

RANDWICK GOLF CLUB LTD
ABN: 99 000 083 143
(A Company Limited by Guarantee)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST DECEMBER 2019

HARLEY, RUSSELL & DAY
Chartered Accountants

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RANDWICK GOLF CLUB LTD
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CLUB PARTICULARS

President	A. Smith
Vice-President	M. Feehan
Captain	M. Gibson
Hon. Treasurer	A. Durante
Directors	G. Haines M. Rankin C. McMahon I. Russell B. Toms H. Schoots M. Endicott M. Kandara P. Johnstone D. Simmons C. Owen
General Manager	Kristy Strong
Auditor	Harley, Russell & Day Chartered Accountants
Solicitor	Adam Jones

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NOTICE OF ANNUAL GENERAL MEETING

Dear Members,

Notice is hereby given the 71st Annual General Meeting of Randwick Golf Club Limited (the Club) will be held in the Club's premises at Howe Street, Malabar, NSW 2036 commencing at 7.00pm on Monday 27th July 2020. The Business of the Annual General Meeting will be as follows:

1. To confirm the minutes of the previous Annual General Meeting.
2. To receive and consider the financial report, including the directors' declaration, for the year ended 31st December 2019 and the related directors' report and audit report.
3. To confirm the election of Directors.
4. To consider and if thought fit, pass the following ordinary resolution to approve directors' benefits until the Club's next Annual General Meeting:

'That pursuant to the Registered Clubs Act 1976 the members approve and agree to the Club's expenditure on or provision of the following benefits until the next Annual General Meeting for the following activities of directors and members:

- (a) Reasonable expenses incurred by directors in travelling by either public or private transport to and from directors or other duly constituted committee meetings, either within the Club or elsewhere – as approved by the Board, on production of documentary evidence of such expenditure, in total not to exceed \$1,000 per annum;
- (b) The reasonable cost of a meal and beverage for each director at a reasonable time before or after a board or committee meeting on the day of that meeting, with the amount for all directors in total not to exceed \$5,000 per annum;
- (c) Reasonable expenses incurred by directors either within the Club or elsewhere in relation to such other duties including entertainment of special guests of the Club and other promotional activities approved by the Board on production of documentary evidence of such expenditure, in total not to exceed \$1,000 per annum;
- (d) The reservation of car spaces for the President, Captain, Vice President, Secretary Manager, Honorary Treasurer, Lady President / Director, Lady Captain / Director, and two Directors;
- (e) On each Friday members' draw for the following week's golf, the President and Captain and also the two directors who are selling raffle tickets and running the draw will have first choice of the draw;
- (f) The provision of apparel, golf balls and lunch to members of teams representing the Club in any competition or event as determined by the Board;
- (g) The reasonable cost of providing directors with club industry specific training including required training under the Registered Clubs Regulation 2015;
- (h) The reasonable cost of providing directors with membership of the NSW Club Directors Institute.'

Members acknowledge that the benefits above are not available generally, but only for those who are directors of the Club and those members directly involved in the above activities.

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NOTICE OF ANNUAL GENERAL MEETING (CONT.)

5. To deal with any other business which may be brought forward in accordance with the Constitution and the Corporations Act 2001.

By order of the Board of Directors

Kristy Strong
General Manager
25th June 2020

The Board had intended to propose Special Resolutions for amendments to the Club's Constitution on the agenda of this Meeting. However due to the likelihood that any Special Resolution will increase the number of members who want to attend this Meeting beyond the Club's allowable capacity under COVID-19 restrictions, the Board will instead call a Special General Meeting to be held as soon as practicable after COVID-19 restrictions have sufficiently eased. See President's Report for details.

Please submit any questions relating to the Club's accounts to the General Manager not less than seven days before the Meeting to allow time for the Club and the Club's Auditor to give a suitably researched response.

Please note the 2019 Annual Report will be available in PDF format for easy download and printing from Randwick Golf Club's website no later than 6th July 2020. A member may elect to receive, free of charge, a hard copy of the Annual Report by giving the Club a notice in writing to that effect.

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PRESIDENT'S REPORT

Members,

At the time of writing this message, I am pleased to confirm that from the 1st July 2020 we will be able to permit two people to a golf cart.

During the past twelve months the Golf Club and our community at large has experienced unprecedented circumstances which has restricted the way we engage with each other and play golf.

I am pleased to report the RGC finances are in a stronger position, which will be reported in greater detail by the Hon. Treasurer Tony Durante, who took over this important role within the club as Coralie Owen resigned from Board. I would like to thank Coralie Owen for her contribution during her time as the Treasurer. I would also like to thank Brian Toms and Mark Rankin who resigned as Directors this year.

The men's locker room has been renovated with the installation of 60 new lockers, freshly painted rooms and rejuvenated men's showers facilities. Thank you to those who assisted in the removal of the old and the installation of the new lockers.

The club has taken possession of twelve new golf carts from Club Car. The new leasing arrangements will deliver the club a profitable return on its investment.

Green Options have continued to provide quality service in maintaining the high level of presentation, greens and course surroundings during the extreme drought conditions and then through to and currently with the Covid-19 pandemic. Green Options reduced their contractual arrangements with RGC to ensure the course were maintained. This was a generous offer and one for which the board is eternally grateful.

I would like to acknowledge both the men (veterans) and lady members during the past reporting period. We have seen an increased level of playing from both core groups of members. Your continuous support is vital to the ongoing success of RGC.

There is no doubt Randwick Golf Club has survived the Covid period and is placed in a strong position to resume our normal trading and operational capacity due to the fantastic work and dedication displayed by Darren Buhagiar (Pro) and Kristy Strong (GM) In particular the efforts of the General Manager, whose contribution and attention to detail, ensuring the correct health protocols were established for the benefit of all golfing players, can't be understated!

I would like to pay special mention to Kristy's staff that worked on the course and in the club during this difficult period.

Bay Window has suffered like many businesses within the hospitality sector, however the restaurant has re-opened, and I would encourage the members to support Nik and Laura.

Randwick Council has only offered RGC a lease period of two years which will expire at the end of 2022. We understand that many councils in Sydney are not offering lease periods greater than two year in the Sydney metropolitan area. This significantly affects the clubs strategic planning process for our ongoing survival in a competitive environment.

I would like to thank the Directors for their support during the past twelve months.

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PRESIDENT'S REPORT (CONT.)

Important information re AGM:

The Board had intended to propose Special Resolutions for amendments to the Club's Constitution on the agenda of this Meeting. However due to the likelihood that any Special Resolution will increase the number of members who want to attend this Meeting beyond the Club's allowable capacity under COVID-19 restrictions, the Board will instead call a Special General Meeting to be held as soon as practicable after COVID-19 restrictions have sufficiently eased.

