	3	3
<b>PAY &amp; PLAY</b>	9	57	66	<b>PAY &amp; PLAY</b>	12	46	58
<b>COUNTRY</b>	11	61	72	<b>COUNTRY</b>	12	68	80
<b>5 DAY</b>	0	0	0	<b>5 DAY</b>	2	3	5
<b>DISTRICT</b>	0	5	5	<b>DISTRICT</b>	0	3	3
<b>HONORARY</b>	2	5	7	<b>HONORARY</b>	1	5	6
<b>HOUSE</b>	7	4	11	<b>HOUSE</b>	5	3	8
<b>INTRO/MEM</b>	15	50	65	<b>INTRO/MEM</b>	6	23	29
<b>LIFE</b>	5	5	10	<b>LIFE</b>	4	5	9
<b>LOA</b>	4	1	5	<b>LOA</b>	3	1	4
<b>7 DAY</b>	58	160	218	<b>7 DAY</b>	64	173	237
<b>SENIOR</b>	20	35	55	<b>SENIOR</b>	16	30	46
<b>SOCIAL</b>	3	11	14	<b>SOCIAL</b>	12	44	56
<b>SOCIAL +</b>	0	0	0	<b>SOCIAL +</b>	0	9	9
<b>WINTER</b>	0	0	0	<b>WINTER</b>	0	2	2
<b>OFF PEAK</b>	0	0	0	<b>OFF PEAK</b>	8	2	10
	<b>142</b>	<b>467</b>	<b>609</b>		<b>152</b>	<b>470</b>	<b>622</b>

**Volunteers**

The Volunteers have again made huge contributions to many areas of the Golf Club. From working bees and course work, to helping in the kitchen, to committee work, to competition management and to

everything else in between, thank-you once again to everyone involved, no matter the size of your contribution.

### **Membership by Postcode**

Interestingly is our membership by postcode report showing that of our 622 current members, 254 come from 3996 (Inverloch), 94 from 3953 (Leongatha) and 34 from 3995 (Wonthaggi) with the remaining numbers outside these areas.

### **Treasurer's Report**

Thank you for your continued membership of our club and let me start my report by saying that the year ended 30 June 2019 has been a challenging one for the club and Board. With the focus on our roof replacement, continued investment in the course and the changes to our staff and governance structures the playing of golf seems to have taken a little of a back seat for me recently!

Fortunately things seem to be settling again and I am looking forwards to playing more. From a financial point of view we have had another profitable year with revenue growth, debt maintenance and another \$184,000 invested back into our course. This result is pleasing however it is my view that the financial year can be best summarised as one where the club missed some opportunities to be better. This is particularly so in our wages control, member service and sponsor interaction.

### **Operating Profit**

As a Board we focus on the delivery of an operating or trading profit. This trading profit reflects our day to day operations and excludes interest, depreciation and non-recurring revenue. In the current year this trading profit was \$135,381 compared with last year's amount of \$115,245. Pleasingly this result has come on the back of increased green fee and competition rounds together with improved sponsorship and food and beverage income.

Disappointingly staff wages are significantly over our budget and from a financial point of view we believe there are a number of areas where operating expenses can be reduced.

The overspend in wages was caused by an unusually high number of sick leave days, together with the use of higher cost labour in the clubhouse and some overstaffing during the quieter periods of the year. As Treasurer I have been working with our new management team to ensure that staffing rosters are appropriate for field sizes, inclement weather and also take into account the skills and capabilities of our incredible volunteer members.

In summary I believe this year's financial performance is one where we missed a number of opportunities to reinvest our revenue improvements back into our course and debt reduction.

Looking into the future the Board typically targets an operating profit of between \$140,000 to \$160,000 and this year we have set the target at \$142,975.

## **Cash flow from operations**

This number is our single most important one and reflects our club's capacity to generate more cash from our day to day operations than we spend. Cash flow from operations in the current year is \$114,164 compared with \$128,129 last year. The fall in the current year is in part due to more members taking up monthly repayments together with the higher operating costs described above. Whilst down from the previous year this number is again very healthy and indicates sustainable operations.

## **Debt Reduction**

During the year, long term debt decreased by \$9,744. This decrease was achieved in addition to the acquisition of over \$184,000 of assets. In the coming financial year, additional debt will be drawn down to repay asset purchases currently recorded in payables.

