



MURRAY DOWNS
GOLF & COUNTRY CLUB

Annual Report 2019





Murray Downs Golf & Country Club Limited

Licensed under the N.S.W. Liquor Act

Postal Address: P.O. Box 496 SWAN HILL 3585

A.C.N. 003 382 947

E-mail: clubinfo@mdclubs.com.au

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 32nd Annual General Meeting of the Club will be held at the Club premises, Murray Downs Drive, Murray Downs, New South Wales on Monday, 27 July 2020 at 7:30pm.

AGENDA

1. To confirm the Minutes of the previous Annual General Meeting.
2. To receive the President's Report.
3. To lay the financial report, directors' report and auditor's report before the meeting for the year ended 31 December 2019.
4. Appointment of an Auditor for 2020-2021.
5. Declaration of names of Directors elected.
6. To deal with any other business of which proper notice has been given - Ordinary Resolution 1.
7. To deal with any other business that the meeting may approve, of which due notice has not been given.

At the meeting, the members will be asked to consider and if thought fit pass the following resolution which is proposed as an ordinary resolution pursuant to the Corporations Act.

Ordinary Resolution 1:

That pursuant to the Registered Club Act;

- (a) The members hereby approve expenditure by the club over the following 12 months for the following activities of Directors in their service as members of the Club's Board of Directors.
 - (i) The reasonable cost of a meal and beverage for each Director before or immediately after Raffle Duty, a Board or Committee Meeting on the day of that meeting.
 - (ii) Reasonable expenses incurred by Directors in relation to other events including entertainment of special guests of the Club and promotional activities in relation to the club for which expenses are approved by the Board before payment is made, on production of invoices, receipts or other proper documentary evidence of such expenditure.
- (b) The provision and marking out of car parking spaces for the exclusive use of Directors, and such other persons as the Directors shall from time to time approve.
- (c) The provision of a Club Directors uniform.
- (d) The professional development and education of directors over the following twelve months including:
 - (i) The reasonable cost of directors and their partners attending at the Registered Clubs Association Annual General Meeting.
 - (ii) The reasonable cost of directors attending seminars, lectures, trade displays and other similar events as may be determined by the Board from time to time.
 - (iii) The reasonable costs of directors attending other Clubs or Casinos throughout the State or relevant interstate venues for the purpose of observing their facilities and methods of operation as organised by the club.
 - (iv) A director who represents the Club at venues described under (d) (i), (ii) or (iii) provide a written report within 14 days.
- (e) The members acknowledge that the benefits in paragraphs (a), (b), (c) and (d) above are not available to members generally but only for those who are Directors of the club.



Explanatory Note

Please note this resolution is required under the Registered Clubs Act 1976 and is procedural.

Procedural Matters

1. To be passed, the Ordinary Resolution must receive votes from 50% +1 of those members who being eligible to do so vote in person on the Ordinary Resolution at the meeting.
2. Only Life Members and financial Full Members shall be eligible to vote on the Ordinary Resolution. (all categories of membership except Junior Members are eligible to vote)
3. Under the Registered Clubs Act 1976 members who are employees of the club are not entitled to vote on the Ordinary Resolution.
4. Proxy voting is prohibited by the Registered Clubs Act 1976.
5. Amendments (other than minor typographical corrections which do not alter the substance or effect of the Resolution) will not be permitted from the floor of the meeting.
6. If the Ordinary Resolution is passed it will take effect immediately.
7. The Board of the Club recommends this Resolution to the members.

Dated: 31 March 2020

By direction of the Board

Gregory Roberts
Chief Executive Officer

DIRECTORS' NOMINATIONS

Any Country Club Sports – Golf & Bowls, Country Club Sports – Golf, Country Club Sports – Bowls or Country Club Life Members of the Club shall be at liberty to nominate an eligible member to serve as a member of the Board. The nomination, on the prescribed form, shall be signed by the member and his or her proposer and seconder, and lodged with the Chief Executive Officer no later than 6pm, Monday 6 July 2020.

Only Country Club Sports – Golf & Bowls, Country Club Sports – Golf, Country Club Sports – Bowls or Country Club Life Members shall be eligible to be appointed to the Board, subject to the condition that no more than two members of the Board are Country Club Sports -Bowls only members. In accordance with section 24 and 25 of the Constitution, this year three positions as a Director shall be elected. The three elected Directors shall hold office for a period of three (3) years.

Nomination forms will be available from the Club's Front Reception.

VOTING

If there is more than the required number of nominations a Ballot shall be conducted at the Club premises on the day of the Annual General Meeting, Monday 27 July 2020 from 10am and closing at 6pm. Membership cards and photo identification must be produced in order to vote.

FINANCIAL QUERIES

All questions relating to financial reporting should be submitted in writing to The Chief Executive Officer 7 days prior to the Annual General Meeting.



ANNUAL REPORTS

As a result of changes to the Corporations Act 2001 the Club will no longer print 7,000 copies of the Annual Report and send one to each member. In complying with Section 314 of the Corporations Act 2001 the club informs every member that:

- (a) They may elect to receive, free of charge, a copy of the financial reports by contacting the Club. The reports can be sent by either hard copy (mail) or electronic copy (email); or
- (b) They may view the Annual Report from the 6 July 2020 on the Club's website at www.murraydownsgolf.com.au



PRESIDENTS REPORT

The 2019 financial year offered many new challenges for the Board and Senior Management Team. One of those challenges was to increase visitation across all three venues and ensure members and guests were well catered for and enjoyed their experience.

At our last Annual Meeting, the resolution was passed giving the Board the ability to change membership categories to make the offer more attractive and specific to members' needs. The categories have been implemented and we look forward to members taking up the offer.

Thanks to all those members who support our Wednesday and Sunday night raffles and especially the 30 Year Celebration Nights, which resulted in some of our largest crowds inside the Club for many years.

Thanks to the Golf committees led by Ken Gregory and Marg Moore. Appreciation towards the team in the Pro Shop also for their efforts in running our weekly competition and special events.

The Bowls section led by Bill Pearson, have had a very successful season winning several pennants, as well as good numbers in our member competitions.

A very special thanks to our Senior Management Team and indeed all our staff across the venues, for their commitment to looking after our members and guests.

Swan Hill Club

Members continue to support the restaurant and local bands in particular, the Sunday sessions during the summer months. Many local organisations take advantage of the free meeting rooms on offer for members.

Thanks to the members of the Advisory Committee for their input on behalf of the Swan Hill Club venue.

Spoons Riverside

The management team have had functions such as 'Gin Night', 'Ladies Night', 'Wine Maker's Dinner', 'Oktoberfest', along with many weddings to increase visitation to our unique facility.

Thanks to the many local members who utilise Spoons Riverside as a meeting place for coffee and lunch.

The upgrade for the River Precinct by the Swan Hill Rural City Council has not been finalised but will benefit our venue in the future.

Finally, I would like to thank all members and invite you to continue to support all venues as the future will offer new challenges. Your continued support will help us grow.

We look forward to seeing you at one of our venues soon.

**COL HEDWARDS
PRESIDENT**



TREASURER'S REPORT

I have pleasure in presenting the Financial Reports of the Murray Downs Golf and Country Club (Incorporating Swan Hill Club and Spoons Riverside) for the year ended 31st December 2019.