At the time of writing the Special Resolutions to be proposed at this yet unknown date will relate to the following matters:

1. Voting entitlements of 6 Day Members to be aligned with the voting entitlements of 7 Day Members.
2. The Board of Directors to be elected every second year ('biennial elections') instead of every year ('annual elections').
3. Reduction of the number of Directors on the Board from nine Directors to seven Directors.
4. Clarify that if any Director becomes a Deferred Member, he or she will continue to hold office.

On the Board's behalf I apologise for the delay in proposing these Special Resolutions.

Kind Regards

Alex N Smith
President

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CAPTAIN'S REPORT

Hello

Fellow RGC golfers.

As this is my first annual report, I would like to say that I am humbled to have had the opportunity of being your club Captain, which is a privileged position.

I would like to thank our previous Captain Paul Johnstone for his service to the club and his support of the club.

The role is much different to what I had envisaged. I have met so many wonderful members from the Ladies, Vets and the Men in the club that I had not previously met.

Our representative sides continue to deliver terrific results for such a small club. Thank you to the respective Managers, Captains and players for the way you have represented the club.

The course as always is in great condition and many thanks to Green Options for their ongoing commitment to the presentation and playing conditions.

I would like to thank Kristy and her staff for their contributions in co-ordinating the representative teams schedule, ensuring teams enjoy a meal and drinks post golf.

We are the envy of many clubs for the hospitality shown to our visiting clubs, with great meals provided by Bay Window Restaurant. Thank you Nik and Laura.

Congratulations to all the respective Club Champions in 2019. Some of the names are familiar winners, but great to see some new names.

Thank you to all our sponsors for your ongoing support.

Last but not least, much thanks goes to Darren Buhagiar (Pro) for his assistance and support which has been invaluable.

Captain
Matt Gibson.

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TREASURER'S REPORT

Dear members,

For the 12 months to 31 December 2019 the Club reported an EBITDA profit of \$48,640 (2018: \$54,803). Our net trading position after non-cash and interest expenses was a loss of \$82,387 (2018: loss of \$72,532).

Revenue

A summary of our major revenue items;

Revenue Item	2019	2018	Variance
Bar	\$1,325,337	\$1,153,348	+\$171,989
Course	\$ 589,973	\$ 538,070	+\$ 51,903
Subscriptions	\$ 304,515	\$ 303,429	+\$ 1,087
Poker Machines	\$ 111,230	\$ 92,087	+\$ 19,143
Bottle Recycle	\$ 27,542	\$ 20,804	+\$ 6,738

Bar

Our Bar has again performed well with sales increasing by \$171,989. This is a result of continued strong member, visitor and restaurant patronage together with a robust functions trade. Product and price range will remain a focus for Board and Management.

Green Fees

Category	2019	Rounds	2018	Rounds	Variance
Competition	\$206,301	14,427	\$182,470	13,972	\$23,831
Public/Social	\$293,701	16,490	\$215,190	14,015	\$78,511
Total	\$500,002	30,917	\$397,660	27,987	\$102,342

The course went through a major refurbishment works in 2019. The course is in magnificent condition and the members, Public and Social Club patrons have returned after a difficult 2018. We are confident that we will see a bigger increase in the coming year.

Member Subscriptions

This most important source of revenue has held up well considering an industry wide trend of declining golf club membership. Board and Management continue to focus on member retention as well as attracting new members. Total member numbers across all categories decreased slightly from 1,125 to 1,116 (-9).

Subscription revenue since 2014;

2019: \$304,515 2018: \$303,429 2017: \$302,780 2016: \$299,448 2015: 304,341 2014: \$321,041
Total Revenue 2019: \$2.484M (2018: \$2.276M) increased by \$208K.

Expenses;

A summary of our major operating expenses;

Expense	2019	2018	Variance
Course	\$561,006	\$538,357	+\$22,649
Bar COGS	\$511,925	\$441,866	+\$70,059
Employee	\$580,774	\$518,031	+\$62,743
Clubhouse	\$256,964	\$272,426	(\$15,462)
Administration	\$202,434	\$149,039	+\$53,395

As evidenced above the costs of running a golf club is an ongoing challenge. Continued upward pressure on operating costs will remain a key focus for Management and Board. All operating expenses are reviewed regularly with savings measures implemented when able.

Total Expenses 2019: \$2.566M (2018: \$2.348M) increased by \$218K.

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TREASURER'S REPORT (CONT.)

2019 Summary

In February 2020 the Board invited me to fill the role of Honorary Treasurer which became vacant by the resignation of Coralie Owen. By way of background, I have worked in the Financial Services industry for the past 46 years in a number of roles in management and statutory reporting. I retired in July 2018 after 14 years' service with MetLife Insurance Limited as Financial Controller. I hold a Bachelor of Business Degree and a Certified Practising Accountant (CPA).

In 2019 all our revenue 'engines' were firing with Bar, Function, Gaming and Course all up on the corresponding 2018 period. Unfortunately our major operating expenses were also well up on the corresponding period and this will remain a key focus for Management and Board where a full review of all our operating expenses with savings measures implemented when able.

The cost of running a golf club is an ongoing challenge when every time we open our doors we are required to have a minimum number of staff on hand irrespective of how many patrons walk through the door. On many occasions the cost exceeds the revenue. This partly explains our trading position where all of our revenue is spent on running the club. The Board with the cooperation of Management are reviewing all the expenses which are within our control.

Going forward the Board has requested that Management prepare an annual budget each September which shows the revenue and expenses for the following year. The budget is presented to the Board for discussion and approval.

The Club remains lowly geared - our Business Loan with CBA has amortised to a very manageable \$65,848 (2018:\$105,052). The loan will be fully repaid by July 2021. The Club's net asset position remains strong at \$3.544M (2018: \$3.626M).

Post balance date the coronavirus pandemic has had a huge impact on our club with the Bar and Restaurant closed from mid-March until 1 June 2020. The closure has heavily impacted our revenue with the only major source of revenue coming from golf activity. The lifting of the restrictions with limited number of patrons in the clubhouse and adherence to COVID19 protocols will be challenging and potentially costly. The club has applied and received all the government stimulus support such as JobKeeper, Cash Flow Boost and the Small Business Support Grant. This financial support will ease the pressure on our cash flow as a result of COVID19.

The operating environment for the golf club industry remains challenging. A number of golf clubs in Australia have been forced to close and many are in financial distress. A difficult problem faced by the Board and Management is what percentage of increased operating costs do we pass on to our members versus what percentage can the Club absorb. The Club needs to remain financially viable to enable continued investment in the clubhouse and golf course. This will ensure the Club continues to offer our members, guests and the local community a fantastic venue to experience and enjoy.

Thank you

To our club patrons, Michael Daley and Matt Thistlethwaite. Thank you to our sponsors, to all involved with our representative teams and to those who have assisted around the clubhouse, golf course and Friday/Sunday raffles. Thank you to the longstanding Thursday Vets, who have supported the Club for many years.

