

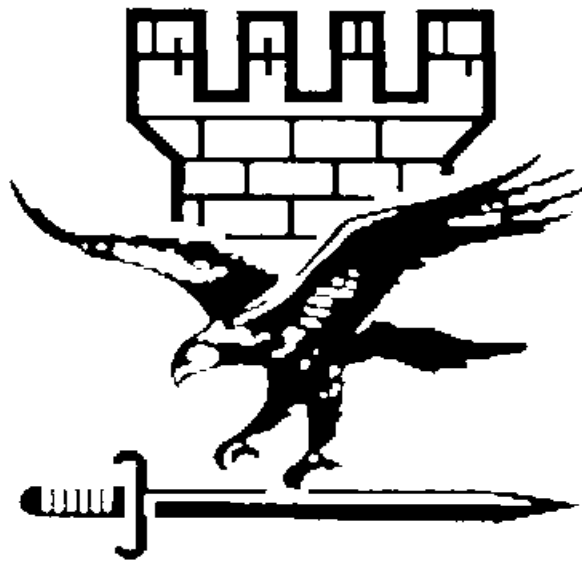


Carnarvon Golf Club Limited
ABN: 57 000 854 544

Carnarvon Golf Club 44th Annual Report

Year ended 31st January, 2014 - for presentation at the
Annual General Meeting

Wednesday, 16th April 2014 at 7.30pm



Carnarvon Golf Club Limited
ACN: 000 854 544
65-95 Nottinghill Road, Lidcombe NSW 2141
Telephone: (02) 9649 6255

www.carnarvongolf.com.au
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Carnarvon Golf Club Limited
ABN: 57 000 854 544

OFFICE BEARERS 2013-2014

PATRON

George Middleton

PRESIDENT

Nick Stoves

VICE PRESIDENT

Gene Levette

CAPTAIN

Chris Thomson

VICE CAPTAIN

-

DIRECTORS

Reg Armstrong, David Crowe,
Peter Richardson, Barry Ryan,
Shawn Singham.

LIFE MEMBERS

George Middleton
Lola Mitchell
Dudley Davies

GENERAL MANAGER

Owen Madden

GOLF COURSE MANAGER

Steven Jacobsen

AUDITORS

Mawby, Cowper, Meares & Co.

LADY MEMBERS OFFICE BEARERS 2013 – 2014

Patron:	Mrs. Betty Davies
President:	Mrs. Grace Bryce
Vice President:	Mrs. Catherine Tucker
Captain:	Mrs. Fay Butcher
Vice Captain:	Mrs. Margaret Chevell
Secretary:	Mrs. Barbara Lynch
Committee:	Mrs. Trish Chatfield, Mrs. Agnes Cho, Mrs. Lisa Kim and Mrs. Christina Woo



Carnarvon Golf Club Limited
ABN: 57 000 854 544

MEMBERSHIP REPORT

As at 31st January, 2014

	<u>CATEGORY</u>	<u>2013-14</u>	<u>2012-13</u>
MEMBERS:	Life	2	2
	Full Playing	329	369
	Senior	155	147
	Staff	1	2
	Intermediate	4	4
	Corporate	1	2
	Country	18	19
	Professional	4	4
	Restricted Full Playing	35	33
	Restricted Playing	19	21
	Junior 1 (12 -17)	4	8
	Junior 2 (18 -20)	2	6
LADIES:	Life	1	1
	Full Playing	133	140
	Senior	27	27
	Intermediate	0	1
	Country	6	8
	Junior 1 (12 -17)	1	2
	Junior 2 (18 -20)	0	1
SUB-TOTAL		742	806
HONORARY		4	3
SOCIAL		1401	1660
TOTAL		2147	2469



Carnarvon Golf Club Limited
ABN: 57 000 854 544

**Carnarvon Golf Club Ltd (ABN 57 000 854 544)
Notice of Annual General Meeting**

Notice is hereby given that the 2014 Annual General Meeting of Carnarvon Golf Club Ltd (ABN 57 000 854 544) shall be held on Wednesday 16 April 2014 commencing at 7.30pm in the Club's premises at Nottinghill Road, Lidcombe, NSW 2141

AGENDA

1. Confirmation of Minutes of the 43rd Annual General Meeting of members held on 1 May 2013.
2. Consideration of the Annual Report of the Directors, Financial Statements, supportive accounts and Audit Report for the year ended 31st January 2014.
3. To appoint auditors for the ensuing year
4. Election of Office Bearers
5. To consider Notice of Ordinary Resolutions, as further indicated
6. General Business

NOMINATION FOR OFFICE BEARERS

Nominations for the positions of President, Vice President, Captain and six other Directors shall be made in writing on the prescribed form (available from the office), and signed by two Full Members of the Club. The nomination form must carry the Nominee's signed consent and be lodged with the General Manager initially, for the Returning Officer, "Club Elections", 10 Lugarno Place, OAK FLATS, NSW 2529.

Nominations will close at 6pm on Tuesday, 1st April, 2014.



FIRST ORDINARY RESOLUTION: Directors' Benefits

The Club shall be entitled to budget, allocate and disburse such sums as may be considered reasonable expenditure for, to, or on behalf of Directors for their professional development, education, and the enhancement of their services to the Club.

Without limiting the generality of the expenditure and by way of guidance only, such expenditure should be directed to the following areas to a sum not exceeding \$15,000.

- (i) The reasonable costs of Directors attending the Registered Clubs Association (Clubs NSW) meetings and Annual General Meeting and the reasonable costs of Directors attending meetings of other Associations of which the Club is a member.
- (ii) The reasonable costs of Directors attending seminars, lectures, trade displays, organised study tours, fact finding tours, and other similar events as may be determined by the Board from time to time, provided however, that such expenditure shall not reflect the reimbursement of any expenses incurred by Directors during free time or extraneous activities at such fact finding tours.
- (iii) The reasonable costs of Directors attending other Clubs for the purpose of observing their facilities and methods of operation.
- (iv) The attendance of Directors at functions, with spouses or partners, where such attendances are required by the Club and such Directors and their spouses or partners are representing the Club.
- (v) The provision of Club uniforms as decided by the Board from time to time. Such uniforms shall at all times be in keeping with the image of the Club in the Community.
- (vi) The holding of an Annual Dinner for Directors, their spouses or partners and other such persons as deemed by the Board to be appropriate to the occasion.
- (vii) The provision of car parking spaces for 4 Directors, the President, the Captain, the General Manager, the Golf Professional, the Assistant Professional and the Patron.
- (viii) Reasonable light refreshments to be associated with each Board Meeting of the Club.
- (ix) The provision of a reserved golf booking time allocation for the President, Captain and Directors for each designated Club competition, when required.

The Members acknowledge that the benefits set out above are not available to Members generally, but only to those who are elected as Directors, the General Manager, and such other nominated Members as may be co-opted to be involved in such activities from time to time.



SECOND ORDINARY RESOLUTION: Benefits for other members as approved by the Board of Directors to a sum not exceeding \$20,000.

- (i) **Representative Teams:** Major Pennant, Eric Apperly Shield, Junior Pennant, Masters Pennant, Super Senior Pennant and Encourage Shield. The provision of team apparel, golf balls, and reasonable cost of meals and drinks for participating players and managers.
- (ii) **Major Pennant Team Only:** The provision of a bus for transportation of players and caddies when participating in tournaments and the reasonable cost of an end of season dinner for Major Pennant Team Members.
- (iii) **Lady Members:** The provision of the following:
 - Car parking spaces for the Ladies President, Ladies Captain, Ladies Honorary Secretary and one Ladies Committee.
 - Reasonable light refreshments to be associated with each monthly Ladies Committee meeting
 - Team Shirts and golf balls for Members of Representative teams.
 - Reasonable cost of luncheons for selected "Grade Days".
 - The reasonable cost of the Ladies Committee attending an Annual Dinner at the Club in appreciation for services rendered.
 - The provision of a reserved golf booking time allocation for the President, Captain and Committee members for each designated Ladies competition, when required.
- (iv) **Handicapped Drivers:** The provision of reserved parking spaces for approved handicapped certified vehicles.
- (v) **Garden Volunteers/ raffle ticket sellers:** The provision of the reasonable cost of giving each volunteer gardener and volunteer raffle ticket seller a half-ham at Christmas

That pursuant to the Registered Clubs Act, the Members hereby approve and agree to the classes of Members as outlined above, during the twelve (12) months period preceding the 2014 Annual General Meeting, receiving the nominated benefits and the Members further acknowledge that the benefits outlined are not available to Members generally, but only to those Members who are in the specific class of Members to which the benefits apply.