With regards to the future, we are on track to reduce all debt to zero by 2028 (subject to no new borrowings) and this reflects the benefits of our 40:40:20 debt reduction approach. For the finance people amongst you, the current weighted average cost of our debt is 4.50% per annum and where appropriate, we will continue to use equipment debt to provide employees with safe and modern machinery.

## **New Assets**

In the year ended 30 June 2019 the club has acquired \$184,042 of long-term assets. This list is significant and includes investments in; our roof project (\$108,000), turf nursery (\$29,000) together with new water tanks, a walk behind mower, tee signage and Elvin's plan improvements totalling \$47,042.

Since 30 June 2014 through the efforts of our staff, volunteers and members we have invested over \$657,000 in new assets for the club. This has been achieved whilst reducing our overall debt by \$18,000. To my mind this is something that we can all be remarkably proud of and I would also like to acknowledge Josh Hall's contribution to this performance.

## **Statutory Profit**

In 2018/2019 we have had another profitable year delivering a profit of \$35,690 compared with last year's result of \$185,429. This decrease has been driven by the recognition of \$130,000 grant income in the prior year and a significant increase in depreciation charges during the current year. Salary and wages cost have been above budget and this was offset by strong revenue.

## **Looking to the Future**

June and July have been challenging months for the Board as we have sought to reshape our management structure, complete our budget preparations and support Tyler, Rebecca, Dylan and Sharon in working to improve our operations.

Whilst the club financial performance has been remarkably strong in the past 5 years, we also recognise that many members feel like the club is not what it used to be.

Categorically let me say that a happy club leads to great financial performance and that the reverse is not necessarily true! As a result, in the next financial year, our financial focus will be on enhancing the spirit of our club and getting members to want to come and enjoy their leisure time at the course.

Specifically, this means we will be working on increasing sponsor revenue and value, charging appropriate green fees and taking actions to better utilise the course in quiet times. We are doing this to eliminate the need for membership costs rises beyond inflation and to make sure we can continue to invest funds back into the course.

Secondly, we will continue to fund investments in the course and course assets. Already this year Dylan has acquired a replacement Fairway Mower and Bunker Raking machine in accordance with our capital plan to the value of \$28,000 and the Board has committed to the 9<sup>th</sup> Green replacement.

An additional \$24,000 has been allocated to Dylan's team for course maintenance. This increase has in part been used to fund the new irrigation works on the 11<sup>th</sup> and 12<sup>th</sup>. Finally, our capital plans for the coming five years call for a further \$400,000 in course upgrades and equipment replacement.

Thirdly the club is determined to improve the spirit of our club and we are making a concerted effort to better connect the members, staff and Board. I have already been trained in how to make coffees, am enrolled in my responsible serving of alcohol and are looking forward to serving you.

In closing, I would again like to thank our volunteers and staff who act beyond their membership and employment to make our club financially strong. To the volunteers who provide countless hours, to those of you who so readily donate to our club directly via the Australian Sports Foundation, and to those of you who ask their friends and colleagues to come and see our club I say thank you.

Lastly, I would like to thank you and my fellow Board for all their support as we work on improving your leisure and golfing time.

**Richard Comerford**

**Treasurer**

**LEONGATHA GOLF CLUB INC.**

**ABN 46 325 018 423**

**Financial Statements  
For the year ended 30 June  
2019**

**LEONGATHA GOLF CLUB INC.**

**ABN 46 325 018 423**

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**LEONGATHA GOLF  
CLUB INC.  
ABN 46 325 018 423  
Board Members' Report  
For the year ended 30  
June 2019**

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Your Board Members' submit the financial accounts of the LEONGATHA GOLF CLUB INC. for the financial year ended 30 June 2019.

**Board Members**

The names of Board Members at the date of this report are:

Peter Waters	Colin Bear
Garry Friend	Rebecca Wilson
Greg Welsford	Andy Bassett
Richard Comerford	Trish Owen
Kevin Castwood	

**Principal Activities**

The principal activities of the association during the financial year were to promote the growth of golf through memberships of like-minded people wishing to enjoy the fellowship and competition of golf in South Gippsland.

