

KURRI GOLF CLUB LIMITED
ABN 49 795 641 877
DIRECTORS' REPORT

Your directors present their report on the company for the financial year ended 30 September 2016.

Directors

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

Mr K Desmond	Mr P Heggie
Mr D Parkinson	Mrs S Ford
Mr S Threlfro (resigned 2.12.15)	Mr G Wyper
Mr M Mackenzie	Mr I MacKenzie
Mr B Austin	Mrs M Austin (appointed 2.12.15)

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

Principal Activities

The principal activities of the company during the financial year was that of a registered licensed golf club.

There were no significant changes in the nature of the company's principal activities during the financial year.

Operating Results

The profit of the company after providing for income tax amounted to \$17,882 (2015 loss \$5,059).

Review of Operations

The improvement in the result compared to last year is due to increased profits from bar and kitchen trading and reductions in overhead expenses.

Significant Changes in State of Affairs

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

After Balance Date Events

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

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Future Developments

Likely developments in the operations of the company and the expected results of those operations in future financial years have not been included in this report.

Environmental Issues

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

Information on Directors

- | | | |
|-------------|---|--|
| K Desmond | · | President |
| Experience | · | Member for 48 years. Director for 22 years, including President for past 19 years. |
| D Parkinson | · | Treasurer |
| Experience | · | Life member . Member for 52 years. Previous President and Honorary Secretary. Director for 35 years including Treasurer for past 13 years. |
| B Austin | · | Director |
| Experience | · | Director for 1 year. |
| G Wyper | · | Captain |
| Experience | · | Member for 45 years. Director for 19 years including Captain for the past 12 years. |
| M Austin | · | Director |
| Experience | · | Appointed as a director during the year. |
| P Heggie | · | Director |
| Experience | · | Member for 36 years. Previous Captain and Director for 23 years. |
| S Ford | · | Director |
| Experience | · | Member for 21 years. Director for 14 years. |
| I MacKenzie | · | Director |
| Experience | · | Member for 11 years. Director for 5 years. |
| M Mackenzie | · | Director |
| Experience | · | Member for 11 years. Director for 3 years. |

KURRI GOLF CLUB LIMITED
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DIRECTORS' REPORT

Meetings of Directors · During the financial year, 12 meetings of directors (including committees of directors) were held. The number of meetings attended by each director during the year is stated in this report.

Directors' and Executive Officers' Emoluments

Since the end of the previous financial year no director of the company has received or become entitled to receive a benefit, other than a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the accounts, or the fixed salary of a full-time employee of the company or a related corporation, by reason of a contract made by the company or a related corporation with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

Meetings of Directors

During the financial year, 12 meetings of directors (including committees) were held. Attendances were:

	DIRECTORSq MEETINGS	
	Number eligible to attend	Number Attended
K Desmond	12	10
D Parkinson	12	12
P Heggie	12	12
G Wyper	12	11
B Austin	12	10
S Ford	12	6
I Mackenzie	12	10
M Mackenzie	12	6
M Austin	10	7
S Threlfro	2	1

Indemnifying Officers

The company has paid premiums to insure each of the directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the company, other than conduct involving a wilful breach of duty in relation to the company.

KURRI GOLF CLUB LIMITED
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DIRECTORS' REPORT

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Short and Long Term Objectives

The company has established short and long term objectives which are reviewed on an annual basis. These objectives are both financial and non financial and are aimed towards providing a comfortable and secure environment to its members that continues to meet their needs. These objectives are measured through both financial and non financial key performance indicators that have been determined relevant to the club industry.

Rounding of Amounts

The company is of a kind referred to in Class Order 98/100, issued by the Australian securities and Investments Commission, relating to the rounding off of amounts in the directors report. Amounts in the directors report have been rounded to the nearest dollar.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 5.

Auditor

Mark Walmsley continues in office in accordance with section 327 of the Corporations Act 2001.

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

Kevin Desmond
Director

Dated this day of November 2016.

MARK WALMSLEY *B Comm. CA*
CHARTERED ACCOUNTANT

ABN: 91 918 334 370

Auditor's independence declaration

As lead auditor for the audit of Kurri Golf Club Limited for the year ended 30 September 2016, I declare that to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Kurri Golf Club Limited and the entities it controlled during the period.