REQUEST OF THE BOARD

Where members have questions related to the financial accounts it is requested they be submitted in writing seven days prior to the AGM in order to provide comprehensive answers.

Dated: 24th March 2014

Owen Madden
General Manager
By direction of the Board



Carnarvon Golf Club Limited
ABN: 57 000 854 544

PRESIDENT'S REPORT

On behalf of the Board of Directors, I am pleased to present Carnarvon Golf Club's 44th Annual Report and Finance Statements for the period ended 31 January, 2014.

It is also pleasing to report, despite a decline in full playing membership numbers, the club made a trading profit of \$9,571.00.

Carnarvon Golf Club is situated in an area where we have to compete with much larger and richer clubs for business, the golf course also competes with other good courses for members and players.

The demographics surrounding Carnarvon have changed dramatically over the past years. Many people from various ethnic backgrounds, who now reside locally, show no interest in joining a golf club. We have for years, had strong local membership support, this support has slowly been eroded as our members become aged or move away.

We have fortunately however, recruited many members who live considerable distances from the club. On the down side some members can be considered to be itinerant and leave the club within 3 years. We need to show we value our members who loyally maintain long term membership.

The cost to run a golf club intensifies each year. The Board this year, as in previous years increased membership fees by a minimum amount. (What we cannot do is increase membership fees to such a level that good members will be unable to continue their membership.)

With good management, a positive outlook, and solid support from good members, despite the decline in memberships and all the problems facing clubs, we look forward to a prosperous future. I encourage all members to recommend Carnarvon to family and friends as we need to increase memberships.

A snapshot of some statistics and financial figures are included in this report.

In the past 5 years our total playing memberships were as follows:-

- | | |
|-------------------------|------|
| • As at 31 January 2010 | 1048 |
| • As at 31 January 2011 | 900 |
| • As at 31 January 2012 | 853 |
| • As at 31 January 2013 | 806 |
| • As at 31 January 2014 | 742 |

Our social memberships were:

- January 2012 - 1624
- January 2013 - 1660
- January 2014 - 1401



Carnarvon Golf Club Limited
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Function numbers for 2013/14 included:

• Weddings/Engagements/ Anniversary	14	\$88,583
• Corporate Golf Days	18	\$100,772
• Wakes	107	\$134,267
• Conferences/ Business	61	\$94,847
• Birthdays/Christenings	43	\$100,569
• Other events	43	\$86,310
• Club events	14	\$7,736
• Total (inc. GST)	300	\$613,084

These figures indicate the clubhouse is being well utilised for a multitude of functions. It also gives rise that our staff are doing a good job catering for the needs of members and visitors.

New commercial loans for the year were \$145,223; repayment of loans was \$157,415. The balance of loans as at 31 January, 2014 was \$201,985. Our closing cash balance of \$334,683 was up compared to \$238,007 the previous year. Capital expenditure on the course for the year was \$100,796, whilst capital expenditure for the clubhouse was \$144,549.

\$86,000 has been budgeted to renew the 1st green and surrounding area, commencing April/May this year. This work has been talked about for many years and is long overdue. A plan of the proposal will be available for members to view in coming weeks.

After a recent meeting with Auburn Council representatives, Council indicated they have an updated policy necessitating the preparation of a new lease for the golf course, rather than a renewal of the old lease. When we are given a copy of the new lease it will be forwarded to our Honorary Solicitor, Michael Fisher for review. Mr. Fisher has for many years quietly given Carnarvon the benefit of his legal advice and we sincerely thank you Michael.

Thank you to our General Manager Owen Madden for his professional management of staff, ensuring legislative compliance is maintained, meeting deadlines, bringing business into the club and working within budget. Our heartfelt gratitude is extended to our office and house staff for their good work.

Thank you also to Steve Jacobsen who always manages to work within budget, despite unforeseen problems that arise. Steve and his ground staff do a great job maintaining the golf course in good condition, particularly in times of drought, we thank them most sincerely. I also thank our volunteers who have done a magnificent job of strategically placed gardens on the course.



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Members and visitors alike speak highly of the golf course. Our golf course is held in high esteem by others, enough to hold qualifying rounds for the Australian Open, pennant match finals and annual end of year corporate and veteran's golf. All this speaks to the fact that we have a good well-manicured golf course.

Late in 2013 Mike Callaby, our genial Head Professional celebrated in 40 years of service at Carnarvon Golf Club. Golfers first impressions of Carnarvon come when meeting our Proshop staff, the feedback is that those first impressions on meeting Mike Callaby and his staff are always positive. They increase our core business of golf and our thanks go to Mike and the pro-shop staff.

Special thanks to Barry Ryan, Chairman of Finance assisted by Peter Richardson who monitored our income and spending. Their contribution throughout the year was invaluable.

The Board consisting of Vice President Gene Levette, Captain Chris Thomson, Reg Armstrong, David Crowe, Barry Ryan, Peter Richardson and Shawn Singham working under the new constitution was prudent in controlling and authorising expenditure throughout the year. Many decisions were made in the best interests of all members, golfing and social. I take this opportunity to thank my fellow Board members for their support throughout the year.

Thank you to Ladies' President Grace Bryce, Vice President Catherine Tucker, Captain Fay Butcher, Secretary Barbara Lynch and the full Ladies' Committee for their support during the year.

To Keith Speer President of the 'Vets' and all Vets, thank you for your support. The Vets sponsored our Club Championships in 2013. This was greatly appreciated and saved the club from financing these events. This is just one example of how our senior members support our club. In addition, they attend the clubhouse to meet each Thursday after their game, hand out trophies won and hold functions in the clubhouse that contribute to the club's coffers.

Meals at Carnarvon are excellent, my thanks to our chef Malcolm Martin and his staff who have lifted the quality of our meals to the extent that catering has exceeded budget expectations.

Congratulations to the winners of our Club Championships and those persons who represented Carnarvon pennant teams throughout the year.

I also thank our golfing and social members who continue to support us by frequenting the club, partaking of meals at the bistro, celebrating birthdays, anniversaries, weddings and christenings.

To those who have lost love ones throughout the year I extend our sincere condolences. To members and family who have been ill I wish you a speedy recovery.

Nick Stoves

President



Carnarvon Golf Club Limited
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FINANCE DIRECTOR'S REPORT

On behalf of the Board of Directors I am happy to report an operating profit of \$9,571 for the financial year ending 31st January, 2014. This is a pleasing result considering the difficulties being experienced by the Club industry generally and golf clubs in particular. The local demographics and place of residence of our membership has changed dramatically over the last ten to fifteen years to the extent that the playing membership now comes from 208 suburbs and localities where previously probably ten post codes would have accommodated the majority of the club. The entire membership, including social members, come from 251 suburbs, towns and localities. The wide dispersion of membership makes it difficult to come to Carnarvon for social events and with long distances to be travelled the consumption of alcohol needs to be treated with care. We can only encourage all our members to make use of the club's food and beverage offerings facilities while they are at the course.

Trading Results

Income from the course was a disappointing \$28,693 below the previous year. Subscriptions were down \$44,200 reflecting the decline in membership which is an industry wide problem. It is generally acknowledged that we now have more golf courses than are necessary for the dwindling number of golfers wanting to join golf clubs. All the neighbouring clubs in our catchment area have dropped joining fees and golf club members generally have little club loyalty. We need more members to reduce any upward pressure on fees and to assist in making improvements to the course and clubhouse. Perhaps if we all try to bring a friend to Carnarvon for a social or competition round they might be encouraged to join the club. Visitors' fees were \$29,020 below the previous year mainly as a result of the sometimes incredible deals offered by our neighbouring clubs. We reviewed our visitor rates during the year to regain some of the market. Men's competition fees were marginally up while ladies competition fees were down \$7,240. On a brighter note cart income showed an increase of \$9,064.

Prior to this year bar vouchers could be used for catering and take away liquor purchases. During the year the Board made the decision to limit bar purchases to in-house consumption only and removed the take away provision. As a consequence bar trading was down on the previous year but was kept to a manageable figure mainly due to reduced overheads as a result of rostering improvements and oversight by our General Manager, Owen Madden.