The club will only survive with the continued patronage of our members and guests, so thank you for your continued support.

To all the trophy winners this year, Congratulations!

And finally, Vale to our departed members.

A J (Tony) Durante
Hon. Treasurer

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LADIES PRESIDENT'S REPORT

Dear Members,

To the ladies Committee of 2019, I would like to thank you for all your support and diligence in carrying out your duties towards the smooth running of the year's competitions and for assisting me and the lady captain Coralie Owen in all the social and community activities that the ladies' committee have undertaken throughout this year.

2019 Ladies Committee Members.

Marilyn Pacitti – President
Lee-Ann Wilson – Vice President
Coralie Owen – Captain
Myee Ralston – Vice Captain
Jennie Langridge - Handicapper
Gail Creighton - Secretary
Hazel Parkes – Treasurer and Sunday Delegate
Committee – Di Reynolds, Kathie Stack, Joanne Walsh, Marie Blake, Chris Lozano.
Randwick VWGA Vets' Delegate – Amanda Moore

Congratulations to all our Representative Teams, Players and Caddies who have represented RGC in the Mixed Pennants, Bronze Team Competitions.

Thank you to all the ladies who represent us in Golf NSW events such as The Pewter Plate, Bronze Medallion, Champions of Champions, etc.

This year we had the privilege of hosting the prestigious Coronation Medal as our Randwick ladies - Sue Wright, Margaret Neeson, Nancy Cave-Olfers and Chris Phibbs won this coveted award in 2018.

Congratulations to our lady captain, Coralie Owen, a host of volunteers and members of our board of directors for the enormous effort in organizing and running this event. Thank you to Hans Schoots and all the members that planted out and maintained the gardens in the lead up to this event. The team spirit of all was amazing.

Congratulations to all our Championship winners.

The 2019 Club Champion was Chris Phibbs

The 2019 Club Champion was Hazel Parkes

Congratulations to all our weekly and club trophy winners this year.

The 2019 Gold Medal winner was Kathie Stack.

Congratulations to Coralie Owen being appointed to RGC's board of Directors as Honorary Treasurer.

Thank you to our VWGA Vets' Delegate, Amanda Moore for the many hours of work keeping this very vital facet of the ladies club up and running smoothly. We not only enjoy our Randwick Vets' calendar of events in conjunction to our Wednesday and Sunday competitions but we enjoy a whole host of events all over NSW through the VWGA of NSW.

I wish to thank Madan Kandara and the board of directors for initiating the task to update and upgrade the Ladies' Honour Boards with the final display above the bar area finally completed in March - April 2019.

We welcomed approximately 12 new ladies into our club. Thank you to Swingfit run by Andrea McGann as some have elected to join us. We hope you enjoy playing at Randwick Golf Club and all its social aspects.

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LADIES PRESIDENT'S REPORT (CONT.)

This year we introduced an open day to the Wednesday calendar which was very successful. We plan to have more in 2020 hoping to attract new members and patronage to the club.

2019 Charity Day event was dedicated to Melanoma Institute Australia raising approximately \$15,500.00.
Thank you to all our members, local businesses, club sponsors, Board of Directors, Club's Management team, Darren Buhagiar our pro and all the ladies that played and gave so generously to make this day so successful!

In September, 40 of our lady members enjoyed our annual two day trip away to Kooindah Waters on the Central Coast. They played for the coveted Green Jacket. 2019 Winner was Rosiland Walsh.

On behalf of my committee and all our lady members , I wish to gratefully thank the Randwick Board of Directors, the Management team under Kristy Strong , The Bay Window Restaurant and their staff, Darren Buhagiar our pro and the bar staff for their co-operation and help during the year. We greatly appreciate and always welcome your support and encouragement in the running of the ladies' club.

Finally, may I say that our course is looking the best it's ever been. Well Done - to the lads at Green Options and to the Match and Greens committee.

Marilyn Pacitti
Lady President

Office Bearers for 2020.

Nominations were received for 12 positions, and they were unopposed.

President	Marilyn Pacitti
Vice- President	Di Reynolds
Captain	Coralie Owen
Vice Captain	Joanne Walsh
Handicapper	Jennie Langridge
Secretary	Gail Creighton
Treasurer	Hazel Parkes
Sunday Delegate	Hazel Parkes

Committee

Marie Blake
Chris Lozano
Margaret Fitzgerald
Phalika Cheang
Dell Macris
Randwick VWGA Vets' Delegate - Amanda Moore.

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GENERAL MANAGER'S REPORT

Dear Members,

As at 31st December 2019 I had held the position of General Manager for approximately 7 months. My vision for Randwick Golf Club was simple – improve operating functions, uphold the current benefits/facilities for Member's to continue to enjoy, manage a competent team of staff and learn more about our Course and Golf. The transition from Marketing and Events Manager to General Manager was the easy part – Golf was the real challenge!

In 2019 we saw the installation of the new Micropower Accounting Software which links directly to our Point of Sales in the Pro Shop and Bar. I would like to thank Mr Jason Seagg of Golf Technology Solutions for his services in 2019. Jason is a Consultant who oversaw the implementation of the Micropower Accounting Software and introduced several other new and positive relationships and procedures to Randwick Golf Club.

The new software meant that we had good control over all of the transactions and could minimise the amount of people involved in the reconciliation process. In August 2019 we moved away from the external accountant and employed our Bookkeeper, Maria Kypreos. Maria and I work closely to manage all of the accounting in house.

Our Membership remained strong in 2019. We processed 79 new golfing Memberships. I would like to thank our influx of Botany Members who came over to RGC. It seems our Membership Special and great personalities were too much for the men and women from Botany Golf Club to resist and many of them joined us here at Randwick Golf Club when their clubhouse had unfortunately closed.

Our relationship with our two main Contractors – Green Options and Bay Window remained, as always, strong and positive for 2019 and we look forward to continuing this into 2020 and beyond.

The ever increasing popularity of our 'Sunday Sessions' and Functions saw us enjoy another increase in bar sales and room hire for 2019. It seems we may not enjoy the same figures for 2020 with the COVID-19 Pandemic but we are looking forward to returning to our new normal as restrictions continue to ease.

In early 2019 Randwick Golf Club was approached regarding a development opportunity. An information night was held for the Members by the Board and Consultants who, on behalf of the developer, presented their vision for the Randwick Golf Club. It was explained that the development would likely include over 55 accommodation units, restaurant/café, bar/clubhouse, locker rooms, Pro Shop, Admin Office and underground parking. As at 31st December 2019 this proposal had not yet been voted on.

In 2019 we are acutely aware of the looming expiry date of our lease (31st December 2020). The President and I have had dialogue with Randwick Council, with our primary focus on securing an extension to our current arrangements. At this time the Council are unwilling to extend our lease beyond two years, which is of great concern. We have seen recently that Sydney Council approve to reclaim a number of holes at Moore Park GC to extend walkway facilities for Centennial Park.