Mark Walmsley
Stockton

Date:

KURRI GOLF CLUB LIMITED
ABN 49 795 641 877
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2016

	Note	2016 \$	2015 \$
Revenues from operating activities	2	1,319,139	1,383,604
Other revenue		-	15,000
Changes in inventories		(1,248)	(2,868)
Purchases		(180,003)	(181,562)
Poker machine payouts		(167,256)	(210,913)
Employee benefits expense		(459,981)	(429,124)
Depreciation and amortisation expenses	3	(62,205)	(65,483)
Borrowing costs expense	3	(4,697)	(6,038)
Repairs and maintenance expenses		(28,096)	(38,326)
Insurance expenses		(31,108)	(30,259)
Golfing expenses		(258,509)	(281,610)
Raffle and promotion expenses		(25,910)	(33,695)
Other expenses		(82,244)	(123,785)
Profit/(loss) from operating activities before income tax		17,882	(5,059)
Income tax expense		-	-
(Loss)/Profit from operating activities		17,882	(5,059)

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

KURRI GOLF CLUB LIMITED
ABN 49 795 641 877
STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2016

	Note	2016 \$	2015 \$
CURRENT ASSETS			
Cash and cash equivalents	6	117,959	90,169
Inventories	7	28,187	29,435
Receivables	8	1,875	18,166
Other	9	43,547	46,636
TOTAL CURRENT ASSETS		<u>191,568</u>	<u>184,406</u>
NON-CURRENT ASSETS			
Property, plant and equipment	10	764,800	747,988
TOTAL NON-CURRENT ASSETS		<u>764,800</u>	<u>747,988</u>
TOTAL ASSETS		<u>956,368</u>	<u>932,394</u>
CURRENT LIABILITIES			
Payables	11	195,408	199,199
Borrowings	12	51,310	49,442
Subscriptions in advance	14	77,494	89,535
TOTAL CURRENT LIABILITIES		<u>324,212</u>	<u>338,176</u>
NON-CURRENT LIABILITIES			
Borrowings	12	40,783	22,272
Provisions	13	4,203	2,657
TOTAL NON-CURRENT LIABILITIES		<u>44,986</u>	<u>24,929</u>
TOTAL LIABILITIES		<u>369,198</u>	<u>363,105</u>
NET ASSETS		<u>587,170</u>	<u>569,289</u>
EQUITY			
Retained profits		587,170	569,289
TOTAL EQUITY		<u>587,170</u>	<u>569,289</u>

The above balance sheet should be read in conjunction with the accompanying notes.

KURRI GOLF CLUB LIMITED
ABN 49 795 641 877
STATEMENT IN CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2016

	Retained	
	Earnings	Total
	\$	\$
2016		
Balance 1 October 2015	569,288	569,288
Profit/(Loss) attributable to entity	17,882	17,882
	<hr/>	<hr/>
Balance 30 September 2016	587,170	587,170
	<hr/>	<hr/>
2015		
Balance 1 October 2014	574,348	574,348
Profit/(Loss) attributable to entity	(5,059)	(5,059)
	<hr/>	<hr/>
Balance 30 September 2015	569,289	569,289
	<hr/>	<hr/>

The above statements of change in equity should be read in conjunction with the accompanying notes

KURRI GOLF CLUB LIMITED
ABN 49 795 641 877
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED
30 SEPTEMBER 2016

	Note	2016 \$	2015
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from customers		1,194,994	1,502,858
Payments to suppliers and employees		(1,049,493)	(1,392,756)
Interest received		159	282
Borrowing costs		(4,697)	(6,038)
GST paid		(54,534)	(46,214)
Net cash provided by (used in) operating activities	17b	<u>86,429</u>	<u>58,132</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		<u>(79,018)</u>	<u>(61,542)</u>
Net cash provided by (used in) investing activities		<u>(79,018)</u>	<u>(61,542)</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowings		92,039	87,576
Repayment of borrowings		<u>(71,660)</u>	<u>(78,018)</u>
Net cash provided by (used in) financing activities		<u>20,379</u>	<u>9,558</u>
Net increase/(decrease) in cash held		27,790	6,148
Cash at beginning of year		<u>90,169</u>	<u>84,021</u>
Cash at end of year	17a	<u>117,959</u>	<u>90,169</u>

The above cash flow statement should be read in conjunction with the accompanying notes

KURRI GOLF CLUB LIMITED
ABN 49 795 641 877
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 SEPTEMBER 2016

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards reduced disclosure requirements of the Australian Accounting Standards Board and the Corporations Act 2001.