Catering (bistro, functions and half way house) benefitted and showed a net profit of \$54,034, this figure was \$31,320 better than the previous year. This can also be attributed to the introduction of the Sunday breakfast and the installation of Malcolm as chef together with ongoing weddings, wakes and other functions. For those who have not visited the bistro recently, the quality and value for money have improved significantly since Malcolm has joined us.

Poker machine trading was below expectations being \$55,291 below last year. Clubs of our size took a big hit when poker machines were introduced into hotels and we have to work hard to maintain our figures. Poker machine players look for new features, new games and different machines. We can only do our best to accommodate this within the confines of our budget.

Overheads

The total overheads came in at \$74,930 less than last year and \$96,170 below budget due mainly to the efforts of Owen Madden (General Manager) and Steve Jacobsen (Course Superintendent) together with oversight from the whole Board. This, in no small way, contributed to the sound financial position of the club at year's end.



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Capital Expenditure

Capital expenditure approved by the Board during the year was \$252,546 as follows:-

COURSE

4xEclipse Walk Behind Mowers & Groomer Kit	50,400
Smithco Utility Vehicle	21,000
Fencing	16,334
Transfer Pump	7,175
Aerator Motor	1,345
Mini Boiler Unit	1,210
Log Splitter	1,181
Miscellaneous	<u>2,151</u>
	<u>100,796</u>

CLUBHOUSE

Poker Machines and Upgrades	10,880
Computer Hardware & Software	10,136
Building Downpipes	5,736
Honour Board Upgraded	4,030
POS Touchscreen & Installation	3,293
Ice Machine Supply & Installation	3,300
Cordless Microphones	1,064
Underbench Fridge	2,685
Miscellaneous	<u>2,630</u>
	<u>43,753</u>

TOTAL 144,549

LOANS

The balance of loans as at 31st January, 2014 was \$201,985 :-

NAB Flexible Facility	-
Capital Purchasing & Leasing	<u>201,985</u>
	<u>201,985</u>



CASH FLOW

Cash increased \$96,678 to a closing cash balance of \$334,683 as at 31st January, 2014. The cash increase was made up of :-

Net Profit	9,571
Depreciation	312,162
New Commercial Loans	145,223
Repayment of Loans	(157,415)
Capital Expenditures (net of disposal)	(144,549)
Increase in Working Capital	<u>(68,316)</u>
Cash drawn down during the year	96,676
Cash at beginning of Financial Year	<u>238,007</u>
Cash at end of financial year	<u>334,683</u>

The Club has maintained its healthy position and there is no reason to doubt that this state of affairs will not continue. We do, however, have to be prepared for increased expenditure on clubhouse renovations and refurbishing as this area had been put on hold while we had a building loan hanging over our heads. Replacements of sections of perimeter fencing can also be anticipated due to the age of the present fences. The present flexible loan facility should continue to be available at least for a safety net.

I have to thank Owen Madden and his office staff for their assistance and advice, Nick Stoves for his leadership and example and my fellow Directors for their contributions during budget discussions and support during a difficult year.

Barry Ryan
Chairman.....Finance Committee



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CAPTAIN'S REPORT

Once again I have the pleasure of reporting to the members in our annual report.

I would like to extend my sincere thanks to Steve Jacobsen and his staff for the excellent way the course has been presented over the past twelve months, especially during periods of little rain which has an adverse effect on the growth on the fairways. Tees and greens are always a priority in these circumstances. Fortunately when we have some good rain the course recovers quickly. A transfer pump has been purchased and installed in the pump house at the 8th dam. This will enable water to be transferred from the dam to the other dams on the 18th which should alleviate the problems we had last year when the pump broke down and the water was unable to be used and certain sections of the course suffered.

No major works took place on the course in the past twelve months although in May this year a new 1st green will be constructed as the old one is becoming more difficult to maintain a good playing surface. At the same time the green will be moved slightly to the left as there were safety concerns for the players in the vicinity of the 2nd tee. Rather than seeding, turf will be purchased. Price wise this is comparable to seeding and hopefully the green will be playable in a shorter period of time. This as usual is dependent upon the weather.

During the past year there were changes to the golf handicapping system. My thanks especially go to Ruth McKinnon for all the work she did to overcome the problems the changes created and also for all her assistance she gives me throughout the year regarding all matters to do with golf. I would also like to thank the other office staff for their contribution over the past year.

Many thanks to Mike Callaby, Alex Wiffin and Gerry Hyde, the newest staff member who has fitted into the team exceptionally well. The pro shop is an integral part of Carnarvon being the first contact golfers have when arriving to play golf. I would also like to thank the pro shop staff for their help with the booking in on Friday nights. It is also important that members continue to support our professional when wanting to purchase any golfing equipment or if you are in need of tuition to improve your golf.

Congratulations to the Club championship winners and to those who won major events whose names appear in this book especially Michael Lee who won the Club Championship and also the Carnarvon cup.

Unfortunately our Major Pennant team didn't have a very good year in 2013. Our Master Pennant team won their division but was beaten in the semi-final. Congratulations and my thanks to all the players who participated in their respective teams. My thanks to John Lock for making himself available to manage the teams, also to the caddies and spectators who attended the games.

It was very disappointing that there wasn't sufficient interest from our juniors to contest the Junior Championship in 2013. The board has tried to encourage more juniors to join by reducing the membership fees but to date this has not been successful. Any members who have junior family or friends either male or female who would be interested in joining would be very welcome to apply. We do have a junior development program in place in conjunction with the professional.

To Heidi, Malcolm and the catering and bar staff I extend my gratitude for their commitment to the service they provide on pennant days.

To the volunteers who give up their time to work on the course, your contribution is greatly appreciated as it is a great help to the course staff who are then able to concentrate their time on other projects.

To the members who are unable to play golf at the moment either due to injury or ill health, it is hoped that you are back on the course in the near future.

Yours in golf

Chris Thomson
Captain



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VETERAN MEMBER'S REPORT

The Veterans' Golf Club is open to Carnarvon Golf Club members who are 55 years and older, have an official handicap, and wish to play 11 holes of golf on Thursday morning. The tee is open from 0700am to 0830am unless we are notified of any one off corporate arrangements. Members should report to the Club Professional between the above hours and pay \$8-00 entry fee and after which the rules of golf apply.

We would like to thank Michael Callaby and his staff for their support and the work completed each Thursday in maintaining our handicap system and starting the members. Thank you, Michael. We also thank you for your financial support in assisting us to maintain the Fred Cherry Award.

The Annual General Meeting was held on 9th August 2013 and the following office bearers were elected:

President/Treasurer	Keith Speer
Captain	Roy Dockery
Vice Captain	Graham Stepto

We have lost a few of our stalwart members during the year due to bad health and wish all our members who are unwell at the present time a speedy recovery.

The Fred Cherry Memorial Award continues to be run on game days where each player's card is numbered and goes into a draw which has a prize of \$20.00 jackpotting each week if unclaimed. Our Christmas in July and Christmas functions were well patronised and enjoyed by attendees. We wish to thank the staff of our parent Club, the Committee and catering operations for making these functions so successful. We also thank Steve Jacobsen, the course superintendent, and his staff for providing us with a great course.

The Veterans 'Golf Club is an integral part of Carnarvon Golf Club with 35 to 60 members hitting off each week, barring rainy days. We look forward to new members who we can assure will enjoy the golf club and the camaraderie.

Members enjoy their friendships with light refreshments after the game and before presentation of prizes and awards.

The following is a summary of some of the statistics created by the Veterans' Club:
We played 1,929 games during the year (down on last year)

Game fees paid		\$15,432
Golf Balls won	1,091	\$ 3,273
Bottles of wine won	252	\$ 2,409
Vouchers purchased	420	\$ 4,200
Vouchers purchased	42	\$ 840
For Fred Cherry Memorial Award		
Other Expenditure		
Christmas in July Party		\$ 1,263
Christmas Party in December		\$ 2,709
Carnarvon Championship Trophies		\$ 1,550

We especially thank Michael Callaby and Carnarvon Golf Club for their generous support.



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CHAMPIONSHIPS

The Veterans donate the trophies for the Veterans Championship, whilst the main trophy is donated by the family of the late Bob Ridge, who was one of our members, and last year won by Peter Yoon. We also provide trophies for the Pegg-Lakeman Shield and the Jack Haliburton Cup.