Randwick GC has received correspondence from Randwick City Council, which clearly indicates their intentions for the land to be more user friendly for walkers and more open recreation opportunities. Just recently I have had Consultants for Randwick City Council sending me numerous emails asking things like:

"In your opinion, what do you see as your club's role in providing open space and recreation opportunities within the region and to Randwick residents?"

And

"Have you ever considered how your golf course might be able to increase public access? Do you have any concerns or opportunities around this?"

Questions like these do raise some concerns about what Randwick City Councils intentions really are for Randwick Golf Course in two years time. As always, I will keep members up to date as we march quickly towards that December deadline.

I would like to thank The Board and The Members for their support and advice. Also many thanks to my team and our Golf Professional, Darren Buhagiar. It has been a great pleasure working with you all in 2019.

Kristy Strong
General Manager

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71th ANNUAL REPORT – 31ST DECEMBER 2019

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This financial report covers Randwick Golf Club Ltd as an individual entity.
Randwick Golf Club Ltd is a company limited by guarantee, incorporated and domiciled in Australia.
Its registered office and principal place of business is:

Randwick Golf Club Ltd
Howe Street
MALABAR NSW 2036

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DIRECTORS' REPORT

Your Directors present their report on the Club for the year ended 31st December 2019.

NAME OF DIRECTORS

The following persons were directors of the Club during the whole of the financial year and up to the date of this report:

* M. Kandara	* C. McMahon	+ H. Schoots
* D. Simmons	* I. Russell	+ M. Endicott
** M. Rankin	* P. Johnstone	+ M. Feehan
A. Smith	G. Haines	+ M. Gibson
*** C. Owen	+ **** B. Toms	++ A. Durante

+ Appointed 7th May 2019

++ Appointed 26th February 2020

* Resigned 7th May 2019

** Resigned 27th August 2019

*** Resigned 28th January 2020

**** Resigned 25th February 2020

COMPANY SECRETARY

Kristy Strong has been appointed on a trial basis as General Manager as of 27th March 2019. Ms Strong has had 21 years in the Industry and holds the following qualifications: RSA and RCG licenses.

PRINCIPAL ACTIVITIES

The Club's principal continuing activity during the year consisted of the conduct and promotion of a licensed golf and social club for the members and their guests.

DIVIDENDS

Under the Club's Constitution, there is no provision for the payment of dividends.

RESULTS

The Loss for the year was \$82,387 (2018: Loss: \$72,532) after charging Depreciation and Amortisation of \$117,218 (2018: \$114,019).

MEMBERSHIP SUBSCRIPTION

	<u>2019</u>	<u>2018</u>
7 Day	273	249
6 Day	186	198
Junior	27	31
Life	5	5
Social	592	610
Colt	22	19
Country	5	8
Deferred	3	2
Honorary	3	3
	<u>1,116</u>	<u>1,125</u>

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DIRECTORS' REPORT (continued)

REVIEW OF OPERATIONS

Movements in significant items of revenue are as follows:

	<u>2019</u>	<u>2018</u>	<u>(Decrease)/</u> <u>Increase</u>	<u>Percentage</u>
Poker Machine Net Clearances	111,229	92,087	19,142	20.79
Bar Sales Revenue	1,325,337	1,153,348	171,989	14.91
Subscriptions	304,784	303,429	1,355	0.45

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the state of affairs of the club during the financial year.

SUBSEQUENT EVENTS

The COVID-19 outbreak has developed rapidly in 2020, with a significant number of infections. Measures taken by various governments to contain the virus have affected economic activity. We have taken a number of measures to monitor and prevent the effects of the COVID-19 virus such safety and health measures for our people like social distancing for our golfers and the closure of the clubhouse. At this stage, the impact on our business and results is not significant. We will continue to follow the government's guidelines and advice and in parallel will do our utmost to continue our operations in the best and safest way possible without jeopardising the health of our people.

GOING CONCERN

In the current situation there's no material uncertainty about the club's ability to continue as a going concern. Whilst uncertain, we do not believe, however, that the impact of the COVID-19 virus would have a material adverse effect on our financial condition or liquidity. For the period ended 31 May 2020 the club's financial position and prospects remain sound.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

No matter or circumstances has arisen since 31st December 2019 that has significantly affected, or may significantly affect:

- (a) the company's operation in future financial year, or
- (b) the results of those operations in future financial years, or
- (c) the company's state of affairs in future financial years.

FUTURE DEVELOPMENTS

It is intended to continue the company activities on a similar basis to previous years. Improvements will be carried out consistently with a conservative utilization of available funds and taking into consideration the Club's Strategic Plan. Economic conditions play a major role in the Company's performance.

ENVIRONMENTAL REGULATION

The company is not subject to significant environmental regulation in respect of its principal activities.

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DIRECTORS' REPORT (continued)

INFORMATION ON DIRECTORS

<u>Director</u>	<u>Position</u>	<u>Years of Service</u>	<u>Occupation</u>	<u>Special Responsibilities</u>
A. Smith	President	6	Company Director	Executive, Match & Greens
M. Gibson	Captain	1	Public Servant	Executive, Golf Delegate, Match and Greens
M. Feehan	Vice President	1	Company Director	Executive and Finance
A. Durante	Treasurer	1	Retired Finance Executive	Treasurer
G. Haines	Director	5	Chemical Plant Technician	Match & Greens
B. Toms	Director	1	Fleet Coordinator	Match and Greens
M. Rankin	Director	5	Technical Sales Representative	Marketing
H. Schoots	Director	1	Company Director	Match and Greens
M. Endicott	Director	1	Company Director	Match and Greens
M. Kandara	Director	4	Lifestyle and Sports Mentor	Chairman, Executive, Finance & Membership, Match & Greens, Marketing
P. Johnstone	Director	10	Chief Superintendent Capability Management	Executive, Match & Greens, Golf Delegate
D. Simmons	Director	6	Manager for Corporate and Commercial Banking - ANZ Bank	Executive, Finance & Membership
C. McMahon	Director	2	Firefighter	Greens and Match
I. Russell	Director	2	Firefighter	Marketing
C. Owen	Director	3	Retired	Finance & Membership, Marketing

MEETING OF DIRECTORS

The numbers of meetings of the company's board of directors and of each board committee held during the year ended 31st December 2019, and the numbers of meetings attended by each director were:

	<u>Board Meetings</u>	
	<u>Number of Meetings Attended</u>	<u>Number of Meetings Held</u>
A. Smith	12	12
M. Gibson	7	8
M. Feehan	8	8
C. Owen	12	12
G. Haines	10	12
B. Toms	7	8
M. Rankin	4	8
H. Schoots	6	8
M. Endicott	5	8
M. Kandara	4	4
P. Johnstone	3	4
D. Simmons	3	4
C. McMahon	3	4
I. Russell	3	4

RANDWICK GOLF CLUB LTD
ABN: 99 000 083 143
(A Company Limited by Guarantee)

DIRECTORS' REPORT (continued)

INSURANCE OF OFFICERS

During the financial year, Randwick Golf Club Ltd paid a premium of \$2,810.30 to insure the directors and secretary of the company. The liabilities insured are costs and expenses that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the company.