The net operating Profit, as audited, shows a net trading profit of **\$920,058**.

The above result includes the proceeds of a once off Transaction in which the Board decided to divest the Club of Poker Machine Licences for \$487,375. This transaction is included in the above Operating Profit. - (Note 2(b) to the accounts)

The auditors currently qualify the Club's report based on the statement that they do not believe there is an active market for EGM entitlements. The Club has sold some of the EGM entitlements during 2019 and believe we've shown that there is a market for them and they can be reliably measured. The Board has resolved that for the purposes of transparency, that the Proceeds on Sale of Licences should be treated as a Reduction in the Carrying Value of the remaining Licences.

Thus the Net Trading Profit from Ordinary Operating Activities is \$432,683, still a very solid effort.

The following items are highlighted for your attention:

- Revenue is up \$451,921 or **2.9%** for the year and expenses are up by \$50,814 or 1.65% which has resulted in an increased profit of \$432,683 for 2019.
- Poker machine revenue was up \$239,650 or 3.8% and catering was up \$131,345 or 2.75%. Bar revenue was up marginally on last year 2.6% and revenue from TAB, KENO, ATM Commissions, Bingo and Raffles was up 9.82%.
- Membership subscriptions were marginally down and the income from the Pro Shop, Golf and Bowls was very similar to 2018.
- Analysis of the expenses shows an overall increase of \$61,444 or **0.33%** which has had a major positive impact on the bottom line.

All other expenses were in line with Budget.

The cash position of the Club is strong with \$2.32 million in cash and cash equivalents.

We continue to hold a strong equity position, with overall debt reducing by \$1,213,642

Finally, we look forward to the continued support of you, our members and the wider community. This is your club, make sure you visit and support the Murray Downs Golf & Country Club, the Swan Hill Club, and Spoons Riverside Restaurant.

**GEOFF HINTON
TREASURER**



CHIEF EXECUTIVE OFFICER'S REPORT

The annual report will show a combined profit of \$920,058 due to the sale of some electronic gaming machine entitlements which boosted the profit by \$487,375. This was a one off transaction and assisted the Club in significant debt reduction.

The Murray Downs Golf & Country Club Limited has recorded a combined operational profit of \$432,683, which is a significant improvement on 2018. The treasurer's report highlights the key points in the financial reports.

The Club made the decision to reduce the number of gaming machines at Murray Downs Golf and Country Club and reinvest some of the funds received into the layout of the gaming area and new product. This had a positive effect on the Club and allowed the Club to significantly reduce its debt as well. During 2019 the Club reduced its debt by \$1,908,000 from \$2,546,860 to 638,860.

The Club continued to invest in its golf course, course equipment and gaming facilities at both clubs as we strive to provide our members with excellent facilities.

During 2019 the capital investment at Murray Downs Golf & Country Club included:

- Installation of new poker machines
- Replacement of golf carts
- Construction of individual cart sheds
- Concreting floor of communal cart shed 2
- Refurbishment of gaming installation and outdoor gaming area

At the Swan Hill Club the capital investment projects included:

- Installation of new poker machines
- New gaming stools for gaming lounge
- New timber tops for outdoor furniture

I would like to take this opportunity to thank all our staff of Murray Downs, Swan Hill Club and Spoons Riverside. They are dedicated to looking after you when you visit our venues and we appreciate their commitment.

Thank you to all the members of the Golf and Bowls Committees who work so hard to ensure the smooth running of golf and bowls at Murray Downs. You do a great job. Thanks also to the Swan Hill Advisory Committee Members who provide an important input on behalf of the Swan Hill Club venue.

My sincere thanks to the President, Colin Hedwards, and the Board of Directors for their commitment, dedication and support throughout the year. The Directors continue to give considerable time and effort for the benefit of not just the Members but also the entire Swan Hill community.

Finally, I would like to thank you, the Members, for your support of the venues. Remember these are your venues and the Club needs your support if it is to remain strong. If you are considering a family function or celebration, please consider holding it at one of your venues.

We look forward to seeing you in 2020.

GREG ROBERTS
CHIEF EXECUTIVE OFFICER



MEN'S GOLF REPORT

My, how quickly time flies, since I was elected to the position of Men's Captain at your club, the Murray Downs Golf and Country Club.

Since being elected Captain in October of 2019, the golfing calendar has been very busy, with numerous events being run and won.

Before I get too far ahead of myself, I must thank our outgoing Captain of 4 years, Ken Gregory for his outstanding contribution to our club. His knowledge of most things involving golfing is second to none and he was and still is a very active member of your golf committee. I would also like to welcome a new member onto your golfing committee, in Brian White. I am quite sure he will be a great asset to all things golf at Murray Downs, and is already showing this by becoming actively involved in assisting with the development of our junior program.

The new world of golf handicapping system was up and running near the end of January, with very few hiccups. It has taken time for our members to adjust to having their daily handicaps increased by a couple of shots, but I am quite sure it will all settle down rather quickly.

In late February, the Murray Downs Golf Club committees decided to forego being a member of the NDGA, due to us being aligned with Golf NSW. This decision didn't come about easily, but in the end there is no real benefit for Murray Downs members being associated with the NDGA; we would only be permitted to compete in NDGA pennant and district championships, on payment of the full affiliation fee. None of our members would be permitted to compete in any, sanctioned, Golf Australia events, unless they are also a member of a Victorian based club.

The Murray Downs Golf club are now taking action in attempting to form an alliance with our neighbouring clubs in Rich River, Deniliquin and possibly Barham, in forming a Western Riverina district, in which we can compete against each other, in a pennant format, for both men and ladies competitions. At the time of writing this report, these talks are already well advanced, with dates and format being proposed, all with a very positive feedback being received.

Back in November, we held our 2019 Club Championships, where a new club Champion in Stuart McMillan was crowned the winner. After his first three very consistent rounds in the low 70s, McMillan went into the final round with six shot advantage, over Luke Merritt and defending champion Dallas Free. He got a little shaky early in the final round but managed to hold off the fast finishing James McLean, to take out the 2019 title of Murray Downs Club Champion, but a comfortable margin of four shots.

Congratulations to our championship and major event winners:

- Club Champion - Stuart McMillan
- B Grade Champion - Ross Kenyon
- C Grade Champion - Dale Leipen
- D Grade Champion - Andrew Guy
- Senior Champion - Neville Brady
- Junior Champion - Lleyton McLean
- Golfer of the Year - Ross Kenyon
- Putter of the Year - Ross Kenyon
- LJ Hooker Sumer Cup - Mal Woolhouse



- Single Knockout – Ian Johansen
- Mixed Knockout - Brenton & Janelle Hogan
- 4 BBB Knockout – Grant Ford & Scott Mathiske
- Medal of Medallists - Ian Read

On Australia Day, we held the annual “Bailey Ag” 2 person Ambrose event, with a capacity field of 132 players. The winner of the men’s division was the pairing of Luke Merritt and Dallas Free with a net score of 61.25, closely followed by Stuart McMillan and Sean Baumgurtel on 62.75. In the Ladies section were Rosanne Kava and Suzanne McLellan with a net score of 65 from Janelle Hogan and Kathy Parkinson who finished with 70.