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

The financial report includes financial statements for Kurri Golf Club Limited as an individual entity. Kurri Golf Club Limited is a public company limited by members guarantee, incorporated and domiciled in Australia.

Basis of preparation

Reporting basis and conventions

The financial report has been prepared on an accruals basis and is based on historical costs. It does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

Critical accounting estimates and judgements

The directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group.

Key estimates – impairment

The entity assesses impairment at each reporting date by evaluating conditions specific to the entity that may lead to impairment trigger exists, the recoverable amount of the asset is determined. Fair value less costs to sell or current replacement cost calculations performed in assessing recoverable amounts incorporate a number of key estimates.

a. Income Tax

The company is an exempt body for income tax purposes pursuant to s.11-5 of the Australian Income Tax Assessment Act 1997.

KURRI GOLF CLUB LIMITED
ABN 49 795 641 877
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 SEPTEMBER 2016

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

b. Inventories

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

c. Property, Plant and Equipment

All property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Depreciation on assets is calculated using the straight line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives. The depreciation rates used for each class of depreciable assets are as follows:

Class of Fixed Asset	Depreciation Rate
Buildings	2.5 . 10%
Plant and equipment	10 . 40%
Furniture and fittings	10 . 40%
Building renovations	2.5 . 20%
Course development	5%
Poker machines	10%

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

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 (note 1(d)).

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

KURRI GOLF CLUB LIMITED
ABN 49 795 641 877
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 SEPTEMBER 2016

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

d. Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

e. Acquisitions of assets

The purchase method of accounting is used to account for all acquisitions of assets (including business combinations) regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given, shares issued or liabilities incurred or assumed at the date of exchange plus costs directly attributable to the acquisition. Where equity instruments are issued in an acquisition, the value of the instruments is their published market price at the date of the exchange unless, in rare circumstances, it can be demonstrated that the published price at the date of exchange is an unreliable indicator of the fair value and that other evidence and valuation methods provide a more reliable measure of fair value. Transaction costs arising on the issue of equity instruments are recognised directly in equity.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the company's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement, but only after a reassessment of the identification and measurement of the net assets acquired.

Where settlement of any part of cash is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

f. Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

KURRI GOLF CLUB LIMITED
ABN 49 795 641 877
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 SEPTEMBER 2016

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

f. Financial Instruments (cont'd)

Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: Recognition and measurement of Financial Instruments. Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

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 stated at amortised cost using the effective interest rate method.

Held-to-maturity investments

These investments are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Available-for-sale financial assets

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Derivative instruments

Derivative instruments are measured at fair value. Gains and losses arising from changes in fair value are taken to the income statement unless they are designated as hedges.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arms length transactions, reference to similar instruments and option pricing models.

KURRI GOLF CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 SEPTEMBER 2016

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

f. Financial Instruments (cont'd)

Impairment

At each reporting date, the group 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 recognised in the income statement.

g. Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the company are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight- line basis over their estimated useful lives.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability. Lease payments received reduce the liability.

h. Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

i. Cash

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

KURRI GOLF CLUB LIMITED
ABN 49 795 641 877
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 SEPTEMBER 2016

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

j. Revenue

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

Interest revenue is recognised on a proportional basis taking in to account the interest rates applicable to the financial assets.

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

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

k. 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 Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

l. Comparative Figures

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

m. Rounding of amounts

The company is of the kind referred to in Class Order 98/100, issued by the Australian Securities and Investments Commission, relating to the rounding off of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with that Call Order to the nearest dollar.

KURRI GOLF CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 SEPTEMBER 2016

	Note	2016 \$	2015 \$
NOTE 2: REVENUE			
From operating activities			
· sale of goods		377,313	362,298
· Interest	2a	159	282
· gambling revenue		232,908	287,573
· members subscriptions		225,569	223,994
· other revenue		71,874	93,051
· greens fees and competition revenue		411,316	416,406
Total Operating Revenue		<u>1,319,139</u>	<u>1,383,604</u>
Other revenue			
· Proceeds from easement rights		<u>-</u>	<u>15,000</u>

On the 17 November, 2015 the company entered into a Deed of Understanding with Hunter Land Holding Pty Ltd regarding the development of land adjoining the course. The developers agreed to pay the company \$15,000 in consideration for an easement that allows them access to water and sewerage services for the development.

