

**CALLALA R.S.L. COUNTRY CLUB LIMITED**  
**A.B.N. 36 001 816 799**

**FINANCIAL REPORT**  
**FOR THE YEAR ENDED**  
**31 DECEMBER 2017**

**CALLALA R.S.L. COUNTRY CLUB LIMITED**  
**A.B.N. 36 001 816 799**

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**CALLALA R.S.L. COUNTRY CLUB LIMITED**  
**A.B.N. 36 001 816 799**

**DIRECTORS' REPORT**

Your directors present their report on the company for the financial year ended 31 December 2017.

**Principal Activities**

The principal activities of the company during the financial year were:

Licensed sporting club

No significant changes in the state of affairs occurred during the financial year.

**Objectives & Strategies**

The short and long term objectives of the company are to provide club facilities to members and guests.

The strategy for achieving these objectives is to conservatively manage and monitor the company's financial position, and ensure that member facilities are kept at the highest of standards.

**Performance Measurement**

The company uses industry accepted financial and non-financial KPI's to monitor performance.

**Membership**

The number of members registered in the Register of Members at 31 December 2017 were as follows:

Members	3,144
Total Members	<u>3,144</u>

The company is incorporated under the Corporations Act 2001 and is an entity limited by guarantee. If the company is wound up, the Constitution states that each member is liable to contribute a maximum of \$2 each towards meeting any outstanding obligations of the entity. At 31 December 2017 the collective liability of members was \$6,288 (31 December 2016: \$5,578).

**Directors**

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

**Dennis Beazley**

**Vice President**

*Qualifications, experience, and special duties:*

Retired.

**Leann Lewington**

**Vice President**

*Qualifications, experience, and special duties:*

Club Callala Volunteer.

**Douglas Ingle**

**Treasurer**

Appointed 11/05/2017

*Qualifications, experience, and special duties:*

Retired.

**CALLALA R.S.L. COUNTRY CLUB LIMITED**  
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**DIRECTORS' REPORT**

<b>Glenn Brindle</b> <i>Qualifications, experience, and special duties:</i> Retired.	<b>Director</b>
<b>Lynden Byrne</b> <i>Qualifications, experience, and special duties:</i> Club Callala Volunteer.	<b>Director</b>
<b>Robert Fowler</b> Appointed 30/04/2017 <i>Qualifications, experience, and special duties:</i>	<b>Director</b>
<b>Tracey Gehrke</b> Appointed 30/04/2017 <i>Qualifications, experience, and special duties:</i> Carer.	<b>Director</b>
<b>Sean Wengel</b> <i>Qualifications, experience, and special duties:</i> Accountant.	<b>Director</b>
<b>Jane Davis</b> Resigned 19/10/2017 <i>Qualifications, experience, and special duties:</i> Retired.	<b>Former President</b>
<b>Phillip Bowerman</b> Term completed 30/04/2017 <i>Qualifications, experience, and special duties:</i>	<b>Former Director</b>
<b>Darrell Mason</b> Term completed 30/04/2017 <i>Qualifications, experience, and special duties:</i> Retired.	<b>Former Treasurer</b>
<b>Corey Carter</b> Resigned 27/02/2017 <i>Qualifications, experience, and special duties:</i> Foreman.	<b>Former Director</b>

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

**CALLALA R.S.L. COUNTRY CLUB LIMITED**  
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**DIRECTORS' REPORT**

**Summary of Meeting Attendances:**

12 ordinary meetings were held during the year.

	<i>Number of Meetings Eligible To Attend</i>	<i>Number of Meetings Attended</i>
Dennis Beazley	12	12
Leann Lewington	12	12
Douglas Ingle	8	7
Glenn Brindle	12	12
Lynden Byrne	12	12
Robert Fowler	8	8
Tracey Gehrke	9	8
Sean Wengel	12	12
Jane Davis	10	9
Phillip Bowerman	2	0
Darrell Mason	4	3
Corey Carter	4	0

**Auditor's Independence Declaration**

The lead auditor's independence declaration for the year ended 31 December 2017 has been received and can be found on page 7 of the financial report.

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

Director: \_\_\_\_\_  
Mr Dennis Beazley

Director: \_\_\_\_\_  
Mrs Leann Lewington

Dated 9 March 2018

**INDEPENDENT AUDIT REPORT  
TO THE MEMBERS OF  
CALLALA R.S.L. COUNTRY CLUB LIMITED  
A.B.N. 36 001 816 799**

**Audit Opinion**

We have audited the financial report of Callala R.S.L. Country Club Limited (the company), which comprises the statement of financial position as at year ended 31 December 2017, 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 Callala R.S.L. Country Club Limited is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the company's financial position as at the year ended 31 December 2017 and of their performance and cash flows for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

**Basis of Audit 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 of our report. 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 this auditor's report.

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

**Emphasis of Matter**

Without qualifying our audit opinion, we draw attention to Note 1 "Going Concern" in the financial reports, which indicates that the operating loss this year is \$150,728, compared to a loss last year of \$111,126. These losses may impact the clubs ability to pay its debts as and when they fall due. These factors give rise to a material uncertainty which may cast significant doubt about the ability of the Club to continue as a going concern, and therefore, the Club may be unable to realise its assets and discharge its liabilities in the normal course of business.

**Other Information**

The Directors are responsible for the other information. The other information does not include the financial report and our auditor's report thereon, but comprises the Supplementary Information and Sub Group Reports contained in the annual report, which we obtained prior to the date of this auditor's report, and the President's Report, Treasurer's Report, which are expected to be made available to us after the date of this auditor's report.