This event was then followed the following week by the 2020 Reciprocal tournament, with a very strong field of contenders taking part; The Reciprocal Clubs winners are a team from the Gisborne Golf Club in, Brendan Larkin (5), Craig White (8), Tim Scoble (4) and Matt Priest (4) with scores of 112 & 105 for a final total of 217 points, over a Mildura team which finished with a final total of 209 points. It’s interesting to note that this Mildura team were also all on very low single figure handicaps.

In the local, Murray Downs section, the winning team consisted of Grant Ford (10), Scott Mathiske (15), Glenn Smith (18) and Kyle Doran (24) with consistent scores of 107 on each day, for a final tally of 214. They were six shots better than the next best Murray Downs team, of Ken Gregory, Rob Merrett, Grant McNees and Geoff Frame.

Then, a week later, the Legends Seniors Pro Am, where we had over 55 senior professional golfers competing for the major prize. Among the legends competing was a previous Murray Downs club professional, in Brad Burns, along with the likes of Peter Senior, Terry Price, Bryan Wearne, Guy Wall and Steve Williams. The Legends of the game gave our course a raving review and they cannot wait for next year’s event to roll around.

The winner of the Professional event was John Ward with scores of 70 & 69, to finish at 5 under the card, after the two day event. A major highlight was the hole in one, scored on the short 11th hole, by professional Frank Conallin, of Deniliquin, in his first round.

In the amateur section, the first day’s winner was a local member in Val Hedwards who scored a magnificent 46 stableford points from Colin MacVicar 38 points and Ian Read and Grant McNees with 37 points each.

The second day’s results went the way of Paul Bethune with 44 points, closely followed by Michael Mullen and Ian Matheson with 42 points each.

The Bill Gurnett Cup was taken out by the Logan & Hall team, which consisted of Andrew Gilchrist, Alan Mason and professionals Bryan Wearne and Steve Williams.

Followed a couple of weeks later by our annual senior’s tournament, in which we had over 54 different clubs being represented. This event has always attracted a near capacity field and 2020 was not any different, with over 220 players taking part in the two-day event.



In Men's sections, the overall winners were:

50 – 66 years Colin Mewburn Murray Downs (37 – 40 = 77)

67 – 71 years Richard Searle Coomella (37 – 35 = 72)

72 + Maurice Munro Ouyen (44 – 35 = 79)

Ladies section winners:

50 – 69 years Julie Schmidt Horsham (33 – 36 = 69)

70 + Carol Wiseman Murray Downs (37 – 38 = 75)

These events do not take place without a lot of effort from our golf committee members, the Pro shop staff, ground staff and all of the clubs staff. A big thank you for all of your assistance, not only over the duration of these events, but for all things golf at Murray Downs.

I would also like to thank our CEO, Greg Roberts and all of the office staff for their guidance, resources and assistance, in making my position that little bit easier and enjoyable.

Finally, I must thank all of my fellow golf committee members for your contribution, in making golf that much more enjoyable, not only for myself, but for all our members and visitors to Murray Downs. It's so much easier when we all chip in and offer assistance were required, many times without being asked.

Good golfing.

MICK KILEY
MEN'S CAPTAIN



LADIES GOLF REPORT

On behalf of the Murray Downs Ladies Golf Committee I present the 2019 report.

We are extremely fortunate to be members of the Murray Downs Golf Club.

The course is wonderful and you the members make golf here a very enjoyable experience.

The numbers of ladies turning up weekly is a testament to this, as they have eagerly contested the many events throughout the year.

Congratulations to the Champions and Annual Event Winners:

Club & A Grade Champion Mary Anne Davis

B Grade Champion Rhonda Barrow

C Grade Champion Jenice Krahnert

D Grade Champion Fay Rush

Senior Champion Barb Clark

Golfer of the Year Michelle Holt

Donnington Cup Lois Carnie

Medal of Medallists Nona Wilson

Singles Knockout Maree Thurwood

Doubles Knockout Dianne Nalder & Pam Blohm

Putter of the Year Marg Moore

Anniversary Cup Sheila Beard

Winter Cup Carol Wiseman

Summer Cup Sponsored by LJ Hooker- Paula Pickert

Spring Brooch Sponsored by Holts Mitsubishi, Hyundai, Isuzu Ute- Nona Wilson

We started the year with some new rules and the simple things like remembering to drop from knee height, tested us all. Several new events were introduced to our calendar and have kept us very busy throughout the season.

Now I would like to share with you some of your great achievements throughout the past year.

At the Seniors Tournament sponsored by Veolia the following Murray Downs Ladies - Judy Lonergan, Judi Benbow, Rhonda Barrow , Jenice Krahnert , Jenny Lynas , Mary Anne Davis, Val Hedwards, Marg Moore and Carol Wiseman featured in the prizes.



Opening Day sponsored by Rutherford Street Insurances was a great day enjoyed by 128 local and visiting players. Prize winners who won vouchers from Fashion Affair were;

Winners- Cindy McMillan, Sea Lake, Barb Upton, Flo Henson & Marg Craig.

Novice winners- Di Martin, Mary-Anne Davis, novices Kristy Helgeland & Jordyn Jolliffe

In April we thank Jenny and John Monahan from L J Hooker for sponsoring a new Stableford event. The winners were A Grade, Chris Warburton, B Grade, Sheila Beard, C Grade, Kate Lochery & D Grade, Fay Rush.

After the Championships, on 22nd May we had the Fay Ayson Memorial Day sponsored by Kennedy's Showcase Jewellers. It was contested by 76 ladies all dressed in pink. Thank you Rosie and Tory for your ongoing support.

Winners were: Rosie Ficarra, Bev Holt, Paula Pickert & Georgina Douglas

Pink Ball winners were: Sue Davis, Lisa Brady, Jill Pattenden & Di Nalder

Andrew and Linda Ayson accepted our invitation to come and present the Fay Ayson memorial trophy, which the ladies appreciated. A laptop was purchased for the Hospital Oncology Dept. with the competition fees donated by Murray Downs, the raffle and a donation from the Golden Girls.

For our 46th Silver & Golden Putter we had a full field both days with visitors from 33 clubs.

Thank you to Bev and Trevor from Holt's Mitsubishi, Hyundai, Isuzu Ute for their generous sponsorship.

The Golden Putter was won by Lyn Billing, Murray Downs & Joyce Boyd, Kerang with +7.

On July 17th Rob Duffield came out and presented the prizes for the Guardian Day. The 4BBB winners were Judy McMahan and Judi Lonergan with 43 points.

Also in July, Judy McMahan and Lois Tippet won the reintroduced Doris Chambers event and represented Murray Downs recently at Sanctuary Lakes.

In August we had 3 major events: Cameron's Fine Jewellers Gold Links Day, Holt's Spring Brooch and the 36 hole Ambrose event

Cameron's Fine Jewellers Gold Links Day was well represented. Di Martin & Mary Anne Davis -4 won. Thank you Judy and Andrew Cameron for your sponsorship.

The 3 rounds of the Holts Spring Brooch were eagerly contested, with Nona Wilson being the victor. Thank you Bev and Trevor Holt for your ongoing generous sponsorship.

The new 36 hole Ambrose event was won by Jo Watts & Jane Wall (Barham)

Another new event on September 25th was sponsored by Mildura Health. It was very successful day and Daniel Priestly from Mildura Health presented the prizes to the 4BBB Stableford winners, Georgina Douglas & Colleen Roberts with 45 points.