OBJECTIVES

SHORT TERM

To provide a social sporting club for members and guests, with the usual facilities of a club, to promote the game of golf to both children and adults and providing a meeting place for community groups.

LONG TERM

To maintain and upgrade facilities to attract new golf and social members to enjoy the facilities of the Club and to increase our involvement with community groups.

Principal strategies for achieving the objectives include:

- Encouraging the participation of Golf members in Golf NSW events.
- Attracting new golfers and retaining existing golf members by offering the best playing facilities possible.
- Fostering a fraternal feeling amongst golfers to preserve and promote the best traditions in the game of golf.
- Marketing the advantages of membership of the club.
- Striving to provide a high standard of customer service.
- Pursuing new marketing initiatives.
- Providing the members and the local community with a Club House which offers excellent food and a friendly atmosphere.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the company, or to 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 part of those proceedings.

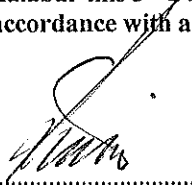
No proceedings have been brought or intervened in on behalf of the company which leave of the Court under section 237 of the *Corporations Act 2001*.

AUDITOR'S INDEPENDENT DECLARATION

The Auditor's Independent Declaration for the year ended 31st December 2019 has been received and can be found on page 16 of this report.

Dated at Malabar this 3rd Day of July 2020

Signed in accordance with a resolution of the Directors



.....
ALEX SMITH
Director



.....
ANTHONY DURANTE
Director

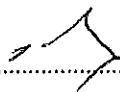
RANDWICK GOLF CLUB LTD
ABN: 99 000 083 143
(A Company Limited by Guarantee)

AUDITOR'S INDEPENDENT DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF RANDWICK GOLF CLUB LTD

I declare to the best of my knowledge and belief that during the year ended 31st December 2019 there has been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

DATED AT SYDNEY
THIS 2ND DAY OF
JULY 2020



.....

HARLEY, RUSSELL & DAY
Chartered Accountants

GARRY WILLIAM DAY
Registered Company Auditor

RANDWICK GOLF CLUB LTD

ABN: 99 000 083 143

(A Company Limited by Guarantee)

STATEMENT OF PROFIT & LOSS ACCOUNT
AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST DECEMBER 2019

	Notes	2019 \$	2018 \$
REVENUE			
Revenue from sale of goods	2	1,325,337	1,153,348
Revenue from rendering of services	2	713,189	645,405
Other Revenue from ordinary activities	2	482,778	476,774
Total Revenue from ordinary activities		<u>2,521,304</u>	<u>2,275,527</u>
EXPENSES			
Cost of Sales	3	(511,925)	(441,866)
Directors' expenses		(1,037)	(2,064)
Employees Benefits expenses		(574,662)	(518,031)
Members amenities		(57,212)	(68,167)
Contractor - Course		(431,704)	(423,240)
Legal and consultancy fees		(73,929)	(10,395)
Poker machine licences and taxes		(2,640)	(2,640)
Occupancy expenses		(256,568)	(97,464)
Other expenses from ordinary activities		(562,990)	(656,857)
Total expenses		<u>(2,472,667)</u>	<u>(2,220,724)</u>
Earning before borrowing costs, tax, depreciation and amortisation		48,637	54,803
Depreciation and amortisation	3	(117,218)	(114,019)
Borrowing Costs	3	(13,806)	(13,316)
Total Comprehensive Profit for the year		<u>(82,387)</u>	<u>(72,532)</u>
Income Tax Expense		-	-
Total Comprehensive Income for the year attributable to members		<u>(82,387)</u>	<u>(72,532)</u>

The above statement of Financial Performance should be read in conjunction with the accompanying notes.

RANDWICK GOLF CLUB LTD

ABN: 99 000 083 143

(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL POSITION

AS AT 31ST DECEMBER 2019

	Notes	2019 \$	2018 \$
Current assets			
Cash Assets	6	6,870	27,600
Receivables		2,186	5,750
Inventories	7	20,535	62,430
Other	8	<u>60,013</u>	<u>59,040</u>
Total Current Assets		<u>89,604</u>	<u>154,820</u>
Non-current assets			
Property, Plant & Equipment	9	<u>4,003,533</u>	<u>4,077,576</u>
Total Non-Current Assets		<u>4,003,533</u>	<u>4,077,576</u>
Total Assets		<u>4,093,137</u>	<u>4,232,396</u>
Current liabilities			
Payables	10,14	215,713	240,978
Provisions	11	57,462	12,818
Interest Bearing Liabilities	13	49,200	107,592
Other	12	<u>191,118</u>	<u>173,706</u>
Total Current Liabilities		<u>513,493</u>	<u>535,094</u>
Non-current liabilities			
Provisions	21	14,487	10,554
Interest bearing liabilities	13	<u>21,288</u>	<u>60,492</u>
Total Non-Current Liabilities		<u>35,775</u>	<u>71,046</u>
Total liabilities		<u>549,268</u>	<u>606,140</u>
Net Assets		<u>3,543,869</u>	<u>3,626,256</u>
Equity			
Reserves	15	2,111,587	2,111,587
Retained profits	15	<u>1,432,282</u>	<u>1,514,669</u>
Total Equity	16	<u>3,543,869</u>	<u>3,626,256</u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

RANDWICK GOLF CLUB LTD

ABN: 99 000 083 143

(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER 2019

	Notes	2019 \$	2018 \$
Cash flows from operating activities			
Receipts from customers		2,735,659	2,502,348
Payments to suppliers and employees		(2,615,717)	(2,479,616)
		<u>119,942</u>	<u>22,732</u>
Interest received		99	359
Net cash inflow (outflow) from operating activities		<u>120,041</u>	<u>23,091</u>
Cash flows from investing activities			
Net amount for property, plant and equipment after write down of assets		<u>(43,175)</u>	<u>(51,377)</u>
Net cash inflow (outflow) from investing activities		<u>(43,175)</u>	<u>(51,377)</u>
Cash flows from financing activities			
Increase in borrowings		-	63,034
Repayment of borrowings		<u>(97,596)</u>	<u>(115,847)</u>
Net cash inflow (outflow) from financing activities		<u>(97,596)</u>	<u>(52,813)</u>
Net increase (decrease) in cash held		27,600	108,699
Cash at the beginning of the financial year		6,870	27,600
Cash at the end of the financial year	6	<u>(20,730)</u>	<u>(81,099)</u>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

RANDWICK GOLF CLUB LTD
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(A Company Limited by Guarantee)

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2019

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

BASIS OF PREPARATION

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure requirements and interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001. These financial statements do not comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

ADOPTION OF NEW AUSTRALIAN ACCOUNTING STANDARDS

The Club has elected to apply the following pronouncements to the annual reporting period beginning 1 July 2011:

- AASB 1053 application of *Tiers of Australian Accounting Standards* and AASB 2010-2 *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements*.