The Len Plummer Memorial Trophy, played over two weeks, will be played during March. This trophy is kindly donated by the family of the late Len Plummer.

The committee and members of the Veterans' Golf Club took great pleasure in being able to donate \$1,550-00 to our parent club for the Club Championship trophies this year.

In closing I would like to thank Carnarvon Golf Club for their continued support and congratulate them on the standards set in the Club House and on the course. We thank Owen Madden, the General Manager of Carnarvon Golf Club and all his staff for their great contribution to our enjoyment of the Thursday Vets' competition.

I would like to thank the Veteran Members for their support and friendship during our competition days and look forward to their continued membership.

We congratulate Phil Russo for his dedication to the community which has been recognised by having been awarded the OAM.

To our Vet Members who are unwell, we wish you a speedy recovery and hope to see you on the course or in the Club House in the not too distant future. To those who have left the Vets' Club due to ill health we miss your company and wish you well in your future endeavours.

We have also lost several members who passed away during the year. To their loved ones we offer our deepest sympathy in your loss.

Keith Speer
President – Veteran Members



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GENERAL MANAGER'S REPORT

It is indeed a pleasure to present to members another modest profit of \$9,571 which is a very encouraging financial result for Y/E 2014. Importantly, after significant losses totaling \$328,912 for 2008, 2009, 2010 and 2011 inclusive, we have succeeded in posting healthy returns for the past 3 years. Over this period (2008-2014) we have also been able to upgrade our facilities and machinery, outlaying \$1,526,492 on Capital Expenditure (Clubhouse: \$558,152; Course: \$968,340). This is a significant financial result for the club when many similar clubs are struggling with the current economic climate. Unfortunately, the upcoming year will be a very difficult year for the club with no guarantee of similar profits unless we can reverse the alarming downward trend in club memberships. I strongly urge all our members to assist wherever possible in encouraging their golfing friends to become members here at Carnarvon Golf Club, if not already a member. I will leave further comment on the Club's financial results to be covered in the Treasurer's Report.

During the past year we have had a few staff changes. After many years of service to the Club, Gail Bartlett has moved to a new country abode in Grafton. Also, James Wolter has decided on a career change and moved on. I wish both Gail and James all the very best for their respective futures.

As a result of Chef James leaving the Club, we have been fortunate to welcome Malcolm Martin on board during the year as our Head Chef. Malcolm has a wealth of experience in the industry, being employed at many well-known establishments throughout Sydney, such as Dalton House, the Hilton Hotel, the Belhaven Manor Reception Centre and several hatted restaurants. Malcolm has done a great job in re-invigorating our food and function offering which has shown a considerable and continuing increase in patronage of our bistro and financial returns to the club in general.

The club has hosted 275 functions over the past year, including 14 weddings, 18 corporate golf days, 107 wakes, 61 conferences and 101 other events. Over the next year, in conjunction with our various functions, we will be hosting a number of concerts in our function room. I have attempted to keep the ticket price at an absolute minimum without causing a loss to the Club. Consequently, ticket prices will be \$15 per person, which includes a complimentary drink, with children's tickets at \$5 per child. Through my contacts I have booked in some great shows on Saturday nights during winter and Sunday afternoons during the warmer months. If the response by the 123 members and guests who attended the FABBA Concert in February is anything to go by then we should be in for a great year of entertainment here at the Club. Stay tuned for the next concert night on Sunday 27th April from 5.30pm where the Johnnie Cash Tribute Band- CASH ONLY will be on show.

Members are reminded that we still have our \$13 Daily Lunch Special in the bistro and don't forget that the \$8 Sunday Breakfast is still one of the best value for money brekkies in town.

As a special treat, I have arranged for a bonus offer to our members when purchasing \$10 worth of raffle tickets in our Wednesday or Friday raffles. Just by purchasing \$10 worth of raffle tickets, members will receive free of any other charge a bottle of Robert Oatley Beach Hut range wine to take away. Hope to see you here at the raffles.

Also, keep an eye out for our special Mother's Day offer...a free dessert and bottle of sparkling wine (Yellow Piccolo).

The backbone of many clubs is its sub-clubs. Carnarvon benefits greatly from our veteran players and lady members. Sincere thanks must be extended to their respective committees and to Keith and Grace for all their hard work and dedication.

Thanks also to Mike Callaby and his team for driving the business end of the Golf Club.

Finally, I would like to acknowledge the outstanding contribution of President Nick Stoves and our Board of Directors, my Management Team and club-house and course staff. Your hard work and dedication is an asset to our club. Most importantly, however, I would like to thank you our members for your continued support.

Best regards,

Owen Madden
Dip. Mk. Mgmt. MBA(SGSM).ACCM.
General Manager



Carnarvon Golf Club Limited
ABN: 57 000 854 544

LADIES PRESIDENTS REPORT

The year of 2013 has sped by with the joint co-operation of the Board and the Ladies Committee working together to have a happy and healthy relationship within the Club.

Congratulations to everyone who won Championships for 2013 and a big thank you to everyone who has played in our Grade, Pennants and weekly competitions.

We have been able to keep our memberships stable and look forward to seeing everyone enjoy their golf this year.

I ask any member who has a desire to stand for the Board of Directors to go ahead and nominate. Being on the Board gives one the opportunity to be of service to the Club and representative of all members.

The slope system has started but it has brought a few problems. No doubt our peers will sort the problems in the near future.

To the ladies who have served on the committee this past year, thank you. You have worked very hard to get conditions more pleasant and workable and by your efforts the Club has prospered.

To Ruth for her tireless work in keeping us on the straight path. I must say it is a pleasure to work with the office staff. They are so helpful in finding lost articles.

To the Board Members thank you for listening and acting so efficiently with our suggestions.

Mike, Alex and Gerry, they know how much we depend on them and they are always ever ready to help.

Last but not least, to Heidi and the bar staff, thank you for your tolerance always with a smile. If any lady member is not well, we wish you a speedy recovery and hope to see you around the Club very soon.

Good health and golfing to all in 2014.

Grace Bryce
Carnarvon Ladies President



Carnarvon Golf Club Limited
ABN: 57 000 854 544

NOTICE OF LADIES ANNUAL MEETING

Notice is hereby given that the 86th Annual General Meeting of the Carnarvon Ladies will be held at the Club House on Wednesday 7th May, 2014 at 1.00 pm.

BUSINESS

1. To confirm the Minutes of the 85th Annual Meeting.
2. To receive, and if thought fit, adopt the President's report.
3. Election of Office Bearers for the ensuing year.
4. Election of Carnarvon Veterans Delegate.
5. Notices of Motion. (Must be received by the secretary 28 days before Annual Meeting)
6. Charity for 2014-15
7. General Business.

NOMINATION FOR OFFICE BEARERS

Nomination for the election of President, a Vice President, Captain, Vice-Captain, Secretary and two General Committee shall be made in writing
(*nomination forms available from Committee or office*).

Nominations to be returned to the Secretary.

NOMINATIONS WILL CLOSE AT 4.00 PM ON WEDNESDAY 16th April 2014.

If voting for the above positions is necessary this will take place by secret ballot at the club on Wednesday 7th May 2014.