We also introduced the Do it for Jarrod Lyle. The ladies dressed in yellow and funds raised went to his foundation. Thank you Bev for providing the Leuk the Duck prizes.



Again in October we showcased our course with the 26th Annual Classic. Visitors came from 26 different clubs and enjoyed great weather on our beautifully presented course. Thank you Lyn Billing from Swan Hill Disposals for your ongoing sponsorship. Also thank you to Tina King for preparing the questions for the Trivia evening at the Swan Hill Club and thank you to Virginia Allen and Carolyn Zambelli for their fun games on the Thursday evening. It was a very successful tournament with capacity fields and favourable comments from our visitors.

As you can see we have been very busy and fortunate to have had many great sponsors and a fabulous golf course on which to play.

The special and weekly events happen because of a great team.

I would like to congratulate and thank the following because it is not possible without you;

The Murray Downs Staff in all departments are always willing and helpful. A special thankyou to Lauren & Jackie, they do a super job.

Shane and the team in the Pro Shop we appreciate your friendliness and all that you do to make our golf so enjoyable and the events run smoothly.

To Ash and the Grounds Staff who maintain our course to a wonderful standard. Thank you.

To the Sponsors, thank you for your ongoing support and generosity, the events aren't possible without you.

To Greg , Colin and the Board of Murray Downs, thank you for your dedication in maintaining a top class course.

A very special thank you to my Committee girls- Mag, Clare, Kathy, Nona, Glenda, Sheila, Norma and Jill. I am very fortunate to have a great team, who are always supportive. To the ever reliable Sheila thank you for your commitment to the Committee over the past few years, we wish you all the best.

And lastly to all the Murray Downs Ladies, thank you for your support and may we all continue to enjoy our golf at this fabulous course in 2020.

MARG MOORE
LADIES CAPTAIN



MURRAY DOWNS BOWLS REPORT

As we finish the season, our bowling club is still producing winners.

Our first success for the season came via Greg Robertson, winning the Murray Valley Novice Singles. He then went on to win the Murray Mallee section, and then played in Mulgrave in early March, but was not successful. Our coach, Josh Thornton, won our Men's Club Championship. Runner –Up was David Alderuccio. Josh then went on to win Murray Valley Bowls Division (MVBD) Champion of Champions.

Marg Jewson won our Ladies Championship, and went on to MVBD Champion of Champions to just miss out, becoming runner-up. Other MVBD results for our club include –

MVBD Singles Champion Winner – Buc Lehmann.

MVBD Pairs Winners – Ladies - Noelene Weir & Doreen Weaver. (Moulamein). Men – Mick Tempini & John Alderuccio.

MVBD Triples Winners – Ladies – Di Martin, Noelene Weir & Teresa Furnell.

Men – Brian Mansbridge, John Caldwell & Jack Sharman.

MVBD Fours Winners – Ladies – Di Martin, Marg Jewson, Noelene Weir & Teresa Furnell .

Men – Josh Thornton, Buc Lehmann, Shorty McCaig & John Alderuccio.

All these players went on to contest in the Murray Mallee section .

Josh won the Murray Mallee Champion of Champions.

Mick Tempini and John Alderuccio won the MM Pairs.

Josh Thornton, Buc Lehman, Gary McCaig and John Caldwell won the MM Fours – All good results for our club.

These members were to go to Bendigo to play the next level in mid April, but these games have now been suspended by Bowls Victoria.

Pennant has finished for the year just in time. We had one team in the Mid Week Division One Grand Final, but they were unsuccessful.

In Saturday Pennant, all our six teams were in the finals. Four teams, one in each division, made the Grand Final, with Division Two and Division Four Team Five winning their Grand Finals.

I'd like to add a warm welcome to all new bowlers to the club.

Special thanks to my committee and the other members who just make everything happen, from pennant to barefoot bowls. Also thanks to all staff who make life at the bowling club so much easier. To the club management, thank you for all your encouragement.

To all our bowlers – stay home, stay safe, and hope to see you all again fit and well next season.

Yours in Bowls

BILL PEARSON
BOWLS CHAIRMAN



MURRAY DOWNS GOLF & COUNTRY CLUB LIMITED

ClubGRANTS Recipients (for year ended 31 August 2019)

Category 1

- Swan Hill Regional Library - Summer Read
- SHDH - Massive Murray Paddle
- Boating for Brains
- Swan Hill Woodworkers Club
- Vic SES Swan Hill Unit
- St. Vincent De Paul - Soup Kitchen
- Swan Hill District Hospital
- SHRCC - L2P Learner Driver
- Fight MND - Golf day
- Swan Hill Neighbourhood House

Category 2

- | | |
|---|---|
| <ul style="list-style-type: none"> Swan Hill Racecourse Bowls Club Inner Wheel Club Swan Hill Inc. Central Murray Football Netball League Monash Charity Golf Day Swan Hill Little Athletics Centre Flyers Swan Hill Junior Basketball Swan Hill Gymnastics Club Barham Police Charity Day Murray Mallee LLEN - MD Murray Mallee LLEN - SHC Warrnambool Golf Club Mangangatang Pre-School Lions club of Moorabbin Pyramid Hill Bowling Club Nyah District Bowling Club Swan Hill Football/Netball Club Swan Hill RSL Cricket Club Swan Hill Trots St. Mary MacKillop College Moulamein Public School P & C Lake Boga Air Show Ballarat District Golf Inc. Swan Hill Calisthenics Club Lake Boga Yacht Club St Mary's Tyntynder Cricket Club Swan Hill Food & Wine Festival AFL Central Murray Murray Region Netball | <ul style="list-style-type: none"> AFL Central Murray Ultima Football Netball Club Woorinen Football & Netball Club Nyah Nyah West United Football Netball Club St. Mary's Primary School - Sea Lake Murray Downs Junior Golf Squad Swan Hill Lawn Tennis & Croquet Club Swan Hill Primary School Golden Girls Golf Group Swan Hill Dist & Agric Past Soc Swan Hill Primary School Pioneer Country Quarter Ass Inc. Swan Hill Bowls Club Swan Hill Murray Downs Field & Game Swan Hill Darts Assoc Swan Hill Italian Social Club Swan Hill Football/Netball Club Avoca Country Golf Club Swan Hill & Dist Cricket Assoc Birchip Golf Club Ulysses Club Inc. Sea Lake Golf Club Swan Hill Fire Brigade Swan Hill Little Athletics Centre Barham Police Charity Day Multiple Sclerosis Fundraiser |
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Murray Downs Golf & Country Club Limited

ACN 003 382 947

Financial Statements

For the year ended 31 December 2019

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Murray Downs Golf & Country Club Limited

Directors' Report

For the year ended 31 December 2019

Your directors present the financial statements of the Murray Downs Golf & Country Club Limited (the Company) for the year ended 31 December 2019.