The early adoption of AASB 1053 enables the Club to be part of the Tier 2 reporting requirements for general purpose financial statements. The Tier 2 reporting framework comprises the recognition and measurement requirements of Tier 1 but substantially reduced disclosure requirements. The Club is eligible to adopt the new Australian Accounting Standards - Reduced Disclosure Requirements and has adopted the requirements of the standard effective for the financial year ended 31st December 2011.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

a) REVENUE RECOGNITION

Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid. Revenue is recognised for the major business activities as follows:

- I. Bar trading, Gaming operations, Competition fees, Social functions*
Revenue is recognised as received.
- II. Membership income*
Subscription income is recognised in the profit and loss on a monthly basis to ensure the revenue is correctly allocated to the correct period. Levy income is recognised in the profit and loss as and when received.
- III. Interest income*
Revenue is recognised as it accrues.
- IV. Sale of non-current assets*
Revenue represents the gross sales proceeds of the asset. The net gain or loss on disposal is brought to account at the date an unconditional contract of sale is entered into.

b) INVENTORIES

Inventories consist of finished goods which are stated at cost.

c) RECOVERABLE AMOUNT OF NON-CURRENT ASSETS

The recoverable amount of an asset is the net amount expected to be recovered through the cash inflows and outflows arising from its continued use and subsequent disposal.

RANDWICK GOLF CLUB LTD
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(A Company Limited by Guarantee)

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER, 2019

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont)

Where the carrying amount of a non-current asset is greater than its recoverable amount, the asset is written down to its recoverable amount. The decrement in the carrying amount is recognised as an expense in net profit or loss in the reporting period in which the recoverable amount write-down occurs.

d) REVALUATIONS OF NON-CURRENT ASSETS

Subsequent the initial recognition as an asset, land is measured at fair value being the amounts for which the asset could be exchanged between willing parties in an arm's length transaction. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from its fair value at the reporting date. Annual assessments are made by the directors, supplemented by independent assessments at least every three years.

Revaluation increments are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement previously recognised as an expense in net profit or loss, the increment is recognised immediately as revenue in net profit or loss. Revaluation decrements are recognised immediately as expenses in net profit or loss except that, to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of assets, they are debited directly to the asset revaluation reserve.

Revaluations do not result in the carrying value of land exceeding its recoverable amount.

Buildings are measured at cost.

e) DEPRECIATION OF PROPERTY, PLANT AND EQUIPMENT

Depreciation is calculated on a straight line basis to write off the net cost or revalued amount of each item of property, plant and equipment (excluding freehold land) over its expected useful life. The exception is glassware, crockery and cutlery which is expensed in the year of purchase. Estimates of remaining useful lives are made on a regular basis for all assets, with annual reassessments for major items. The expected useful lives are as follows:

<u>Category</u>	<u>Useful life</u>	<u>Depreciation basis</u>
Buildings	40 years	straight line
Plant and equipment	5 years	diminishing value

f) GOLF COURSE IMPROVEMENTS

The cost of improvements to the golf course are capitalized and amortised over a period of 5 years.

g) TRADE AND OTHER CREDITORS

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

h) INTEREST BEARING LIABILITIES

Loans are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period it becomes due and is recorded as part of trade creditors.

i) MAINTENANCE AND REPAIRS

The costs of maintenance, repair costs and minor renewals are charged as expenses are incurred.

j) EMPLOYEE BENEFITS

1. Wages and salaries, annual leave and sick leave

RANDWICK GOLF CLUB LTD
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NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER, 2019

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont)

Liabilities for wages and salaries, annual leave and sick leave are recognized, and are measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date.

II. Long service leave

A liability for long service leave is recognized for all employees of the club with five years or more service. No adjustment is made for inflation of wage rates or discounting of expected future payments as the net effect is not expected to be material.

III. Superannuation

A liability for unpaid superannuation contributions at balance date is brought to account for all employees.

IV. Employee benefit on-costs

Employee benefit on-costs, including payroll tax, are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities.

k) BORROWING COSTS

Borrowing costs are recognised as expenses in the period in which they are incurred. Borrowing costs include interest on bank overdrafts and short-term and long-term borrowings.

l) CASH

For purposes of the statement of cash flows, cash includes deposits at call which are readily convertible to cash on hand and are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts.

m) GOODS & SERVICE TAX

Revenues, expenses and assets are recognised net of the amount of goods and services tax (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.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis.

RANDWICK GOLF CLUB LTD

ABN: 99 000 083 143

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2019

	2019	2018
	\$	\$
Note 2. <u>Revenue from Continuing Operations</u>		
Operating Activities		
<u>Sale of Goods Revenue</u>		
Bar Sales	<u>1,325,337</u>	<u>1,153,348</u>
<u>Rendering Services Revenue</u>		
Golf	589,973	538,070
Poker Machines	111,229	92,087
Keno	<u>11,987</u>	<u>15,248</u>
	<u>713,189</u>	<u>645,405</u>
<u>Ordinary Activities .. Other Revenue</u>		
Donations	1,000	-
Commissions	119	388
Interest Received	99	359
Other Income	267	7,038
Raffle Takings	31,184	33,008
ATM Fees	6,931	3,448
Rent Bottle Recycle	27,949	20,804
Rent - Catering	70,252	62,573
Room Hire Fees	40,193	37,362
Sponsorships	-	8,365
Subscriptions	<u>304,784</u>	<u>303,429</u>
	<u>482,778</u>	<u>476,774</u>
Total Revenue from Continuing Operations	<u><u>2,521,304</u></u>	<u><u>2,275,527</u></u>
Note 3. <u>Expenses from Operating Activities</u>		
Cost of goods sold - Bar	511,925	441,866
Finance cost - Bank interest	13,806	13,316
Amortisation - Course	12,770	10,524
Depreciation	104,448	103,495

RANDWICK GOLF CLUB LTD

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(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2019

Note 4. Segment information

The club operates primarily in one industry. The principal activity of the club is the conduct and promotion of a licensed golf and social club for members and their guests. The club operates in one geographical area being Malabar, New South Wales.

Note 5. Income tax

The Club has received confirmation that its income is exempt from income tax in terms of Section 50 [45] of the Income Tax Assessment Act (1997) and accordingly the club is not subject to income tax results for the year ended 31st December 2019.