a. Interest from:

· other persons	<u>159</u>	<u>282</u>
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NOTE 3: PROFIT FOR THE YEAR

Profit before income tax expense includes the following specific expenses:

Cost of sales	<u>178,100</u>	<u>189,475</u>
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Borrowing costs:

· other persons	<u>4,697</u>	<u>6,038</u>
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Depreciation of non-current assets:

· buildings	10,756	10,758
· plant and equipment	32,384	35,682
· poker machines	5,346	5,488
· furniture and fittings	255	392
· renovations	246	246
· course development	13,218	12,917
	<u>62,205</u>	<u>65,483</u>

KURRI GOLF CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 SEPTEMBER 2016

NOTE 4: KEY MANAGEMENT PERSONNEL 2016 2015
COMPENSATION \$ \$

The totals of remuneration paid to key management personnel of the company during the year are as follows:

Key management personnel compensation	84,295	82,412
	<hr/>	<hr/>

NOTE 5: AUDITORS REMUNERATION

Remuneration of the auditor for:

· auditing or reviewing the financial report	2,000	2,000
· other services	-	-
	<hr/>	<hr/>
	2,000	2,000
	<hr/>	<hr/>

NOTE 6: CURRENT ASSETS - CASH AND CASH EQUIVALENTS

Cash at bank	99,591	79,214
Cash on hand	18,302	10,889
Cash at bank . Savings	66	66
	<hr/>	<hr/>
	117,959	90,169
	<hr/>	<hr/>

NOTE 7: CURRENT ASSETS - INVENTORIES

At Cost

Stock on hand	28,187	29,435
	<hr/>	<hr/>

NOTE 8: CURRENT ASSETS - INVENTORIES

Other debtors	1,875	18,166
	<hr/>	<hr/>

NOTE 9: CURRENT ASSETS - OTHER

Prepayments	43,547	46,636
	<hr/>	<hr/>

KURRI GOLF CLUB LIMITED
ABN 49 795 641 877
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 SEPTEMBER 2016

	2016	2015
	\$	\$
NOTE 10: NON-CURRENT ASSETS - PROPERTY, PLANT AND EQUIPMENT		
Land and Buildings		
Land, at cost	177,078	177,078
	<hr/>	<hr/>
Buildings, at cost	434,817	432,059
Less accumulated depreciation	(187,666)	(176,910)
	<hr/>	<hr/>
	247,151	255,149
	<hr/>	<hr/>
Total Land and Buildings	424,229	432,227
	<hr/>	<hr/>
Plant and equipment at cost	602,097	543,963
Less accumulated Amortisation	(448,094)	(416,935)
	<hr/>	<hr/>
	154,003	127,028
	<hr/>	<hr/>
Furniture and fittings at cost	71,454	71,454
Less accumulated depreciation	(70,133)	(69,878)
	<hr/>	<hr/>
	1,321	1,576
	<hr/>	<hr/>
Poker machines at cost	80,498	80,498
Less accumulated depreciation	(56,093)	(50,747)
	<hr/>	<hr/>
	24,405	29,751
	<hr/>	<hr/>
Renovations at cost	10,733	10,733
Less accumulated depreciation	(7,352)	(7,106)
	<hr/>	<hr/>
	3,381	3,627
	<hr/>	<hr/>
Course development at cost	275,214	258,314
Less accumulated depreciation	(117,753)	(104,535)
	<hr/>	<hr/>
	157,461	153,779
	<hr/>	<hr/>
Total Plant and Equipment	340,571	315,761
	<hr/>	<hr/>
Total Property, Plant and Equipment	764,800	747,988
	<hr/>	<hr/>

KURRI GOLF CLUB LIMITED
ABN 49 795 641 877
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 SEPTEMBER 2016

NOTE 10: PROPERTY, PLANT AND EQUIPMENT
(CONT'D)