Directors

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

<p>W. Gurnett Board Member since 30 September 1987 President 26 years until 2018 Retired CPA Accountant, Partner at GMG Accounting for 49 years.</p>	<p>C. Hedwards –President Board Member since 26 June 1992 Vice-President 4 years President 1 year Retired Area Manager Tasco Petroleum</p>
<p>G. Hinton – Honorary Treasurer Board Member since 20 May 2014 CPA Accountant, Partner at GMG Accounting for 15 years. Finance Manager SwanBuild</p>	<p>M. Woolhouse – Vice President Board Member since 29 May 2007 Vice President 1 year Prior Retail & Business Owner</p>
<p>R. Smith Board Member since 2 May 1995 Retired Boral Contractor</p>	<p>A. Free Board Member since 23 May 2017 Financial Accountant Swan Hill Rural City Council</p>
<p>D. Martin Board Member since 24 May 2011 Retired Retail Business Owner</p>	<p>G. Slater – Honorary Secretary Board Member since 28 June 1991 Retired School Principal</p>
<p>G. McNees Board Member since 21 May 2013 Sales at Bellevue Trading</p>	

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

Company secretary

The Company's secretary is Mr Gregory Roberts, who was appointed on 23 March 2009.

Principal activities

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

Short-term and long-term objectives

The Club's short-term objectives are to provide for members and members' guests a sporting and social facility with all the usual facilities of a Club with excellent service in a comfortable and safe environment. To promote and conduct the game of golf and bowls and other sports, games, amusements and entertainment as the Club may deem expedient.

In the long term, the Club's objectives include replacement and enhancement of key strategic assets and the long term financial and operational viability through sound improvements to the organisation's operations.



Murray Downs Golf & Country Club Limited

Directors' Report

For the year ended 31 December 2019

To achieve these objectives, the company has adopted the following strategies:

- To encourage and promote the participation in golf and bowls and community activities;
- To increase awareness of the Club and its facilities through effective marketing and communication;
- To continue to reinvest in the products and facilities to ensure the provision of a quality experience for members and members guests.

Meetings of directors

The number of meetings of the Company's directors held during the year ended 31 December 2019, and the numbers of meetings attended by each director were:

	No. of Meetings Attended	No. of Meetings Held*
W Gurnett	11	13
C Hedwards	12	13
G Hinton	9	13
G Slater	12	13
R Smith	13	13
D Martin	10	13
M Woolhouse	13	13
G McNees	9	13
A Free	12	13

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

Member Liability

The Company is incorporated as a Company limited by guarantee. In accordance with the Memorandum of Association of the Company, every member of the Company undertakes to contribute an amount limited to \$10 per member in the event of winding up the Company during the time he or she is a member or within one year thereafter. Total number of members as at 31 December 2019: 7,442 (2018: 7,221).

Core and Non-core Property

The core property of a registered club means any real property owned or occupied by the club that comprises:

- a. the defined premises of the club, or
- b. any facility provided by the club for the use of its members and their guests, or
- c. any other property declared, by a resolution passed by a majority of the members present at a general meeting of the ordinary members of the club, to be core property of the club, but does not include any property referred to in paragraphs (a) - (c) that is declared, by a resolution passed by a majority of the members present at a general meeting of the ordinary members of the club, not to be core property of the club.

All real property owned by the club is classified as core property.

Auditor's independence

The lead auditor's independence declaration for the year ended 31 December 2019 has been received and can be found on page 4 of the financial report.

This report is signed in accordance with a resolution of the directors.



Murray Downs Golf & Country Club Limited

Directors' Report

For the year ended 31 December 2019

Director
Colin Hedwards

Murray Downs
20 April 2020

Director
Malcolm Woolhouse

Auditors' Independence Declaration

As lead auditor for the audit of Murray Downs Golf & Country Club Ltd for the year ended 31 December 2019, I declare that, to the best of my knowledge and belief, there have been:

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

Johnsons MME
Chartered Accountants

Stephen Clarke
Director

Albury
20 April 2020



Murray Downs Golf & Country Club Limited

Directors' Declaration

For the year ended 31 December 2019

The directors declare that the financial statements and notes set out on pages 6 to 19:

- a) comply with Accounting Standards – Reduced Disclosure Requirements, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
- b) give a true and fair view of the Company's financial position as at 31 December 2019 and of its performance, as represented by the results of its operations and its cash flows, for the financial year ended on that date.

In the director's opinion:

- a) the financial statements and notes are in accordance with the *Corporations Act 2001*; and
- b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Director
Colin Hedwards

Director
Malcolm Woolhouse

Murray Downs
20 April 2020



Murray Downs Golf & Country Club Limited

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2019

	Note	2019 \$	2018 \$
Revenue from operating activities	2	16,079,034	15,627,113
Revenue from non-operating activities	2	700,188	249,327
Cost of goods sold	3	3,186,479	3,161,313
Employee related expense		6,539,075	6,366,999
Depreciation and amortisation	3	1,169,387	1,164,273
Repairs and maintenance expense		435,006	415,630
Advertising, promotion and members expense		836,210	833,920
Poker machines taxes & monitoring fees		1,471,096	1,585,214
Golf and Bowls expense		478,802	449,002
Finance costs	3	150,964	202,077
Administration expense		178,359	170,116
Other expenses		1,413,786	1,459,806
Profit before income tax		920,058	68,090
Income tax expense	1(b)	-	-
Net Profit for the year		920,058	68,090
Other Comprehensive Income		-	-
Total Comprehensive Result for the year		920,058	68,090

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.



Murray Downs Golf & Country Club Limited

Statement of Financial Position

As at 31 December 2019

	Note	2019 \$	2018 \$
ASSETS			
Current Assets			
Cash and cash equivalents	4	2,318,850	2,861,330
Trade and other receivables	5	137,805	164,764
Inventories	6	373,000	399,958
Other	7	244,272	151,228
Total Current Assets		<u>3,073,927</u>	<u>3,577,280</u>
Non-Current Assets			
Property, plant and equipment	8	13,480,355	13,427,425
Intangible assets	9	3,396,894	3,722,316
Right of use assets	10	482,261	-
Total Non-Current Assets		<u>17,359,510</u>	<u>17,149,741</u>
Total Assets		<u>20,433,437</u>	<u>20,727,021</u>
LIABILITIES			
Current Liabilities			
Trade and other payables	11	1,091,747	1,000,342
Borrowings	12	408,000	408,000
Lease Liabilities	13	79,205	4,515
Provisions	14	524,844	494,381
Total Current Liabilities		<u>2,103,796</u>	<u>1,907,238</u>
Non-current liabilities			
Trade and other payables	15	61,996	37,093
Borrowings	16	638,860	2,546,860
Lease Liabilities	17	418,517	11,365
Provisions	18	120,327	54,582
Total Non-Current Liabilities		<u>1,239,700</u>	<u>2,649,900</u>
Total Liabilities		<u>3,343,496</u>	<u>4,557,138</u>
Net Assets		<u>17,089,941</u>	<u>16,169,883</u>
EQUITY			
Asset Revaluation Reserve		1,240,365	1,432,459
Retained profits		15,849,576	14,737,424
Total Equity		<u>17,089,941</u>	<u>16,169,883</u>

The above statement of financial position should be read in conjunction with the accompanying notes.



Murray Downs Golf & Country Club Limited

Statement of Changes in Equity

For the year ended 31 December 2019

	Retained Profits	Asset Revaluation Reserve	Total
Balance at 1 January 2018	14,669,334	1,432,459	16,101,793
Net profit for the year	68,090	-	68,090
Balance at 31 December 2018	14,737,424	1,432,459	16,169,883
Net profit for the year	920,058	-	920,058
Transfers to/(from) reserves	192,094	(192,094)	-
Balance at 31 December 2019	15,849,576	1,240,365	17,089,941

The above statement of changes in equity should be read in conjunction with the accompanying notes.