DIRECTORS' REPORT

for the year ended 31st January, 2014

- (1) Your Directors submit their report on the Financial Statements of the Company for the financial year ended 31st January, 2014.
- (2) The names of the Directors in office during the period of this report are as follows :

<u>NAME</u>	<u>Qualifications & Responsibilities</u>	<u>Past & present</u>	<u>Board Meetings</u>		<u>Other Meetings</u>	
			<u>Held</u>	<u>Attended</u>	<u>Held</u>	<u>Attended</u>
<u>CURRENT BOARD MEMBERS:</u>						
Nicholas J. STOVES (Retired)	President	4 years				
	Vice President	2 years	26	25	36	34
	Director	9 years				
Member 37 years	Board Member	15 years				
	Committee Member: Finance, Greens & Match					
Gene K. LEVETTE (Consultant)	Vice President	5 years	26	20	36	30
	Director	8 years				
	Board Member	13 years				
Member 24 years	Committee Member: Finance, Greens & Match					
Christopher F. THOMSON (Electrical Contractor)	Captain	6 years	26	26	36	36
	Director	13 years				
	Board Member	19 years				
Member 32 years	Chairman Match & Greens					
	Committee Member: Finance & Match					
Barry J. RYAN (Retired)	Director	13 years	26	25	36	34
	Vice President	3 years				
Member 36 years	Board Member	16 years				
	Chairman Finance					
	Committee Member: Finance & Match					
Reginald C. ARMSTRONG (Company Director)	Director	3 years	26	23	36	33
	Board Member	3 years				
Member 24 years	Committee Member: Finance, Greens & Match					
David CROWE (Mechanical Eng.)	Director	1 year	20	19	27	25
	Board Member	1 year				
Member 22 years	Committee Member: Finance, Greens & Match					



Carnarvon Golf Club Limited
ABN: 57 000 854 544

Peter RICHARDSON (Finance Manager) Member 10 years	Director Board Member Committee Member: Finance, Greens & Match	1 year 1 year	20 	17 	27 	23
Shawn SINGHAM (Logistics Manager) Member 6 years	Director Board Member Committee Member: Finance, Greens & Match	1 year 1 year	20 	20 	27 	27
<u>NON-CURRENT BOARD MEMBERS:</u>						
John T. LOCK (Consultant) Member 34 years	Director Vice Captain Committee Member: Finance and Greens	9 years	13 	10 	20 	16
John A. HONEYBROOK (Retired) Member 23 years	President Vice President Board Member Committee Member: Finance, Greens & Match	3 years 3 years 15 years	6 	5 	9 	8
Ron D. MCKELLAR (Financial Controller) Member 28 years	Director Committee Member: Finance, Greens & Match	6 years	6 	6 	9 	9
Stephen FLETCHER (Retired) Member 27 years	Director Committee Member: Finance, Greens & Match	3 years	6 	6 	9 	9

- (3) The principal activities of the company in the course of the financial year were the conduct, support and promotion of golf and the conduct of a Licensed Club at Lidcombe.
- (4) During the financial year there were no significant changes in the nature of the Company's activities.
- (5) **The net amount of the profit of the Company for the financial year after abnormal items was \$9,571**
- (6) No Income Tax has been charged thereon (**refer Note 1(d) to the accounts**).
- (7) Since the end of the previous financial year, no amount has been paid or declared by way of dividend and the Directors do not recommend that any dividend be paid. Dividends to Members are not permitted by the Memorandum and Articles of Association.
- (8) During the financial year there were no significant changes in the state of affairs of the company.
- (9) A review of the operations of the Company are covered by the reports of the President, Captain, Chairman of Finance and General Manager and these should be read in conjunction with this report.
- (10) No matter or circumstance has arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years.



Carnarvon Golf Club Limited
ABN: 57 000 854 544

- (11) All Directors of the Company are non-executive. Since the end of the previous financial year, no Director has received, or become entitled to receive, a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the accounts or the fixed salary of a full time employee of the Company) by reason of a contract made by the Company with the Directors or with a firm of which he is a member, or with a company, in which he has a substantial financial interest.
- (12) The Auditor's Independence Declaration for the year ended 31 January, 2014 has been received and can be found on page 23.

Signed in accordance with a Resolution of the Directors.

Nick Stoves
Director

B.J. Ryan
Director

Dated 24th March 2014 at Lidcombe, NSW



Carnarvon Golf Club Limited
ABN: 57 000 854 544

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Carnarvon Golf Club Limited, the directors of the company declare that:

1. The financial statements and notes, as set out on pages 26 to 40 are in accordance with the Corporations Act 2001 and:
 - (a) comply with Australian Accounting Standards and
 - (b) give a true and fair view of the financial position of the company as at 31st January, 2014 and of its performance for the year ended on that date.
2. In the Directors opinion there are reasonable grounds to believe the Company will be able to pay it's debts as and when they become due and payable.

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

N. Stoves
Director

B.J. Ryan
Director

Dated 24th March 2014 at Lidcombe, NSW



Carnarvon Golf Club Limited
ABN: 57 000 854 544

AUDITOR'S INDEPENDENCE DECLARATION

UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF CARNARVON GOLF CLUB LIMITED

I declare that, to the best of my knowledge and belief, during the year ended
31 January 2014 there have been no contraventions of:

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

MAWBY COWPER MEARES & CO

Chartered Accountants

Stuart D. Meares

Partner

Dated this 24th day of March 2014



Carnarvon Golf Club Limited
ABN: 57 000 854 544

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF CANARVON GOLF CLUB LIMITED

Report on the Financial Report

We have audited the accompanying financial report of **Carnarvon Golf Club** Limited which comprises the statement of financial position as at 31 January 2014, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

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

Auditors' Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

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

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



Carnarvon Golf Club Limited
ABN: 57 000 854 544

INDEPENDENT AUDIT REPORT (continued)

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Carnarvon Golf Club Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion, the financial report of **Carnarvon 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 31 January 2014 and of its performance for the year ended on that date; and
- b. Complying with Australian Accounting Standards and the Corporations Regulations 2001.

MAWBY COWPER MEARES & CO
Chartered Accountants

Stuart D. Meares

Partner

Dated this 24th day of March 2014



STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 31st January, 2014

	Note	2014 \$	2013 \$
Sales	2	1,518,408	1,508,658
Cost of Sales	3	<u>(547,493)</u>	<u>(568,094)</u>
GROSS PROFIT		970,915	940,564
Other Revenue	2	2,285,190	2,398,840
Other Income	2	45,044	71,048
Administration Expenses		(1,105,191)	(1,172,438)
Golf Course Expenses		(1,134,338)	(1,142,021)
Trading Expenses		<u>(1,052,049)</u>	<u>(1,019,667)</u>
PROFIT / (LOSS) BEFORE INCOME TAX		9,571	76,326
Income Tax Expense	1	<u>-</u>	<u>-</u>
PROFIT / (LOSS) FOR THE YEAR	3	<u>9,571</u>	<u>76,326</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>9,571</u>	<u>76,326</u>
PROFIT ATTRIBUTABLE TO MEMBERS OF THE ENTITY		<u>9,571</u>	<u>76,326</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO MEMBERS OF THE ENTITY		<u>9,571</u>	<u>76,326</u>

The accompanying notes form part of these financial statements.



Carnarvon Golf Club Limited
ABN: 57 000 854 544

STATEMENT OF FINANCIAL POSITION As at 31st January, 2014

	Note	2014 \$	2013 \$
ASSETS			
CURRENT ASSETS			
Cash	4	334,683	238,007
Trade and Other Receivables	5	10,176	19,288
Inventories	6	48,406	45,772
Other	7	113,448	136,398
Total Current Assets		<u>506,713</u>	<u>439,465</u>
NON CURRENT ASSETS			
Property, Plant & Equipment	8	3,976,771	4,144,383
Total Non Current Assets		<u>3,976,771</u>	<u>4,144,383</u>
TOTAL ASSETS		<u>4,483,484</u>	<u>4,583,848</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	9	253,057	293,916
Borrowings	10	100,268	88,482
Provisions	11	203,766	219,167
Other	12	591,256	632,736
Total Current Liabilities		<u>1,148,347</u>	<u>1,234,301</u>
NON CURRENT LIABILITIES			
Borrowings	10	101,717	125,699
Total Non Current Liabilities		<u>101,717</u>	<u>125,699</u>
TOTAL LIABILITIES		<u>1,250,064</u>	<u>1,360,000</u>
NET ASSETS		<u>3,233,420</u>	<u>3,223,848</u>
MEMBERS' FUNDS			
Accumulated Funds		<u>3,233,420</u>	<u>3,223,848</u>
TOTAL MEMBERS' FUNDS		<u>3,233,420</u>	<u>3,223,848</u>

The accompanying notes form part of these financial statements.

**All questions relating to the Financial Statements should be in writing to the
General Manager no later than 7 days prior to the Annual Meeting**



Carnarvon Golf Club Limited
ABN: 57 000 854 544

**STATEMENT OF CHANGES IN EQUITY
for the year ended 31st JANUARY, 2014**

	Retained Earnings \$	Total \$
BALANCE AT 1 FEBRUARY 2012	<u>3,147,523</u>	<u>3,147,523</u>
Comprehensive Income		
Profit attributable to members of the entity	<u>76,326</u>	<u>76,326</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>76,326</u>	<u>76,326</u>
BALANCE AT 31 JANUARY 2013	3,223,849	3,223,849
Comprehensive Income		
Profit attributable to members of the entity	<u>9,571</u>	<u>9,571</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>9,571</u>	<u>9,571</u>
BALANCE AT 31 JANUARY 2014	<u><u>3,233,420</u></u>	<u><u>3,233,420</u></u>

The accompanying notes form part of these financial statements.