	2019	2018
	\$	\$
Note 6. Current assets - Cash assets		
Cash at bank and on hand	51,042	38,379
Call Deposit - Business Online Saver	<u>22,792</u>	<u>20,060</u>
	<u>73,834</u>	<u>58,439</u>
The above figures are reconciled at the end of the financial year as shown in the statement of cash flows as follows:		
Balances as above	73,834	58,439
Less: Bank overdrafts	<u>(66,964)</u>	<u>(30,839)</u>
Balances as per statement of cash flows	<u>6,870</u>	<u>27,600</u>
Note 7. Current assets - Inventories		
Finished goods - at cost	<u>20,535</u>	<u>62,430</u>
Aggregate carrying amount of inventories		
Current - as above	<u>20,535</u>	<u>62,430</u>
Note 8. Current assets - Other		
Prepayments	<u>60,013</u>	<u>59,040</u>
	<u>60,013</u>	<u>59,040</u>

RANDWICK GOLF CLUB LTD
ABN: 99 000 083 143
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2019

	2019	2018
	\$	\$
Note 9. Non-current assets - Property, plant & equipment		
Land & building		
Freehold land - at valuation	<u>2,200,000</u>	<u>2,200,000</u>
Buildings - at cost	2,873,961	2,858,182
Less: Accumulated depreciation	<u>(1,318,083)</u>	<u>(1,240,009)</u>
	<u>1,555,878</u>	<u>1,618,173</u>
Total land & buildings	<u>3,755,878</u>	<u>3,818,173</u>
Plant & equipment		
Plant & equipment - at cost	646,537	629,358
Less: Accumulated depreciation	<u>(546,014)</u>	<u>(529,857)</u>
	<u>100,523</u>	<u>99,501</u>
Course improvements - at cost	577,834	577,834
Less: Accumulated amortisation	<u>(430,702)</u>	<u>(417,932)</u>
	<u>147,132</u>	<u>159,902</u>
Total plant & equipment	<u>247,655</u>	<u>259,403</u>
	<u>4,003,533</u>	<u>4,077,576</u>

Valuation of land & buildings

The basis of valuation of land is fair value being the amounts for which the asset could be exchanged between willing parties in an arm's length transaction. The latest revaluation was a directors' valuation based on the Valuer General's Office Notice of Valuation as at 1 July 2015. The latest valuation by the Valuer General's Office Notice of Valuation as at 1 July 2019 showed a land value of \$2,310,000.

Core Assets

The club house Land and Buildings and main car park are owned by the club, these are considered core assets as defined under the Registered Clubs Act 1976 Section 41J.

	Land	Buildings	Course Improvements	Plant & Equipment	Total
	\$	\$	\$	\$	\$
Carrying amount at 1 January 2019	2,200,000	1,618,173	159,902	99,501	4,077,576
Additions	-	-	-	43,426	43,426
Loss on Disposal of Assets	-	(251)	-	-	(251)
Depreciation/Amortisation expense	-	(62,044)	(12,770)	(42,404)	(117,218)
Carrying amount at 31 December 2019	<u>2,200,000</u>	<u>1,555,878</u>	<u>147,132</u>	<u>100,523</u>	<u>4,003,533</u>

RANDWICK GOLF CLUB LTD

ABN: 99 000 083 143

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2019

	2019	2018
	\$	\$
Note 10. Current liabilities - Payables		
Trade creditors	215,713	240,978
	<u>215,713</u>	<u>240,978</u>
Note 11. Current liabilities - Provisions		
Provision for Course Sinking Fund	19,115	3,504
Provision for Employee Entitlements (Note 21)	14,730	9,314
Provision for Water Fund	23,617	-
	<u>57,462</u>	<u>12,818</u>
Note 12. Current liabilities - Other		
Unsecured		
Subscriptions in advance	141,942	121,316
Functions and House Account	4,920	22,306
Accruals	9,000	30,084
House Account	6,240	-
Other	29,016	-
	<u>191,118</u>	<u>173,706</u>
Note 13. Interest Bearing Liabilities		
Current Liabilities		
Deferred Payments	4,640	20,040
Insurance Funding	-	42,992
Bank Loan Repayments	44,560	44,560
	<u>49,200</u>	<u>107,592</u>
Bank Borrowings		
Current Liability	44,560	44,560
Non-current Liability	21,288	60,492
	<u>65,848</u>	<u>105,052</u>
Secured		
Bank loan	65,848	105,052
Secured liabilities		
Total secured liabilities (current and non-current) are:		
Bank overdraft and bank loan	<u>65,848</u>	<u>105,052</u>
Total secured liabilities	<u>65,848</u>	<u>105,052</u>

The bank loans and overdraft are secured by first mortgages over the club's freehold land and buildings.

On this basis principal & interest payments were calculated on this loan balance being the new contractual loan amount over the remaining loan term then of 8 yrs. 2 months with loan maturing 21/7/2021. Current Interest Rate 3.56%

RANDWICK GOLF CLUB LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2019

	2019	2018
	\$	\$
Note 13. Interest bearing liabilities (continued)		
Assets pledged as security		
The carrying amounts of non-current assets pledged as security are:		
First mortgage		
Freehold land and buildings	<u>3,755,878</u>	<u>3,818,173</u>
Total non-current assets pledged as security	<u>3,755,878</u>	<u>3,818,173</u>
Total assets pledged as security	<u><u>3,755,878</u></u>	<u><u>3,818,173</u></u>
Bank Overdraft		
Total facilities	280,000	280,000
Used at balance date	<u>-</u>	<u>-</u>
Balance of Facility	<u><u>280,000</u></u>	<u><u>280,000</u></u>
Bank loan facilities		
Total facilities	762,360	762,360
Used at balance date	<u>(65,848)</u>	<u>(105,052)</u>
Unused at balance date	<u><u>696,512</u></u>	<u><u>657,308</u></u>
The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time.		
The current interest rate is 4.71% (2018: 7.13%) on the overdraft facility of \$280,000. For the bank loan 3.56% (2018: 6.17%).		
Note 14. Current liabilities - Trade & Other Payables		
GST Liability	1,649	5,457
Trade Creditors	<u>214,064</u>	<u>235,521</u>
	<u><u>215,713</u></u>	<u><u>240,978</u></u>

RANDWICK GOLF CLUB LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2019

	2019	2018
	\$	\$
Note 15. Reserves and retained profits		
(a) Reserves		
Asset revaluation reserve	<u>2,111,587</u>	<u>2,111,587</u>
(b) Retained profits		
Retained profits at the beginning of the financial year	1,514,669	1,587,201
Net/(Loss) profit attributable to members of Randwick Golf Club Ltd	(82,387)	(72,532)
Retained profits at the end of the financial year	<u>1,432,282</u>	<u>1,514,669</u>
(c) Nature and purpose of reserves		
Asset revaluation reserve		
The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets, as described in note 1(d).		
Note 16. Equity		
Total equity at the beginning of the financial year	3,626,256	3,698,788
Total changes in equity recognised in the statement of financial performance	(82,387)	(72,532)
Asset Revaluation	<u>3,543,869</u>	<u>3,626,256</u>
Total equity at the end of the financial year	<u>3,543,869</u>	<u>3,626,256</u>

Note 17. Members' guarantee

The club is a company limited by guarantee. If the club is wound up, the Constitution states that each member is required to contribute a maximum of \$2 each towards meeting any outstanding obligations of the club. At 31st December 2019 the number of members was 1,116 (2018: 1,125).