**Significant Changes**

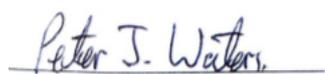
There have been no significant changes in the nature of these activities during the year.

**Operating Result**

The profit for the year amounted to:

Year Ended	Year Ended
30 June 2019	30 June 2018
	\$
\$35,690	185,429

Signed in accordance with a resolution of the Members of the Board on:



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Peter Waters  
President  
Date: 14<sup>th</sup> August 2019



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Richard Comerford  
Treasurer  
Date: 14<sup>th</sup> August 2019

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The accompanying notes form part  
of these financial statements.

**LEONGATHA GOLF CLUB INC.**  
**ABN 46 325 018 423**  
**Statement of Income and Expenditure**  
**For the year ended 30 June 2019**

	30 June 2019	30 June 2018
<b>Income</b>		
Course	560,851	514,566
Proshop	214,225	206,056
Food & beverage	206,412	196,816
Cart shed	21,644	22,620
Residence	35,002	14,148
Club	14,690	36,188
<b>Total Income</b>	<b>1,052,824</b>	<b>990,394</b>
<b>Less Cost of Sales/Services</b>		
Course	118,738	108,863
Proshop	139,167	140,797
Food & beverage	103,008	100,326
Cart shed	18	2,893
Residence	1,295	7,811
<b>Total Cost of Sales</b>	<b>362,226</b>	<b>360,690</b>
<b>Gross Profit</b>	<b>690,598</b>	<b>629,704</b>
<b>Less Operating Expenses</b>		
Accounting and legal	7,872	6,833
Banking costs	6,185	5,657
Information communication and technology	7,932	9,109
Marketing & promotion	18,276	13,748
Office costs	15,660	15,703
Power costs	13,311	11,536
Property costs	8,724	10,184
Repairs and maintenance	7,578	10,969
Risk and insurance	22,285	22,139
Movement in employee provisions	12,612	14,538
Staff costs	434,782	394,043
<b>Total Operating Expenses</b>	<b>555,217</b>	<b>514,459</b>
<b>Operating Profit</b>	<b>135,381</b>	<b>115,245</b>
<b>Non-operating Income</b>		
Project income	-	149,179
<b>Total Non-operating Income</b>	<b>-</b>	<b>149,179</b>
<b>Non-operating Expenses</b>		
Depreciation	82,917	64,278
Interest	16,774	14,717
<b>Total Non-operating Expenses</b>	<b>99,691</b>	<b>78,995</b>
<b>Net Profit</b>	<b>35,690</b>	<b>185,429</b>

The accompanying notes form part of these financial statements.

**LEONGATHA GOLF CLUB INC.****ABN 46 325 018 423****Balance Sheet****As at 30 June 2019**

	<b>Note</b>	<b>30 June 2019</b>	<b>30 June 2018</b>
<b>Current assets</b>			
Cash and cash equivalents		17,124	47,489
Trade and other receivables	2	2,300	6,807
Inventories	3	109,385	95,299
Other assets	4	5,608	5,442
<b>Total current assets</b>		<b>134,417</b>	<b>155,037</b>
<b>Non-current assets</b>			
Property, plant and equipment	5, 7	1,342,322	1,241,196
Land	6, 7	1,000,000	1,000,000
<b>Total non-current assets</b>		<b>2,342,322</b>	<b>2,241,196</b>
<b>Total assets</b>		<b>2,476,739</b>	<b>2,396,233</b>
<b>Current liabilities</b>			
Trade and other payables	8	165,336	110,544
Unearned income	9	104,682	107,134
Borrowings	10	59,017	49,043
Provisions	11	65,920	59,900
<b>Total current liabilities</b>		<b>394,955</b>	<b>326,621</b>
<b>Non-current liabilities</b>			
Unearned income	9	6,000	9,800
Borrowings	10	234,658	254,376
<b>Total non-current liabilities</b>		<b>240,658</b>	<b>264,176</b>
<b>Total liabilities</b>		<b>635,613</b>	<b>590,797</b>
<b>Net assets</b>		<b>1,841,126</b>	<b>1,805,436</b>
<b>Equity</b>			
Asset revaluation reserve		720,000	720,000
Current year earnings		35,690	185,429
Opening retained earnings		1,085,436	900,007
<b>Total equity</b>		<b>1,841,126</b>	<b>1,805,436</b>

The accompanying notes form part of these financial statements.