Murray Downs Golf & Country Club Limited

Statement of Cash Flows

For the year ended 31 December 2019

	Note	2019 \$	2018 \$
Cash Flows from Operating Activities			
Receipts from members & customers		16,174,972	15,692,664
Payments to suppliers and employees		(14,392,383)	(14,444,493)
		<u>1,782,589</u>	<u>1,248,171</u>
Interest paid		(150,964)	(202,077)
Interest received		25,191	34,364
Net cash inflow/(outflow) from operating activities		<u>1,656,816</u>	<u>1,080,458</u>
Cash Flows from Investing Activities			
Payments for property, plant and equipment		(1,216,242)	(802,686)
Proceeds from the sale of property, plant and equipment		139,641	66,062
Proceeds from sale of intangible assets		700,000	-
Net cash inflow/(outflow) from investing activities		<u>(376,601)</u>	<u>(736,624)</u>
Cash flows from Financing Activities			
Repayment of borrowings		(1,908,000)	(392,120)
Proceeds from leases		130,086	-
Repayment of leases		(44,781)	-
Net cash inflow/(outflow) from financing activities		<u>(1,822,695)</u>	<u>(392,120)</u>
Net Increase/(Decrease) in Cash Held		(542,480)	(48,286)
Cash at the beginning of the financial year		2,861,330	2,909,616
Cash at the End of the Financial Year	4	<u>2,318,850</u>	<u>2,861,330</u>

The above statement of cash flows should be read in conjunction with the accompanying notes.



Murray Downs Golf & Country Club Limited

Notes to and forming part of the financial statements

For the year ended 31 December 2019

Note 1. Summary of significant accounting policies

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

Basis of preparation

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

Under Australian Accounting Standards, there are requirements that apply specifically to not-for-profit entities that are not consistent with International Reporting Standards (IFRS) requirements. The company has analysed its purpose, objectives and operating philosophy and determined that it does not have profit generation as a prime objective. Consequently, where appropriate the Company has elected to apply options and exemptions within the accounting standards which are applicable to not-for-profit entities. Comparative information has been reclassified where appropriate to enhance comparability.

(a) Revenue

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

(i) Sale of goods and services

Revenue from the sale of food, beverages and other goods is recognised at the point in time the goods are delivered to the customers.

Revenue from gaming and other services is recognised at the point in time the service is delivered to the customers.

(ii) Membership revenue

Membership revenue is recognised over time as the performance obligation to deliver member services are satisfied, which are expected to occur over a period of 1 to 3 years. Subscriptions received where the performance obligation remains unsatisfied are brought to account as a liability (refer note 11 & 15).

(iii) Interest

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

(b) Income Tax

Murray Downs Golf & Country Club Limited is exempt from income tax under section 50-45 of the Income Tax Assessment Act 1997.

(c) Borrowing Costs

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

(d) Maintenance & Repairs

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

(e) Cash and Cash Equivalents

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



Murray Downs Golf & Country Club Limited

Notes to and forming part of the financial statements

For the year ended 31 December 2019

Note 1. Summary of significant accounting policies (continued)

(f) Trade and Other Receivables

All trade receivables are carried at their nominal amount. Collectability of debtors is reviewed on an ongoing basis. Debts, which are known to be uncollectible, are written off. An allowance for doubtful debts is raised based on an expected loss model.

(g) Inventories

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

(h) Property, Plant & Equipment

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

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

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

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

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

(i) Employee Entitlements

(i) Wages and salaries

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

(ii) Annual leave

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

(iii) Long service leave

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



Murray Downs Golf & Country Club Limited

Notes to and forming part of the financial statements

For the year ended 31 December 2019

Note 1. Summary of significant accounting policies (continued)

(j) Trade and Other Payables

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

(k) Intangible Assets

Goodwill

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

Water Licences

The permanent water entitlement is recognised at cost. The license has an indefinite life but is reviewed annually for indicators of impairment in accordance with note 1(l).

Gaming Machine Licences

Victorian gaming machine entitlements that were acquired through the Victorian Commission for Gambling and Liquor Regulations are subject to a 10 year license, which will need to be renewed prior to the existing licensing period expiring. The cost of the entitlements is being amortised over the term of the license (10 years). NSW gaming machine entitlements were initially acquired at no cost and then subsequently recognised at their fair value based on an independent valuation performed by CB Richard Ellis on 31 December 2005. The basis of the valuation was market value.

(l) Impairment of Assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value, less cost to sell and value in use.

(m) Critical Accounting Estimates

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

Key Estimates

The company assesses impairment at each reporting date by evaluating conditions specific to the company that may lead to impairment. Where evidence of impairment exists, the recoverable amount of the asset is determined. The value-in-use calculations performed in assessing recoverable amounts incorporate a number of estimates. No impairment has been recognised in respect of goodwill for the year ended 31 December 2019.



Murray Downs Golf & Country Club Limited

Notes to and forming part of the financial statements

For the year ended 31 December 2019

Note 1. Summary of significant accounting policies (continued)

(n) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

(o) Borrowings

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

(p) Leases

The Company assesses whether a contract contains a lease at the inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability in respect to all lease arrangements in which it is the lessee, except for short term leases (leases with a term of less than 12 months) and leases of low value assets (less than \$10,000). For these leases the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The lease liability is initially measured at the net present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease. If this rate cannot be readily determined, the company uses its incremental borrowing rate.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment loss. Right-of-use assets are depreciated over the shorter period of the lease term and the useful life of the asset.

(p) New accounting standards and interpretations

The AASB has issued new and amended accounting standards and interpretations for the current and future reporting periods. The directors have decided not to early adopt any accounting standards not yet effective, as they are not expected to have a material impact on the company. The company has adopted all new and revised accounting standards issued by the AASB that are relevant to its operations and effective for the reporting periods beginning 1 January 2019 as follows:

AASB 15: Revenue from Contracts with Customers

The impact of the initial application of AASB 15 is not significant. After applying the 5 step model per AASB 15 the directors have assessed there was no material difference in the recognition of revenue between AASB 15 and the former AASB 118, other than disclosures reflected in note 2.

AASB 16: Leases

AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases. The main change introduced by the standard will be for all leases to be recognised on the statement of financial position at the inception of the lease with the exception of short-term leases (less than 12 months) and leases of low value assets. The lessee must recognise a right-of-use asset and a corresponding lease liability in the amount of the net present value of the lease



Murray Downs Golf & Country Club Limited

Notes to and forming part of the financial statements

For the year ended 31 December 2019

payments. Subsequent to the initial measurement, the right-of-use asset is depreciated over the lease term, whilst lease payments are separated into principal and interest in order to wind up the lease liability over the term of the lease.