Note 18. Dividends

Under the club's Constitution, there is no provision for the payment of dividends.

RANDWICK GOLF CLUB LTD

ABN: 99 000 083 143

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2019**

	2019	2018
	\$	\$
Note 19.		
Contingent liabilities and contingent assets		
Your Directors are of the opinion that there are no contingent liabilities at the date of this report.	<u>-</u>	<u>-</u>
Note 20.		
Commitments for capital contracted expenditure		
The following future contracted capital expenditure was:		
(i) Course maintenance Green Options		
Current	474,875	474,875
Non-Current	482,473	484,372
	<u>957,348</u>	<u>959,247</u>
Contract expires on December 2020.		
Note 21.		
Employee benefits		
Employee benefit and related on-costs liabilities		
Provision for Annual Leave	14,730	9,314
Provision for Long Service Leave	14,487	10,554
	<u>29,217</u>	<u>19,868</u>
Aggregate employee benefit and related on-costs liabilities.	<u>29,217</u>	<u>19,868</u>
Employee numbers		
Average number of employees during the financial year.	<u>20</u>	<u>12</u>
Note 22.		
Related parties		
Directors		
The names of persons who were directors of the club at any time during the financial year are as follows:		
M. Kandara, C. McMahon, H. Schoots, D. Simmons, I. Russell, M. Endicott, M. Rankin, P. Johnstone, M. Feehan, A. Smith, G. Haines, M. Gibson, C. Owen, B. Toms, A. Durante.		
	2019	2018
	\$	\$
Transactions with directors		
No transaction occurred during the year with related parties.		
No remuneration was paid to any director of the club.		
The following amount was paid to directors for expenses which was with approval at the Annual General Meeting.	<u>1,037</u>	<u>2,064</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2019

Note 23. **Events occurring after reporting date**
 No significant events have occurred since 31st December 2019 which require disclosure in this financial report.

Note 24. **Reconciliation of profit / (loss) from ordinary activities after income tax to net cash inflow from operating activities**

	2019	2018
	\$	\$
Profit / (loss) from ordinary activities after income tax	(82,387)	(72,532)
Depreciation and amortisation	117,218	114,019
Loss on disposal of assets	-	-
Change in operating assets and liabilities		
(Increase)/Decrease in inventories	41,895	(15,162)
(Increase)/Decrease in receivables	3,564	(533)
Increase/(Decrease) in accruals	(21,084)	(6,035)
Increase/(Decrease) in provision for water fund	23,617	-
Increase/(Decrease) in other	29,016	-
(Increase)/Decrease in prepayments	(973)	6,350
Increase/(Decrease) in trade creditors	(25,265)	44,340
Increase/(Decrease) in subscriptions in advance	20,626	(27,852)
Increase/(Decrease) in provision for course sinking fund	15,611	(22,386)
Increase/(Decrease) in deposits & house account	(11,146)	11,478
Increase/(Decrease) in provision for employees entitlements	9,349	(8,596)
Net cash inflow from operating activities	<u>120,041</u>	<u>23,091</u>

Note 25. **The Registered Clubs Act 1976**

The reporting requirements under Section 41 of the Registered Clubs Act have been complied with and any member wishing to inspect the registers required to be kept under the act, can sight them on request.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2019

Note 26. **Key Management Personnel Compensation**

(a) **Key Management Personnel**

Names and positions held of key management in office at any time during the financial year are:

M. Kandara	C. McMahon	H. Schoots
D. Simmons	I. Russell	M. Endicott
M. Rankin	P. Johnstone	M. Feehan
A. Smith	G. Haines	M. Gibson
C. Owen	B. Toms	A. Durante

(b) **Other Key Management Personnel**

Name	Position
Kristy Strong	General Manager

(c) **Key Management Personnel Compensation**

	2019	2018
	\$	\$
Short term employee benefits	<u>131,017</u>	<u>106,532</u>

Note 27.

Key Performance Indicators

	2019	2018
	%	%
Bar		
Gross profit	61.37	61.69
Percentage to total revenue	32.26	31.27
Poker machine		
Percentage to total revenue	4.47	4.05
Employee benefits - percentage of total revenue	22.79	22.77
EBITDAD percentage on Equity	0.98	1.14

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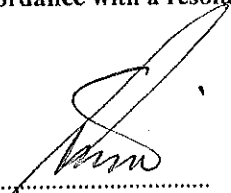
DIRECTOR'S DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 12 to 31 are in accordance with the Corporations Act 2001:
 - (a) comply with Accounting Standards - Reduced Disclosure Requirements and the Corporations Regulations 2001; and
 - (b) give true and fair view of the financial position of the company as at 31st December 2019 and of the performance for the year ended on that date;
2. 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.

Dated at Malabar this 3rd day of July 2020
in accordance with a resolution of the Directors


.....
ALEX SMITH
Director


.....
ANTHONY DURANTE
Director

RANDWICK GOLF CLUB LTD
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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Randwick Golf Club Limited (the Company), which comprises the statement of financial position as at 31st December 2019, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of Randwick 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 31st December 2019, and of its financial performance for the year then ended; and
- (b) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section set out under Auditing Standard ASA 700. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Audit Qualification

At this date of signing the report, Randwick Golf Club Limited's golf course lease with the Randwick City Council will expire on the 31st December 2020. At present no new lease has been entered into but in a meeting with Randwick City Council they indicated that a new lease will be issued. In the event that a new lease cannot be effected, the realization value of the plant and equipment may not realise their book value. We cannot form an opinion on the amount they would realise. The continuity of Randwick Golf Club Limited as a going concern will be dependent on the Company having a new lease over the golf course.

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS (continued)

Emphasis of Matter

As set out in the Directors Report in respect to COVID-19, there is an uncertainty that the Company can continue as a going concern.

Other Information

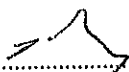
The directors are responsible for the other information. The other information comprises the information contained in the Randwick Golf Club Annual Report (but does not include the financial report and our auditor's report thereon).

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

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

Based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is no material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

DATED AT SYDNEY
THIS 6TH DAY OF
JULY 2020


.....
HARLEY, RUSSELL & DAY
Chartered Accountant

GARRY WILLIAM DAY
Registered Company Auditor