**LEONGATHA GOLF CLUB INC.**  
**ABN 46 325 018 423**

**Statement of Changes in Equity**  
**As at 30 June 2019**

	Retained Earnings	Reserves	Total
	\$	\$	\$
<b>Balance at 30 June 2017</b>	<b>900,007</b>	<b>720,000</b>	<b>1,620,007</b>
Profit for the year ended 30 June 2018	185,429	-	185,429
Other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	<b>185,429</b>	<b>-</b>	<b>185,429</b>
<b>Balance at 30 June 2018</b>	<b>1,085,436</b>	<b>720,000</b>	<b>1,805,436</b>
Profit for the year ended 30 June 2019	35,690	-	35,690
Other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	<b>35,690</b>	<b>-</b>	<b>35,690</b>
<b>Balance at 30 June 2019</b>	<b>1,121,126</b>	<b>720,000</b>	<b>1,841,126</b>

**LEONGATHA GOLF CLUB INC.****ABN 46 325 018 423****Statement of Cash Flows****For the year ended 30 June 2019**

	30 June 2019	30 June 2018
	\$	\$
<b>Cash flow from operating activities</b>		
Receipts from customers	1,051,078	975,015
Payments to suppliers and employees	(920,140)	(832,079)
Interest paid	(16,774)	(14,717)
<b>Total cash flows from operating activities</b>	<b>114,164</b>	<b>128,219</b>
<b>Cash flows from investing activities</b>		
Purchases of assets	(134,785)	(274,296)
Proceeds from infrastructure grants	-	130,000
<b>Total cash flows from investing activities</b>	<b>(134,785)</b>	<b>(144,296)</b>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	25,000	68,036
Repayment of borrowings	(34,744)	(61,300)
<b>Total cash flows from financing activities</b>	<b>(9,744)</b>	<b>6,736</b>
<b>Total cash inflows/(outflows)</b>	<b>(30,365)</b>	<b>(9,341)</b>
<b>Opening cash</b>	<b>47,489</b>	56,830
<b>Closing cash</b>	<b>17,124</b>	<b>47,489</b>

**Reconciliation of operating cash flows to net profit**

<b>Operating profit</b>	<b>35,690</b>	<b>185,429</b>
Decrease in receivables	4,506	137
Increase in inventory	(14,086)	1,372
Increase in prepayments	(167)	(273)
Decrease in trade payables	(2,965)	21,631
Increase in employment related liabilities	14,823	5,802
Decrease in tax related liabilities	(6,322)	-
Increase in employee leave provisions	6,020	-
Decrease in unearned income	(6,252)	(20,157)
Capital grants	-	(130,000)
Depreciation	82,917	64,278
<b>Cash flows from operating activities</b>	<b>114,164</b>	<b>128,219</b>

The accompanying notes form part of these financial statements.

**LEONGATHA GOLF CLUB INC.**

**ABN 46 325 018 423**

**Notes to the Financial Statements**

**For the year ended 30 June 2019**

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**1. Statement of Significant Policies:**

The Board have prepared the financial statements on the basis that the organisation is a non-reporting entity because there are no users dependent on general purpose financial reports. This financial report is therefore a special purpose financial report that has been prepared in order to meet the needs of members.

The financial report has been prepared in accordance with the significant accounting policies disclosed below which the Board have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The accounting policies that have been adopted in the preparation of this report are as follows:

**1.(a) Income Tax:**

Leongatha Golf club is exempt from income tax.

**1.(b) Inventories:**

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on an weighted average basis.

**1.(c) Property, Plant and Equipment:**

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

Increases in the carrying amount arising on revaluation of land are credited to a revaluation reserve in members' equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the profit and loss.

The carrying amount of plant and equipment is reviewed annually by the Board to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have not been discounted in determining recoverable amounts.

**1.(d) Employee Benefits:**

Provision is made for the entity's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

**1.(e) Provisions:**

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions recognised represent the best estimate of the amounts required to settle the obligation at reporting date.

**1.(f) Cash and Cash Equivalents:**

Cash and cash equivalents includes 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.