STATEMENT OF CASH FLOWS
for the year ended 31st JANUARY, 2014

	Note	2014 \$	2013 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts in the course of operations		3,013,718	3,108,627
Cash payments in the course of operations		(3,491,700)	(3,598,729)
Interest received		4,067	13,121
Subscriptions & joining fees		<u>794,757</u>	<u>861,061</u>
Net cash provided by operating activities	15	<u>320,842</u>	<u>384,080</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant & equipment		(71,360)	(82,662)
Proceeds from disposal of fixed assets		4,609	21,273
Net cash used in investing activities		<u>(66,751)</u>	<u>(61,389)</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Net Increase in other borrowings		300,000	312,500
Repayment of borrowings		<u>(457,415)</u>	<u>(626,275)</u>
Net cash provided from/(used in) financing activities		<u>(157,415)</u>	<u>(313,775)</u>
Net increase/(decrease) in cash held		96,676	8,916
Cash at the beginning of the Financial Year		<u>238,007</u>	<u>229,091</u>
CASH AT THE END OF THE FINANCIAL YEAR	4	<u><u>334,683</u></u>	<u><u>238,007</u></u>

The accompanying notes form part of these financial statements.



Carnarvon Golf Club Limited
ABN: 57 000 854 544

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31st January, 2014

Note:

The financial statements cover Carnarvon Golf Club Limited as an individual entity, incorporated and domiciled in Australia. Carnarvon Golf Club Limited is a company limited by guarantee.

The financial statements were authorised for issue by the directors of company

1: Summary of Significant Accounting Policies

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Account Standards (including Australian Accounting Interpretations) and the Corporations Act 2001.

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

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

Accounting Policies

(a) Revenue

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

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

(b) Property, Plant & Equipment

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

(c) Inventories

Inventories are measured at the lower of cost and current replacement cost.

(d) Income Tax

The Club is considered to be exempt from Income Tax under Section 50-45 of the Income Tax Assessment Act 1997, being an organisation, not carried on for the purpose of profit or gain to its individual members, and which was established for the promotion and playing of a sporting activity in which humans are sole participants. Accordingly, no account for Income Tax has been included in this Financial Report.

(e) Comparative Figures

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



(f) Cash and Cash Equivalents

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

(g) Segment Information

The Company operated solely in Australia, and its principal activities are the conduct, support and promotion of golf.

(h) Reference to Core and Non-Core Assets

The Registered Clubs Amendment Regulation 2007 requires that Clubs report to their members which property are considered core and non-core.

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.

Core Property Detailed:

Lots 1-3, DP 4223 Nottinghill Road, Lidcombe. NSW 2141

Reserve Trust Number D50007, Nottinghill Road, Lidcombe NSW 2141

(i) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

(j) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

(k) Trade and Other Payables

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



Carnarvon Golf Club Limited
ABN: 57 000 854 544

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st JANUARY, 2014**

2. REVENUE AND OTHER INCOME

	2014	2013
	\$	\$
REVENUE		
SALES REVENUE		
Sales of Goods	1,518,408	1,508,658
OTHER REVENUE		
Subscriptions & Joining Fees	818,150	862,350
Competition Fees	459,168	467,904
Visitors' Green Fees	235,079	264,099
Motorised Cart Hire Fees	123,736	114,673
Keno Commission Received	17,298	19,530
TAB Commission Received	3,160	2,104
Raffle Tickets Sales	44,907	54,633
Poker Machine Revenue	583,692	613,547
TOTAL OTHER REVENUE	2,285,190	2,398,840
TOTAL REVENUE	3,803,598	3,907,498
OTHER INCOME		
Promotion & Sponsorship	9,494	9,564
Interest Received	4,067	13,121
Other	31,483	48,363
TOTAL OTHER INCOME	45,044	71,048
TOTAL REVENUE & OTHER INCOME	3,848,642	3,978,546



**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st JANUARY, 2014**

3. PROFIT FOR THE YEAR

Profit / (Loss) for the year from continuing operations includes the following specific expenses;

	2014	2013
	\$	\$
EXPENSES		
Cost of Sales	547,493	568,094
Interest and Charges	35,601	60,275
Depreciation and Amortisation	312,162	309,714
Employee Benefits - Superannuation	125,171	117,166
Auditors' Remuneration		
Audit Services	10,550	10,000

4. CASH

Cash at Bank	75,738	40,807
Cash on Hand	38,410	37,150
Poker Machine Float	6,686	5,742
Interest Bearing Deposits	213,849	154,308
	<u>334,683</u>	<u>238,007</u>

5. TRADE AND OTHER RECEIVABLES

Sundry Debtors	9,635	19,092
EFTPOS	541	196
	<u>10,176</u>	<u>19,288</u>

6. INVENTORIES

Bar Stock on Hand	32,377	29,865
Kitchen Stock on Hand	16,029	15,907
	<u>48,406</u>	<u>45,772</u>



NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st JANUARY, 2014

	2014	2013
7. OTHER CURRENT ASSETS		
Prepayments	113,448	136,398
	<u>113,448</u>	<u>136,398</u>
8. PROPERTY, PLANT & EQUIPMENT		
Freehold Land at Cost	15,000	15,000
Landscaping at Cost	52,996	52,996
Clubhouse Building at Cost	4,410,285	4,403,969
Less Accumulated Depreciation	<u>(1,393,748)</u>	<u>(1,298,520)</u>
	<u>3,084,533</u>	<u>3,173,445</u>
Clubhouse Contents at Cost	659,810	653,068
Less Accumulated Depreciation	<u>(591,203)</u>	<u>(577,024)</u>
	<u>68,607</u>	<u>76,044</u>
Poker Machines at Cost	378,481	443,794
Less Accumulated Depreciation	<u>(323,024)</u>	<u>(368,707)</u>
	<u>55,457</u>	<u>75,087</u>
Course Equipment at Cost	1,017,615	1,002,680
Motorised Carts at Cost	13,492	13,492
Less Accumulated Depreciation	<u>(648,910)</u>	<u>(619,380)</u>
	<u>382,197</u>	<u>396,792</u>
Pump House, Dams & Irrigation Systems at Cost	592,365	585,159
Less Accumulated Depreciation	<u>(417,906)</u>	<u>(390,527)</u>
	<u>174,459</u>	<u>194,632</u>
Course Improvements at Cost	692,047	675,713
Less Accumulated Depreciation	<u>(480,529)</u>	<u>(447,330)</u>
	<u>211,518</u>	<u>228,383</u>
Total property, plant & equipment	<u><u>3,976,771</u></u>	<u><u>4,144,383</u></u>



**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st JANUARY, 2014**

9. TRADE AND OTHER PAYABLES

Creditors, Accruals & Deposits	253,057	293,916
	<u>253,057</u>	<u>293,916</u>

10. BORROWINGS

Current

Loan - National Australia Bank	-	-
Loan - Other Financial Institution	100,268	88,482
	<u>100,268</u>	<u>88,482</u>

Non Current

Loan - Other Financial Institution	101,717	125,699
	<u>101,717</u>	<u>125,699</u>

Total Borrowings	<u>201,985</u>	<u>214,181</u>
-------------------------	----------------	----------------

11. PROVISIONS

Annual Leave	106,143	112,986
Long Service Leave	97,623	106,181
	<u>203,766</u>	<u>219,167</u>

2014
\$

2013
\$

12. OTHER CURRENT LIABILITIES

Subscriptions in Advance	448,730	472,123
Green Fee Deposits in Advance	8,073	7,164
Sundry Income In Advance	7,879	9,304
Members' House Vouchers	112,387	116,405
Loyalty Redeem & Bonus Points	14,187	27,740
	<u>591,256</u>	<u>632,736</u>



Carnarvon Golf Club Limited
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**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st JANUARY, 2014**

13. CAPITAL EXPENDITURE

1) Clubhouse

	2014
	\$
Poker Machines & Upgrades	10,880
Computer Hardware & Software	10,136
Building Downpipes	5,735
Honour Board Upgraded	4,030
POS Touch Screen Unit and Installation	3,293
Ice Machine Supply & Installation	3,300
Cordless Microphones	1,064
Underbench Fridge	2,685
Miscellaneous	2,630
	<hr/>
	43,753

2) Course

4 X Eclipse Walk Behind Mowers & Groomer Kits	50,400
Smithco Utility Vehicle	21,000
Fencing	16,334
Transfer Pump	7,175
Aerator Motor	1,345
Mini Boiler Unit	1,210
Log Splitter	1,181
Miscellaneous	2,151
	<hr/>
	100,796
	<hr/>
TOTAL VALUE	144,549



Carnarvon Golf Club Limited
ABN: 57 000 854 544

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st JANUARY, 2014**

14. MEMBERS GUARANTEE

The Club is a company limited by guarantee. In the event of the company being wound up, the Memorandum and Articles of Association provide that each member is required to contribute a maximum of \$5 towards meeting any outstanding obligations of the company. At 31st January, 2014 the number of members was 2469 (2012: 2481).