	Land	Buildings	Plant & Equipment	Poker Machines	Furniture & Fittings	Renovations	Course Development	Total
	\$	\$	\$	\$	\$	\$	\$	\$
At 1 October 2015								
- Cost	177,078	432,059	543,962	80,498	71,454	10,733	258,314	1,574,098
- Valuation	-	-	-	-	-	-	-	-
Accumulated depreciation	-	(176,910)	(416,935)	(50,747)	(69,878)	(7,106)	(104,535)	(826,112)
Net book value	177,078	255,149	127,027	29,751	1,576	3,627	153,779	747,987
Year ended 30 September 2016								
Opening net book value	177,078	255,149	127,027	29,751	1,576	3,627	153,779	747,987
Additions	-	2,757	59,360	-	-	-	16,900	79,017
Disposals	-	-	(1,225)	-	-	-	-	(1,225)
Depreciation charge	-	(10,756)	(32,384)	(5,346)	(255)	(246)	(13,218)	(62,205)
Closing net book value	177,078	247,150	154,003	24,405	1,321	3,381	157,461	764,799
At 30 September 2016								
- Cost	177,078	434,817	602,097	80,498	71,454	10,733	275,214	1,651,891
- Valuation	-	-	-	-	-	-	-	-
Accumulated depreciation	-	(187,666)	(448,094)	(56,093)	(70,133)	(7,352)	(117,753)	(887,091)
Net book value	177,078	247,150	154,003	24,405	1,321	3,381	157,461	764,800

The licensed premises and golf course located at Cliff Street, Heddon Greta are the core property of the Club.

	2016	2015
	\$	\$
NOTE 11: CURRENT LIABILITIES – PAYABLES		
Unsecured Liabilities		
Sundry creditors and accrued expenses	45,630	67,055
Employee entitlements	149,778	132,144
	<u>195,408</u>	<u>199,199</u>

KURRI GOLF CLUB LIMITED
ABN 49 795 641 877
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 SEPTEMBER 2016

		2016	2015
		\$	\$
NOTE 12: BORROWINGS			
CURRENT			
Secured Liabilities			
. John Deere Credit Ltd	11(b)	19,681	15,964
. AON Funding Solutions	11(c)	18,808	18,080
. Companion Credit Union Ltd	11(a)	12,821	15,398
		<u>51,310</u>	<u>49,442</u>
NON-CURRENT			
Secured Liabilities			
. John Deere Credit Ltd	11(b)	40,783	22,272
. Companion Credit Union Ltd	11(a)	-	-
		<u>40,783</u>	<u>22,272</u>

- a) The security for the loan is a first mortgage over the property situated at Clift Street Heddon Greta.
- b) The loans are secured over the equipment financed.
- c) The loan is for short term funding of the club's insurance premium.

NOTE 13: NON- CURRENT LIABILITIES – PROVISIONS

Employee entitlements	<u>4,203</u>	<u>2,657</u>
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NOTE 14: CURRENT LIABILITIES – SUBSCRIPTIONS IN ADVANCE

Subscriptions in advance	<u>77,494</u>	<u>89,535</u>
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NOTE 15: SEGMENT REPORTING

The company operates in the golf club industry in Kurri Kurri NSW.

NOTE 16: MEMBERS' GUARANTEES

The company is limited by guarantee. In the event of the company being wound up, the Memorandum of Association states that each member is required to contribute a maximum of \$5.00 each towards meeting any outstanding obligations of the company.

At 30 September 2016 the number of members was 600 (2015: 625).

KURRI GOLF CLUB LIMITED
ABN 49 795 641 877
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 SEPTEMBER 2016

	2016	2015
	\$	\$

NOTE 17: CASH FLOW INFORMATION

a. 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 statement of financial position as follows:

Cash on hand	18,302	10,889
Cash at bank	99,591	79,214
Cash at bank . Savings account	66	66
	117,959	90,169

b. Reconciliation of Cash Flow from Operations with Profit from ordinary activities after income tax

Profit/(Loss) from ordinary activities after income tax	17,882	(5,059)
Non-cash flows in profit from ordinary activities:		
· Depreciation	62,205	65,483
· Loss on disposal	-	212
Changes in assets and liabilities, net of the effects of purchase and disposals of subsidiaries		
Decrease/(Increase) in receivables	16,291	(12,278)
Decrease/(Increase) in prepayments	3,089	(10,612)
(Increase)/decrease in inventories	1,248	2,868
(Decrease)/Increase in payables	(3,791)	18,453
Increase/(decrease) in subscriptions in advance	(12,041)	(2,133)
Increase/(decrease) in provisions	1,546	1,198
Cash flows from operations	86,429	58,132

c. Non-Cash Financing and Investing Activities

The company did not have any non cash transactions during the year.

d. Credit Stand-by Arrangements and Loan Facilities

The company has an overdraft facility of \$50,000.