**LEONGATHA GOLF CLUB INC.**

**ABN 46 325 018 423**

**Notes to the Financial Statements**

**For the year ended 30 June 2019**

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**1.(g) Trade Receivables and Other Receivables:**

Trade receivables and other receivables, including distributions receivable, are recognised at the nominal transaction value without taking into account the time value of money. If required a provision for doubtful has been created.

**1.(h) Trade Creditors and Other Payables:**

Trade creditors and other payables, including distributions payable, are recognised at the nominal transaction value without taking into account the time value of money.

**1.(i) Revenue and Other Income:**

**1.(j) Goods and Services Tax:**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the 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 balance sheet are shown inclusive of GST.

**1.(k) Finance Leases:**

Leases are classified as finance leases wherever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

**1.(l) Adoption of revised or new accounting standards:**

From the 1 January 2019, a revised accounting standard AASB 16 - Leases and the new AASB 1058 - Income for Not for Profit Entities are due to come into effect. In the current year the Board has not adopted these standards.

It is not expected that the adoption of these standards will have a material impact on the 2020 accounts.

LEONGATHA GOLF CLUB INC.

ABN 46 325 018 423

Notes to the Financial Statements

For the year ended 30 June 2019

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	30 June 2019	30 June 2018
<b>2. Trade and other receivables</b>	<b>\$</b>	<b>\$</b>
<b>Current</b>		
Trade receivables	-	1,737
Others	2,300	5,070
<b>Total current</b>	<b>2,300</b>	<b>6,807</b>
<hr/>		
<b>Total trade and other receivables</b>	<b>2,300</b>	<b>6,807</b>
<hr/>		
<b>3. Inventories</b>		
<b>Current</b>		
Proshop	57,712	52,562
Food and beverage	9,451	7,663
Course chemicals	42,222	35,074
<b>Total current</b>	<b>109,385</b>	<b>95,299</b>
<hr/>		
<b>Total inventories</b>	<b>109,385</b>	<b>95,299</b>
<hr/>		
<b>4. Other assets</b>		
<b>Current</b>		
Prepayments	5,608	5,442
<b>Total current</b>	<b>5,608</b>	<b>5,442</b>
<hr/>		
<b>Total other assets</b>	<b>5,608</b>	<b>5,442</b>
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The accompanying notes form part of these financial statements.

**LEONGATHA GOLF CLUB INC.**

ABN 46 325 018 423

**Notes to the Financial Statements**

**For the year ended 30 June 2019**

	30 June 2019	30 June 2018
<b>5. Property, plant and equipment</b>	<b>\$</b>	<b>\$</b>
<b>Non-current</b>		
Cart shed	59,005	59,005
Cart shed accumulated depreciation	(11,420)	(9,876)
Cart shed carrying value	<b>47,585</b>	<b>49,129</b>
Course	1,012,883	958,614
Course accumulated depreciation	(395,459)	(338,456)
Course carrying value	<b>617,424</b>	<b>620,158</b>
Clubhouse	849,538	719,765
Clubhouse accumulated depreciation	(227,616)	(204,888)
Clubhouse carrying value	<b>621,922</b>	<b>514,877</b>
Residence	76,486	76,486
Residence accumulated depreciation	(21,095)	(19,454)
Residence carrying value	<b>55,391</b>	<b>57,032</b>
<b>Total property, plant and equipment</b>	<b>1,342,322</b>	<b>1,241,196</b>

Assets within each group are depreciated using the following estimated useful lives:

Computers	3 - 4 years
Equipment	5 - 10 years
Machinery	7 - 10 years
Fittings	10 - 15 years
Sheds	25 - 40 years
Buildings	40 years

**6. Land**

**Non-current**

At Board Members' valuation (Valuation date 31 December 2017)	1,000,000	1,000,000
<b>Total land</b>	<b>1,000,000</b>	<b>1,000,000</b>