15. STATEMENT OF CASH FLOWS

Reconciliation of Net Cash Provided by Operating Activities with Operating Profit after Tax

	2014	2013
Operating profit after tax	9,571	76,326
Depreciation & amortisation	312,162	309,714
(Gain)/Loss on sale of equipment	(4,609)	(13,664)
(Increase)/decrease in sundry debtors	9,112	9,671
(Increase)/decrease in inventories	(2,634)	6,039
(Increase)/decrease in prepayments	22,950	(39,441)
increase/(decrease) in other Current Liabilities	(41,480)	(12,534)
increase/(decrease) in provisions	(15,401)	4,162
increase/(decrease) in creditors	31,171	43,807
	<hr/>	<hr/>
Net cash provided by operating activities	<u>320,842</u>	<u>384,080</u>



NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st JANUARY, 2014

16. FINANCIAL RISK MANAGEMENT

The club's financial instruments consists primarily of deposits with banks, accounts receivable and payable, loans to and from subsidiaries, bills and leases.

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

	Note	2014 \$	2013 \$
Financial Assets:			
Cash	4	334,683	238,007
Receivables	5	10,176	19,288
		<u> </u>	<u> </u>
Total Financial Assets		<u>344 859</u>	<u>257,295</u>
Financial Liabilities:			
Bank Loans / Bill Facilities	10	0	0
Trade and Sundry Creditors	9	253,057	293,916
Lease Liabilities	10	201,985	214,181
		<u> </u>	<u> </u>
Total Financial Liabilities		<u>455,042</u>	<u>508,097</u>

Financial Risk Management Policies

The directors' overall risk management strategy seeks to assist the Club in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the Board of Directors on a regular basis.

The main purpose of non-derivative financial instruments is to raise finance for club operations. The club does not have any derivative instruments at 31 January 2014

The Board of Directors discuss on a regular basis an analysis of the financial risk exposure and evaluate treasury management strategies in the context of the most recent economic conditions and forecasts at its regular meetings. These include the credit risk policies and future cash flow requirements.



NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st JANUARY, 2014

Specific Financial Risk Exposures and Management

The main risks the co-operative is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. The club does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the club.

There are no material amounts of collateral held as security at 31 January 2014.

The club does not have any material credit risk exposure to any one single debtor or group of debtors under financial instruments entered into by the club.

Credit risk is managed by the club and reviewed regularly by the Board Executive. It arises from exposures to customers as well as through deposits with financial institutions.

The club monitors the credit risk by actively assessing the rating quality and liquidity of counterparts:

- (i) Only banks and financial institutions with an 'A' rating are utilised
- (ii) Only accredited fund managers linked to 'A' rated financial institutions are used.
- (iii) The credit standing of counterparts is reviewed on a regular basis for liquidity and credit risk.

Liquidity Risk

The club manages liquidity by monitoring forecast cash flows and ensuring that adequate levels of investments are maintained.

Financial Instrument Composition and Maturity Analysis

The table below reflects the contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the balance sheet.

	Within Year		1 to 5 Years		Total	
	2014	2013	2014	2013	2014	2013
	\$	\$	\$	\$	\$	\$
Financial liabilities due for payment:						
Trade and Sundry Creditors	253,057	293,916	0	0	253,057	293,916
Lease Liabilities	<u>100,268</u>	<u>88,482</u>	<u>101,717</u>	<u>125,699</u>	<u>201,985</u>	<u>214,181</u>
	<u>353,325</u>	<u>382,398</u>	<u>101,717</u>	<u>125,699</u>	<u>455,042</u>	<u>508,097</u>



NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st JANUARY, 2014

Financial assets - cash flows realisable:

Cash	334,683	238,007	0	0	334,683	238,007
Receivables	<u>10,176</u>	<u>19,288</u>	<u>0</u>	<u>0</u>	<u>10,176</u>	<u>19,288</u>
	<u>344,859</u>	<u>257,295</u>	<u>0</u>	<u>0</u>	<u>344,859</u>	<u>257,295</u>
Net financial assets (liabilities)	<u>(8,466)</u>	<u>(125,103)</u>	<u>(101,717)</u>	<u>(125,699)</u>	<u>(110,183)</u>	<u>(250,802)</u>

Market Risk

Interest rate risk

Interest rate risk is managed with a mixture of fixed and floating rate debt. At 31 January 2014 approximately 100% of debt is fixed.

Foreign Currency Risk

The club is not exposed to fluctuations in foreign currencies

Price risk

The club is not exposed to any material commodity price risk

Sensitivity analysis

The co-operative has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on current year results and equity which could result from a change in this risk.

As at 31 January 2014, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant, would be as follows:

	2014	2013
	\$	\$
Change in profit		
Increase in interest rate by 2%	5,792	3,902
Decrease in interest rate by 2%	(5,792)	(3,902)
Change in equity		
Increase in interest rate by 2%	5,792	3,902
Decrease in interest rate by 2%	(5,792)	(3,902)

This sensitivity analysis has been performed on the assumptions that all other variables remain unchanged.

Net fair value of financial assets and liabilities

The net fair value of all financial assets and financial liabilities approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form.

The aggregate net fair value and carrying amounts of financial assets and financial liabilities are disclosed in the Balance Sheet and in the notes to and forming part of the financial statements.



Carnarvon Golf Club Limited
ABN: 57 000 854 544

COMPILATION REPORT TO CARNARVON GOLF CLUB LIMITED

We have compiled the accompanying special purpose financial statements of Carnarvon Golf Club Limited which comprise the trading statements and the detailed profit and loss accounts for the year ended 31 January 2014 on the basis of information provided by the directors. The specific purpose for which the special purpose financial statements have been prepared is to provide detailed information relating to the performance of the entity that satisfies the information needs of directors and members.

The Responsibility of the Directors of Carnarvon Golf Club Limited

The directors of Carnarvon Golf Club Limited are solely responsible for the information contained in the special purpose financial statements and have determined that financial reporting framework used is appropriate to meet their needs and for the purpose that the financial statements were prepared.

Our Responsibility

On the basis of information provided by the directors of Carnarvon Golf Club Limited we have compiled the accompanying special purpose financial statements in accordance with the financial reporting framework and APES 315: Compilation of Financial Information.

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

The special purpose financial statements were compiled exclusively for the benefit of the directors of Carnarvon Golf Club Limited. We do not accept responsibility to any other person for the contents of the special purpose financial statements.