KURRI GOLF CLUB LIMITED
ABN 49 795 641 877
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 SEPTEMBER 2016

NOTE 18: FINANCIAL RISK MANAGEMENT

The company's financial instruments consist mainly of deposits with banks, short term deposits, accounts receivable and payable, bank overdraft, commercial bills and hire purchase liabilities.

The total of each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2016 \$	2015 \$
Financial assets			
Cash and cash equivalents	6	117,959	90,169
Receivables	8	1,875	18,166
Total financial assets		<u>119,834</u>	<u>108,335</u>
Financial liabilities			
Financial liabilities at amortised cost			
- trade and other payables	10	45,630	67,055
- borrowings	11	92,093	71,714
		<u>137,723</u>	<u>138,769</u>

NOTE 19: RELATED PARTY TRANSACTIONS

There were no material transactions with related parties during the financial year.

NOTE 20: COMPANY DETAILS

The registered office of the company is: Clift Street Heddon Greta NSW.

The principal place of business is: Clift Street Heddon Greta NSW.

The principal activities of the company are a golf club.

KURRI GOLF CLUB LIMITED
ABN 49 795 641 877

DIRECTORS' DECLARATION

The directors of the company declare that:

1. the financial statements and notes, as set out on pages 5 to 22 are in accordance with the Corporations Act 2001:
 - a. comply with Accounting Standards and the Corporations Regulations 2001; and
 - b. give a true and fair view of the financial position as at 30 September 2016 and of the performance for the year ended on that date of the company.
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

.....

Dated this

day of November

2016

KURRI GOLF CLUB LIMITED
ABN 49 795 641 877

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
KURRI GOLF CLUB LIMITED**
Report on the Financial Report

I have audited the accompanying financial report of Kurri Golf Club Limited which comprises the statement of financial position as at 30 September 2016 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration, as set out on pages 5 to 23.

Directors' Responsibility for the Financial Report

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

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I have conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
KURRI GOLF CLUB LIMITED
Report on the Financial Report**

In conducting my audit, I have complied with the independence requirements. I confirm that the independence declaration provided to the directors of Kurri Golf Club Limited on November 2016, would be the same terms if provided to the directors as at the date of this auditor's report.

Auditor's Opinion

In my opinion, the financial report of Kurri Golf Club Limited is in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the company's financial position as at 30 September 2016 and of their performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards (reduced disclosure requirements (including the Australian Accounting Interpretations) as described in Note 1 and the Corporations Regulations 2001.

MARK WALMSLEY

Mark Walmsley

Date November 2016

16 Dunbar Street
STOCKTON NSW 2295

KURRI GOLF CLUB LIMITED
ABN 49 795 641 877

COMPILATION REPORT TO KURRI GOLF CLUB LIMITED

On the basis of the information provided by the directors of Kurri Golf Club Limited, I have compiled, in accordance with APS 9: Statement of Compilation of Financial Reports the special purpose financial report consisting of the profit and loss account, bar trading account, poker machine trading account and the kitchen trading account for year ended 30 September 2016.

The specific purpose for which the special purpose financial report has been prepared is to provide private information to the directors. The extent to which Accounting Standards and other mandatory professional reporting requirements have not been adopted in the preparation of the special purpose financial report is set out in Note 1.

The company's directors are solely responsible for the information contained in the special purpose financial report and have determined that the accounting policies used are consistent and are appropriate to meet the needs of the directors.

Our procedures use accounting expertise to collect, classify and summarise the financial information which the directors provided into a financial report. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

To the extent permitted by law, I do not accept liability for any loss or damage which any person other than the entity may suffer arising from any negligence on our part. No person should rely on the special purpose financial report without having an audit or review conducted.

The special purpose financial report was prepared exclusively for the benefit of the company. I do not accept responsibility to any other person for the contents of the special purpose financial report.