**LEONGATHA GOLF CLUB INC.**  
**ABN 46 325 018 423**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2019**

**7. Non-current Assets Movement Reconciliation**

	30 June 2018	Additions	Transfer/ Disposal	Depreciation	30 June 2019
<b>Property, plant and equipment</b>					
<b>Non-current</b>					
Cart shed	59,005	-	-	-	59,005
Cart shed accumulated depreciation	(9,876)	-	-	(1,545)	(11,421)
Cart shed carrying value	<b>49,129</b>	-	-	<b>(1,545)</b>	<b>47,584</b>
Course	958,614	54,269	-	-	1,012,883
Course accumulated depreciation	(338,456)	-	-	(57,003)	(395,459)
Course carrying value	<b>620,158</b>	<b>54,269</b>	-	<b>(57,003)</b>	<b>617,424</b>
Clubhouse	719,765	129,774	-	-	849,539
Clubhouse accumulated depreciation	(204,888)	-	-	(22,728)	(227,616)
Clubhouse carrying value	<b>514,877</b>	<b>129,774</b>	-	<b>(22,728)</b>	<b>621,923</b>
Residence	76,486	-	-	-	76,486
Residence accumulated depreciation	(19,454)	-	-	(1,641)	(21,095)
Residence carrying value	<b>57,032</b>	-	-	<b>(1,641)</b>	<b>55,391</b>
<b>Total property, plant and equipment</b>	<b>1,241,196</b>	<b>184,043</b>	-	<b>(82,917)</b>	<b>1,342,322</b>
<b>Land</b>					
<b>Non-current</b>					
At Valuation	1,000,000	-	-	-	1,000,000
<b>Total land</b>	<b>1,000,000</b>	-	-	-	<b>1,000,000</b>
<b>Total</b>	<b>2,241,196</b>	<b>184,043</b>	-	<b>(82,917)</b>	<b>2,342,322</b>

LEONGATHA GOLF CLUB INC.

ABN 46 325 018 423

Notes to the Financial Statements

For the year ended 30 June 2019

	30 June 2019	30 June 2018
<b>10. Borrowings</b>	<b>\$</b>	<b>\$</b>
<b>Current</b>		
Loan from member	25,000	-
Bank borrowings	20,794	35,183
Finance leases	13,223	13,860
<b>Total current</b>	<b>59,017</b>	<b>49,043</b>
<b>Non-current</b>		
Bank debt	217,037	223,533
Finance leases	17,621	30,843
<b>Total non-current</b>	<b>234,658</b>	<b>254,376</b>
<b>Total</b>		
Loan from member	25,000	-
Bank borrowings	237,831	211,952
Finance leases	30,844	12,148
<b>Total borrowings</b>	<b>293,675</b>	<b>303,419</b>
<b>Debt Profile</b>		<b>Settlement</b>
Loan from member	25,000	No set date
Commercial loan	118,648	Oct 2025
Irrigation loan	83,879	Nov 2023
Mortgage loan	35,304	Nov 2024
Finance lease - Mower	30,844	Oct 2021
	<u>293,675</u>	

**Security and Unused Facilities**

At 30 June 2019:

All bank debt is secured by a registered first mortgage on the land held by Leongatha Golf Club.

Finance leases are secured by registered chattel mortgages on the assets acquired by finance lease.

At 30 June 2019 the club has unused credit facilities of \$105,225.

**LEONGATHA GOLF CLUB INC.**

**ABN 46 325 018 423**

**Notes to the Financial Statements**

**For the year ended 30 June 2019**

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	<b>30 June 2019</b>	<b>30 June 2018</b>
<b>11. Provisions</b>	<b>\$</b>	<b>\$</b>
<b>Current</b>		
Employee provisions	65,920	59,900
<b>Total provisions</b>	<b>65,920</b>	<b>59,900</b>

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**12. Related Party Transaction**

During the year a Member of the Board loaned \$25,000 to the club.

This loan is interest free and is expected to be settled during the year ended 30 June 2020.

# LEONGATHA GOLF CLUB INC.

ABN 46 325 018 423

## Board Members' Declaration

For the year ended 30 June 2019

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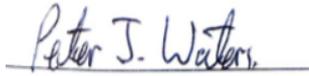
The Board has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Board the Income and Expenditure Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, and Notes to the Financial Statements:

**1. Presents fairly the financial position of LEONGATHA GOLF CLUB INC. as at 30 June 2019 and its performance for the year ended on that date.**

**2. At the date of this statement, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.**

This statement is made in accordance with a resolution of the Board and is signed for and on behalf of the Board by:

 \_\_\_\_\_

Peter Waters

President

Date: 14/08/2019



Richard Comerford

Treasurer

Date: 14/08/2019