The company has applied AASB 16 using the modified retrospective approach. Therefore, the cumulative effect of applying AASB 16 is recognised as an adjustment to the opening balance of retained earnings at 1 January 2019, with no restatement of comparative information. The financial impact of the initial application of AASB 16 was to recognise:

• 1/1/2019 right-of-use asset relating to the lease of Spoons restaurant-	\$396,538
• 1/1/2019 recognition of a lease liability-	\$396,538
• Lease repayments of \$43,820 for the year split between	
- Interest expense	\$14,031
- Principal reduction	\$29,799
• Depreciation charge	\$39,654

Note 2. Revenue

	2019 \$	2018 \$
Continued operations		
Revenue from contracts with customers	(a) 16,079,034	15,627,113
Revenue from outside the operating activities	(b) 700,188	249,327
	<u>16,779,222</u>	<u>15,876,440</u>
(a) Disaggregated revenue		
Poker Machines	6,553,310	6,313,660
Bar	2,593,644	2,528,718
Catering	4,923,285	4,791,940
Members subscriptions	382,587	391,048
Pro Shop, Golf & Bowls	1,364,529	1,363,481
TAB, Keno and ATM commissions, Bingo and Raffle takings	261,679	238,266
Total revenue	<u>16,079,034</u>	<u>15,627,113</u>
Timing of revenue recognition		
Products and services transferred to customer		
- at a point in time	15,696,447	15,236,065
- over time	382,587	391,048
	<u>16,079,034</u>	<u>15,627,113</u>
(b) Revenue from outside the operating activities		
Interest	25,191	34,364
Sundry	68,979	98,327
Refund of electricity charges	-	71,076
Profit from sale of plant and equipment	118,643	45,560
Profit from sale of gaming entitlements	487,375	-
	<u>700,188</u>	<u>249,327</u>



Murray Downs Golf & Country Club Limited

Notes to and forming part of the financial statements

For the year ended 31 December 2019

Note 3. Profit

Net gains and expenses

Profit before income tax expense includes the following expenses:

Expenses	2019	2018
Cost of goods sold	\$	\$
- Bar	996,075	974,599
- Catering	1,841,900	1,810,785
- Pro-shop	250,934	256,230
- Other	97,570	119,699
	<u>3,186,479</u>	<u>3,161,313</u>
Depreciation and amortisation		
- Depreciation of PP&E	1,016,936	1,051,476
- Amortisation of Intangibles	112,797	112,797
- Depreciation of right of use assets	39,654	-
	<u>1,169,387</u>	<u>1,164,273</u>
Finance costs	150,964	202,077
Movement in provisions	96,208	175

Note 4. Current assets – Cash and Cash Equivalents

Cash at bank	1,848,189	2,329,720
Cash on hand	47,661	531,610
	<u>2,318,850</u>	<u>2,861,330</u>

Note 5. Current assets – Trade and Other Receivables

Trade debtors	91,538	57,660
Sundry debtors	46,267	36,028
Accrued revenue	-	71,076
	<u>137,805</u>	<u>164,764</u>

All debtors are considered collectible.

Note 6. Current assets – Inventories

Bar stocks	124,258	132,043
Catering stocks	75,522	73,858
Pro Shop and Spoons Provedore stocks	173,220	194,057
	<u>373,000</u>	<u>399,958</u>

Note 7. Current assets – Other

Prepayments	220,573	127,529
Deposits – Gaming Entitlements	23,699	23,699
	<u>244,272</u>	<u>151,228</u>



Murray Downs Golf & Country Club Limited

Notes to and forming part of the financial statements

For the year ended 31 December 2019

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

Land and buildings	2019	2018
	\$	\$
Land – at cost	466,419	466,419
Land improvements – at cost	837,839	748,494
Less: Accumulated depreciation	(396,734)	(352,599)
	<u>441,105</u>	<u>395,895</u>
Buildings and leasehold improvements – at cost	13,464,808	13,447,540
Less: Accumulated depreciation	(4,101,843)	(3,914,512)
	<u>9,362,965</u>	<u>9,533,028</u>
Total Land and Buildings	<u>10,270,489</u>	<u>10,395,342</u>
Plant and equipment		
Plant, Furniture and Equipment – at cost	10,143,689	9,942,163
Less: Accumulated depreciation	(6,952,214)	(6,910,080)
	<u>3,191,475</u>	<u>3,032,083</u>
Work in Progress	<u>18,391</u>	-
Total Plant and Equipment	<u>13,480,355</u>	<u>13,427,425</u>

Movements in carrying amounts:

	Land	Land improvements	Buildings & leasehold improvements	Plant & equipment	Work in Progress	Total
WDV 1 January 2019	466,419	395,895	9,533,028	3,032,083	-	13,427,425
Additions	-	89,345	20,296	1,088,210	18,391	1,216,242
Disposals	-	-	-	(20,969)	-	(20,969)
Transfers to ROU	-	-	-	(125,377)	-	(125,377)
Depreciation	-	(44,135)	(190,359)	(782,472)	-	(1,016,966)
WDV 31 December 2019	<u>466,419</u>	<u>441,105</u>	<u>9,362,965</u>	<u>3,191,475</u>	<u>18,391</u>	<u>13,480,355</u>

Note 9. Non-current assets – Intangible Assets

NSW Gaming Machine Entitlements – at valuation	921,375	1,134,000
Victorian Gaming Machine Entitlements – at cost	474,507	587,304
Water Licences – at cost	1,420,195	1,420,195
Goodwill – at cost	575,917	575,917
Other – at cost	4,900	4,900
	<u>3,396,894</u>	<u>3,722,316</u>



Murray Downs Golf & Country Club Limited

Notes to and forming part of the financial statements

For the year ended 31 December 2019

Note 9. Non-current assets – Intangible Assets (continued)

Movements in carrying amounts:

	NSW Gaming Entitlements	Victorian Gaming Entitlements	Water Licences	Goodwill	Other	Total
WDV 1 January 2019	1,134,000	587,304	1,420,195	575,917	4,900	3,722,316
Amortisation	-	(112,797)	-	-	-	(112,797)
Disposals	(212,625)	-	-	-	-	(212,625)
WDV 31 December 2019	921,375	474,507	1,420,195	575,917	4,900	3,396,894

Note 10. Non-current assets – Right of Use Assets

	2019 \$	2018 \$
Telephone System – leased asset	18,830	-
Less: Accumulated depreciation	(6,610)	-
	12,220	-
Type 4 Poker Machines – leased asset	118,260	-
Less: Accumulated depreciation	(5,103)	-
	113,157	-
Spoons Restaurant – lease of premises	396,538	-
Less: Accumulated depreciation	(39,654)	-
	356,884	-
Total Right of Use Assets	482,261	-

Movements in carrying amounts:

	Telephone System	Type 4 Poker Machines	Spoons Restaurant	Total
WDV 1 January 2019	-	-	-	-
Additions	-	-	396,538	396,538
Transfers from P,P&E	12,220	113,157	-	125,377
Depreciation	-	-	(39,654)	(39,654)
WDV 31 December 2019	12,220	113,157	356,884	482,261

Note 11. Current liabilities – Trade and Other Payables

Trade creditors	847,156	590,858
Accrued expenses	105,259	64,956
Memberships and deposits in advance	51,335	223,955
Other advance payments	44,926	75,134
Other payables	43,071	45,439
	1,091,747	1,000,342



Murray Downs Golf & Country Club Limited

Notes to and forming part of the financial statements

For the year ended 31 December 2019

Note 12. Current liabilities – Borrowings

	2019	2018
	\$	\$
NAB business market loans	408,000	408,000

Security:

(i) NAB business loans are secured by:

- First ranking registered fixed and floating charge over all present and future rights, property and undertakings of Murray Downs Golf & Country Club Ltd;
- First ranking mortgage over property situated at Murray Downs Drive;
- First ranking mortgage over water entitlements in the name of Murray Downs Golf & Country Club Ltd.