21 Vincent Street
CESSNOCK NSW 2325

LIDLAW & ASSOCIATES

Dated November 2016

Joanne Laidlaw

KURRI GOLF CLUB LIMITED
ABN 49 795 641 877

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2016

	2016	2015
INCOME	\$	\$
Gross profit on trading	136,349	118,090
Commission received	1,593	2,645
Green fees	129,396	120,852
Members subscriptions	225,569	223,994
Keno commissions	14,897	10,829
Interest received	159	282
Club hire	909	364
Sundry income	3,016	6,224
Donations and sponsorship	13,387	15,403
Competition revenue	281,920	295,554
Diesel fuel rebate	2,359	2,800
Raffle income	27,551	24,439
Insurance recoveries	-	26,412
Easement compensation	-	15,000
Total Income	837,105	862,888
Less: Expenses		
Accountancy and auditing fees	10,500	10,500
Affiliation fees	23,183	19,551
Bank charges	3,810	3,256
Cleaning wages	17,804	17,478
Clubhouse maintenance	21,869	26,759
Course maintenance	83,623	103,489
Green wages	182,549	175,572
Depreciation	56,859	59,995
Donations	2,928	2,800
Electricity and gas	33,468	42,267
General	113	-
Insurance	31,108	30,259
Interest	4,697	6,038
Keno expenses	589	459
Loss on disposal of asset	-	212

This Revenue Account does not form part of the audited financial report and should be read in conjunction with the attached compilation report.

KURRI GOLF CLUB LIMITED
ABN 49 795 641 877

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2016

	2016	2015
	\$	\$
Less: Expenses (contd)		
Printing, stationery and advertising	3,626	4,397
Professional fees	70,556	70,388
Promotions	8,638	13,305
Provision for employee leave	19,180	7,341
Raffles and housie	17,272	20,390
Rates and taxes	13,670	15,593
Security costs	2,285	1,176
Storm damage	-	25,737
Subscriptions	4,356	842
Superannuation fund contributions	41,646	36,117
Telephone	9,386	10,003
Trophies	81,147	88,182
Uniforms	664	1,497
Wages . administration	73,697	74,344
Total Expenses	<u>819,223</u>	<u>867,947</u>
Operating (Loss)/Profit	<u>17,882</u>	<u>(5,059)</u>

This Revenue Account does not form part of the audited financial report and should be read in conjunction with the attached compilation report.

KURRI GOLF CLUB LIMITED
ABN 49 795 641 877

BAR TRADING ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2016

	2016	2015
	\$	\$
Sales	267,903	263,612
Less: Cost of Goods Sold		
Opening stock	16,055	23,088
Purchases	115,278	117,409
Freight	1,531	1,080
	<hr/> 132,864	<hr/> 141,577
Closing stock	19,411	16,055
Cost of goods sold	<hr/> 113,453	<hr/> 125,522
Gross Profit	154,450	138,090
Gross Profit Percentage	57.7%	52.4%
Less: Direct costs		
Bar wages	<hr/> 84,246	<hr/> 78,326
Net Profit	<hr/> <hr/> 70,204	<hr/> <hr/> 59,764

This Revenue Account does not form part of the audited financial report and should be read in conjunction with the attached compilation report.

KURRI GOLF CLUB LIMITED
ABN 49 795 641 877

POKER MACHINE TRADING ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2016

	2016	2015
	\$	\$
Gross poker machine takings	239,422	295,127
Less: Poker machine payouts	167,256	210,913
	<u>72,166</u>	<u>84,214</u>
Add: GST rebate on poker machine income	8,162	3,935
	<u>80,328</u>	<u>88,149</u>
Less: Direct costs		
GST on poker machines	6,514	7,554
Poker machine maintenance	6,227	11,567
Depreciation . poker machines	5,346	5,488
Wages	9,375	8,703
	<u>27,462</u>	<u>33,312</u>
Net Profit	<u>52,866</u>	<u>54,837</u>

This Revenue Account does not form part of the audited financial report and should be read in conjunction with the attached compilation report.

KURRI GOLF CLUB LIMITED
ABN 49 795 641 877

KITCHEN TRADING ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2016

	2016	2015
	\$	\$
Sales	109,410	98,686
Less: Cost of Goods Sold		
Opening stock	3,900	3,700
Purchases	64,725	64,153
	<hr/> 68,625	<hr/> 67,853
Closing stock	3,978	3,900
Cost of goods sold	<hr/> 64,647	<hr/> 63,953
Gross Profit	44,763	34,733
Gross Profit Percentage	40.9%	35.2%
Less: Direct costs		
Kitchen wages	<hr/> 31,484	<hr/> 31,244
Net Profit/(Loss)	<hr/> 13,279	<hr/> 3,489

This Revenue Account does not form part of the audited financial report and should be read in conjunction with the attached compilation report.