MAWBY COWPER MEARES & CO

Chartered Accountants

Stuart D. Meares

Partner

Dated this 24th day of March 2014



TRADING STATEMENTS
for the year ending 31st JANUARY , 2014

	2014	2013
	\$	\$
BAR		
Sales	621,088	647,894
Less Cost of Sales		
Opening Stock	29,865	39,102
Purchases	226,161	220,287
Closing Stock	(32,377)	(29,865)
	<u>223,649</u>	<u>229,524</u>
GROSS PROFIT	<u>397,439</u>	<u>418,370</u>
% to Sales	63.99%	64.57%
CATERING		
Sales	897,320	860,764
Less Cost of Sales		
Opening Stock	15,907	12,709
Purchases	323,966	341,768
Closing Stock	(16,029)	(15,907)
	<u>323,844</u>	<u>338,570</u>
GROSS PROFIT	<u>573,476</u>	<u>522,194</u>
% to Sales	63.91%	60.67%
POKER MACHINES		
Net Revenue (after GST)	583,692	613,547
Less: Tax	-	-
GROSS PROFIT	<u>583,692</u>	<u>613,547</u>



Carnarvon Golf Club Limited
ABN: 57 000 854 544

DETAILED TRADING ACCOUNT
for the year ended 31st JANUARY, 2014

	2014	2013
	\$	\$
GROSS TRADING PROFITS		
Bar	397,439	418,370
Catering	573,476	522,194
Poker Machines	583,692	613,547
Keno Commission	17,298	19,530
TAB Commission	3,160	2,104
Raffles	44,907	54,633
	<hr/> 1,619,972	<hr/> 1,630,378
EXPENSES		
Wages	638,104	628,804
Superannuation	56,370	54,560
Payroll Tax	9,478	17,882
Workers compensation Insurance	16,362	21,284
Staff Expenses	2,890	2,282
Interest & Bank Charges	4,212	3,340
Promotions & Prizes	98,492	97,009
Printing & Stationery	1,650	732
Replacements, Repairs & Maintenance	81,057	61,838
Stock Audit	8,160	9,120
Miscellaneous Expenses	12,235	21,246
Data Monitoring Services Charges	15,042	14,524
Sky Channel	11,278	10,146
Laundry & Gas	31,680	31,767
Depreciation	30,509	24,946
Rental Expenses	9,810	7,035
Poker Machines License Expenses	25,620	24,540
Loss/(Gain) on Disposal	(900)	(11,388)
	<hr/> 1,052,049	<hr/> 1,019,667
NET TRADING PROFIT	<hr/> 567,923	<hr/> 610,711

TRANSFERRED TO PROFIT & LOSS ACCOUNT



Carnarvon Golf Club Limited
ABN: 57 000 854 544

DETAILED GOLF COURSE EXPENSES ACCOUNT
for the year ended 31st JANUARY, 2014

	2014	2013
	\$	\$
Golf Course Expenses		
Wages	444,394	415,025
Superannuation	36,436	32,878
Payroll Tax	1,767	10,550
Workers compensation Insurance	3,408	12,627
Staff Expenses & Training	11,490	10,644
Fringe Benefits Tax	4,130	3,500
Supplies and Maintenance	137,111	158,945
Environmental Management	2,460	3,669
Occupational Health & Safety	2,161	4,794
Machinery Repairs	31,769	32,637
Petrol & Oil	28,062	29,272
Motorised Cart Expenses	13,857	12,370
Golf Printing & Stationery	5,418	9,095
Professional Retainer	18,403	18,000
Trophies	79,235	79,401
Ladies Trophies & Other Expenses	21,220	20,936
Green Fee Commission	23,508	26,410
Starting Commission	12,230	12,490
Miscellaneous	3,305	2,021
Golf Ball Damages	5,676	3,375
Interest & Bank Charges	17,745	18,822
Pennant Expenses	11,612	15,273
Affiliation & Golf Links Fees	32,362	32,425
Depreciation	154,400	144,156
Rental Expenses	35,888	35,888
Loss/(Gain) on Disposal	(3,709)	(3,182)
TOTAL COURSE EXPENSES	<u>1,134,338</u>	<u>1,142,021</u>

TRANSFERRED TO PROFIT & LOSS ACCOUNT



Carnarvon Golf Club Limited
ABN: 57 000 854 544

DETAILED ADMINISTRATION EXPENSES ACCOUNT
for the year ended 31st JANUARY, 2014

	2014	2013
	\$	\$
Administration Expenses		
Wages	298,988	296,227
Superannuation	32,365	29,728
Payroll Tax	4,467	8,266
Workers compensation Insurance	8,833	10,638
Staff Training	2,998	3,892
Staff Expenses	2,582	969
Repairs & Maintenance	55,725	76,353
Security	17,787	13,608
Electricity	142,767	141,856
Cleaning & Supplies	75,356	74,360
Insurance	42,281	40,192
Printing & Stationery	13,856	12,540
Advertising & Promotions	68,408	72,812
Social & Entertainment	20,573	19,356
Audit Fees	10,550	10,000
Staff Uniform	2,454	2,256
Rates	16,225	15,559
Lease Rent - Council	40,702	54,154
Badge Draw	22,387	21,510
Miscellaneous Administration	1,718	9,288
Association Expenses	5,612	5,573
Motor Vehicle Expenses	1,476	1,913
Marketing	-	689
Bank Charges	5,062	19,080
Interest Paid	8,582	19,033
Postage	3,983	3,385
Telephone	14,441	14,712
Directors Expenses	6,839	4,100
Legal Expenses	-	5,715
Donations	1,285	1,258
General Manager Expenses	1,927	1,615
Members Meeting/Amenities Expenses	11,471	5,367
Computer Expenses	27,030	25,660
Fringe Benefits Tax	1,095	732
Depreciation	127,253	140,612
Rental Expenses	8,113	8,524
Loss/(Gain) on Disposal	-	906
TOTAL ADMINISTRATION EXPENSES	<u>1,105,191</u>	<u>1,172,438</u>

TRANSFERRED TO PROFIT & LOSS ACCOUNT



Carnarvon Golf Club Limited
ABN: 57 000 854 544

PROFIT AND LOSS ACCOUNT
for the year ended 31st JANUARY, 2014

	2014	2013
	\$	\$
INCOME		
Subscriptions	818,150	862,350
Competition Fees	327,599	326,373
\$2.73 Increase in Comp Fees - Men	71,190	73,912
Ladies Competition Fees & Other Income	46,779	52,447
\$1.91 Increase in Comp Fees - Ladies	13,600	15,172
Visitors' Green Fees	235,079	264,099
Motorised Cart Hire	123,736	114,673
Investment Income	4,067	13,121
Promotion & Sponsorship	9,494	9,564
Miscellaneous Income	31,483	48,363
Net Trading Profits	567,923	610,711
TOTAL INCOME	<u>2,249,100</u>	<u>2,390,785</u>
TOTAL COURSE EXPENSES	1,134,338	1,142,021
TOTAL ADMINISTRATION EXPENSES	1,105,191	1,172,438
TOTAL EXPENSES	<u>2,239,529</u>	<u>2,314,459</u>
NET OPERATING SURPLUS/(LOSS)	<u>9,571</u>	<u>76,326</u>



Carnarvon Golf Club Limited
ABN: 57 000 854 544

MAJOR EVENT WINNERS 2013

CLUB CHAMPION	:	Michael Lee
'A' Reserve CHAMPION	:	Peter Cramer
B Grade CHAMPION	:	John Park
C Grade CHAMPION	:	Lewis Lee
Junior CHAMPION	:	not played
Veterans CHAMPION(Net)	:	Peter Yoon
(Scr)	:	Michael Lee
FOURSOME CHAMPIONS	:	Bradley Lincoln and Eugene Morozoff
MIXED FOURSOME CHAMPIONS	:	Eugene Morozoff and Clara Kim
MATCH PLAY CHAMPION	:	Brett Sweetnam
'A' Reserve CHAMPION	:	James Ji
B Grade CHAMPION	:	Oscar Bevz
C Grade CHAMPION	:	Paul Gill
CARNARVON CUP	:	Michael Lee
PRESIDENT'S CUP	:	Jason Choi
CAPTAIN'S TROPHY	:	Byung Jun Kim
ROSANNA TROPHY	:	Shawn Singham
PEGG-LAKEMAN SHIELD	:	Doo Hyuen Kim and Roy Kim
CARNARVON BOWL	:	Morley Feng and Soon Ok Lee
GOLD MEDAL	:	Ron McKellar



Carnarvon Golf Club Limited
ABN: 57 000 854 544

LADIES MAJOR EVENT WINNERS 2013

CLUB CHAMPION	:	Katrina Cho
Division 2 CHAMPION	:	Karen Sheargold
Division 3 CHAMPION	:	Donella Wells
Senior CHAMPION	:	Mi Kang
FOURSOME CHAMPIONS	:	Agnes You and Angela Cho
Division 2 CHAMPIONS	:	Donella Wells and Helen Lee
CARNARVON CUP	:	Katrina Cho
CARNARVON SALVER	:	Hak Boon Choi
PREMIERSHIP CUP	:	Donella Wells
GOLD MEDAL	:	Grace Kim
MOTHER'S DAY CUP	:	Soon Ok Lee