Note 13. Current liabilities – Lease Liabilities

Lease – Telephone System	4,143	4,515
Lease – Poker Machines	43,362	-
Lease – Spoons Restaurant – lease of premises	31,700	-
	<u>79,205</u>	<u>4,515</u>

Security – Plant & equipment leases are secured against the relevant asset subject to finance.

Note 14. Current liabilities – Provisions

Employee Entitlements - Annual Leave	326,819	329,326
Employee Entitlements - Long Service Leave	146,908	134,134
Other Provisions	51,117	30,921
	<u>524,844</u>	<u>494,381</u>

Note 15. Non-current liabilities – Trade and Other Payables

Memberships and deposits in advance	<u>61,996</u>	<u>37,093</u>
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Note 16. Non-current liabilities – Borrowings

NAB Business Markets Loans	<u>638,860</u>	<u>2,546,860</u>
Security: Refer note 12.		

Note 17. Non-current liabilities – Lease Liabilities

Lease – Telephone System	7,595	11,365
Lease – Poker Machines	75,883	-
Lease – Spoons Restaurant	335,039	-
	<u>418,517</u>	<u>11,365</u>

Security: Refer note 13.



Murray Downs Golf & Country Club Limited

Notes to and forming part of the financial statements

For the year ended 31 December 2019

	2019	2018
Note 18. Non-current liabilities – Provisions		
	\$	\$
Employee Entitlements – Long Service Leave	120,327	54,582

Note 19. Related party transactions

(a) Key Management Personnel

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

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

Short-term employee benefits	333,970	337,283
Post-employment benefits	39,970	40,390
	<u>373,940</u>	<u>377,673</u>

(b) Transactions with related parties

There were no transactions with related parties during 2019 (2018: Nil).

Note 20. Financial Risk Management

The company's financial instruments consist mainly of deposits with banks, accounts receivable and payable, and leases. The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

(i) Financial Assets

Cash on hand	4	2,318,850	2,861,330
Trade and other receivables	5	137,805	164,764
Total Financial Assets		<u>2,456,655</u>	<u>3,026,094</u>

(ii) Financial Liabilities

Trade and other payables	11,15	1,153,743	1,037,435
Borrowings	12,16	1,046,860	2,954,860
Leases	13,17	497,722	15,508
Total Financial Liabilities		<u>2,698,325</u>	<u>4,007,803</u>

Note 21. Commitments

	2019	2018
	\$	\$
Capital Commitments		
Plant and equipment purchases		
- Not later than 1 year	85,250	147,639
	<u>85,250</u>	<u>147,639</u>



Murray Downs Golf & Country Club Limited

Notes to and forming part of the financial statements

For the year ended 31 December 2019

Note 21. Commitments (continued)	2019	2018
	\$	\$
Capital expenditure commitments contracted for:		
- VCGLR entitlements 2022-2032	900,576	924,275
Payable:		
- Not later than 1 year	-	23,699
- Between 1 year and 5 years	900,576	900,576
- Later than 1 year	-	-
	900,576	924,274
Total Capital Commitments	985,826	1,071,913
Lease Commitments		
Commitments in relation to leases are payable as follows:		
- Not later than 1 year	93,333	4,143
- Between 1 year and 5 years	266,791	11,365
- Later than 1 year	213,864	-
Less: future finance charges	(76,266)	-
	497,722	15,508
Represented by:		
Current (note 13)	79,205	4,143
Non-current (note 17)	418,517	11,365
	497,722	15,508

Note 22. Events Occurring after Reporting Date

On 22 March 2020 the Federal Government announced measures and restrictions on social gatherings to protect the Australian Community from the spread of the coronavirus (COVID-19). The measures announced included a restriction on all licensed and registered clubs from opening for business with effect from 12 midday on 23 March 2020. Restaurants and cafes are restricted to takeaway only. While the restrictions are subject to ongoing monthly reviews by the Federal Government there is an expectation that such measures may be in place for at least six months.

The financial impact of the measures imposed by the Federal Government on Murray Downs Golf & Country Club Ltd are likely to be significant. The directors and management have since commenced developing and implementing measures to attempt to limit the severity of the financial impacts, including accessing available funding from government to enable the club to re-commence trading when the restrictions are lifted at some point in the future.

Given the uncertainty over the period the restrictions on trading will be in force, the financial impact cannot be reliably measured at the time of issue of these financial statements.

There are no other events since the balance date to the date of this report that would have a material effect on the operations of the Club.

Note 23. Contingent Assets & Liabilities

There are no contingent liabilities or assets at year end.



Audit and Assurance Services

520 Swift St
PO Box 375
Albury NSW 2640

P 02 6023 9100
F 02 6021 2154
W johnsonsmme.com.au

Independent auditor's report to the members of Murray Down Golf & Country Club Limited

Qualified Opinion

We have audited the financial statements, being general purpose financial statements – reduced disclosure requirements, of Murray Downs Golf & Country Club Limited, which comprises the statement of financial position at 31 December 2019, and the statement of profit and loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes to the financial statements, including a summary of accounting policies and other explanatory notes and the directors' declaration.

In our opinion, except for the matter described in the *Basis of Qualified Opinion* section of our report, the accompanying financial statements of Murray Downs Golf & Country Club Limited are in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the Company's financial position as at 31 December 2019 and of its performance for the year ended on that date; and
- b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

Basis for Qualified Auditor's Opinion

As disclosed in note 1(k) and note 9 of the financial statements, the Company has recognised NSW gaming machine entitlements initially acquired at no cost, at their fair value based on an independent revaluation undertaken at 31 December 2005 using a market value approach.

Australian Accounting Standard AASB 138: *Intangible Assets* provides that for not-for-profit entities where an asset is acquired at no cost, the cost is its fair value at the date of acquisition. Further, subsequent to initial recognition intangible assets may be carried using the cost model or the revaluation model. If an entity elects to fair value its assets, fair value shall be determined by reference to an active market. If there is no active market the accounting standard states that the asset shall be carried at its cost less any accumulated amortisation and impairment losses.

In our opinion there is no active market for NSW gaming machine entitlements and accordingly the Company has not complied with the accounting standard. In our opinion this departure from the requirements of the accounting standard has resulted in an overstatement of both the company's intangible assets and asset revaluation reserve by \$921,375.

Material Uncertainty Related to Going Concern

Without qualification to the opinion expressed above, attention is drawn to the following matter. As a result of the matters described in Note 22 relating to the financial impacts of the forced closure of licensed clubs as part of the Federal Government's strategy to manage the COVID-19 pandemic, there is inherent uncertainty whether the Company will be able to continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Company not continue as a going concern.

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Independent auditor's report to the members (continued)

Information Other than the Financial Report and Auditor's Report

The directors of the Company are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 31 December 2019 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial statements 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 statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements 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

Directors' Responsibility for the Financial Statements

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

In preparing the financial statements, 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 Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 these financial statements.

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

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.

Johnsons MME
Chartered Accountants

Stephen Clarke
Director

Albury
27 April 2020

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