**INDEPENDENT AUDIT REPORT  
TO THE MEMBERS OF  
CALLALA R.S.L. COUNTRY CLUB LIMITED  
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Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information 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.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of the Directors 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.

In preparing the financial report, the Directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

**INDEPENDENT AUDIT REPORT  
TO THE MEMBERS OF  
CALLALA R.S.L. COUNTRY CLUB LIMITED  
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**Matters Relating to the Electronic Presentation of the Audited Financial Report**

The auditor's report relates to the financial report of Callala R.S.L. Country Club Limited for the financial year ended 31 December 2017 included on the company's website. The directors are responsible for the integrity of the company's website. We have not been engaged to report on the integrity of the company's website. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this website.

**BOOTH PARTNERS**

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Rebeka Schroeder, CPA  
52 Osborne Street, Nowra NSW 2541  
Dated 9 March 2018

**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF  
CALLALA R.S.L. COUNTRY CLUB LIMITED  
A.B.N. 36 001 816 799**

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2017, 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.

**BOOTH PARTNERS**

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Rebeka Schroeder, CPA  
52 Osborne Street, Nowra NSW 2541  
Dated 9 March 2018

**CALLALA R.S.L. COUNTRY CLUB LIMITED**  
**A.B.N. 36 001 816 799**

**STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 \$	2016 \$
Revenue	2	2,507,304	2,516,958
Cost of sales		(489,784)	(462,205)
Depreciation, amortisation and loss on disposal		(215,500)	(247,768)
Employee benefits		(644,388)	(715,138)
Interest expense		(4,371)	(23,072)
Occupancy costs		(233,177)	(229,782)
Poker Machine Expenses		(485,683)	(355,065)
Promotions & entertainment		(148,767)	(163,663)
Repairs & maintenance		(165,456)	(163,005)
Sporting subsidies & donations		(1,750)	(4,710)
Other expenses		<u>(269,156)</u>	<u>(263,676)</u>
<b>Profit (Loss) from operating activities</b>	<b>4</b>	<b>(150,728)</b>	<b>(111,126)</b>
Profit on Sale of Poker Machines		-	77,955
TGS Capital Reimbursements	3	<u>37,280</u>	<u>302,720</u>
Profit (Loss) before income tax	4	<u>(113,448)</u>	269,549
Income tax expense		<u>-</u>	<u>-</u>
Total comprehensive income (loss) attributable to members of the company		<u><u>(113,448)</u></u>	<u><u>269,549</u></u>

The accompanying notes form part of these financial statements.

**CALLALA R.S.L. COUNTRY CLUB LIMITED**  
**A.B.N. 36 001 816 799**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2017**

	Note	2017 \$	2016 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	204,487	227,773
Trade and other receivables	6	81,017	64,441
Inventories	7	73,383	72,131
Other current assets	8	81,803	81,152
<b>TOTAL CURRENT ASSETS</b>		<u>440,690</u>	<u>445,497</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	9	2,287,841	2,427,578
Intangible assets	10	72,896	72,896
<b>TOTAL NON-CURRENT ASSETS</b>		<u>2,360,737</u>	<u>2,500,474</u>
<b>TOTAL ASSETS</b>		<u>2,801,427</u>	<u>2,945,971</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	243,657	240,836
Borrowings	12	46,299	5,862
Short term provisions	13	59,391	64,077
Other current liabilities	14	27,450	28,889
<b>TOTAL CURRENT LIABILITIES</b>		<u>376,797</u>	<u>339,664</u>
<b>NON-CURRENT LIABILITIES</b>			
Trade and other payables	11	-	40,000
Borrowings	12	9,134	15,434
Long term provisions	13	16,937	39,163
Other non-current liabilities	14	10,674	10,377
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>36,745</u>	<u>104,974</u>
<b>TOTAL LIABILITIES</b>		<u>413,542</u>	<u>444,638</u>
<b>NET ASSETS</b>		<u>2,387,885</u>	<u>2,501,333</u>
<b>EQUITY</b>			
Retained earnings		<u>2,387,885</u>	<u>2,501,333</u>
<b>TOTAL EQUITY</b>		<u>2,387,885</u>	<u>2,501,333</u>

The accompanying notes form part of these financial statements.

**CALLALA R.S.L. COUNTRY CLUB LIMITED**  
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**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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	<b>Retained Profits</b>
Balance at 1 January 2016	2,231,784
Profit (loss) for the year	269,549
Other comprehensive income for the year	-
Total comprehensive income attributable to members of the entity	<u>269,549</u>
Income tax expense	-
Balance at 31 December 2016	<u><u>2,501,333</u></u>
Balance at 1 January 2017	2,501,333
Profit (loss) for the year	(113,448)
Other comprehensive income for the year	-
Total comprehensive income attributable to members of the entity	<u>(113,448)</u>
Balance at 31 December 2017	<u><u>2,387,885</u></u>

The accompanying notes form part of these financial statements.

**CALLALA R.S.L. COUNTRY CLUB LIMITED**  
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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 \$	2016 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from members & visitors		2,452,014	2,582,052
Payments to suppliers and employees		(2,424,362)	(2,393,314)
Interest received		297	674
Interest & other cost of finance paid		(4,371)	(23,072)
Receipts from TGS (Capital Funding)		37,280	302,720
<b>Net cash provided by (used in) operating activities</b>		<u>60,858</u>	<u>469,060</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant and equipment		-	70,937
Payments for property, plant and equipment		(78,280)	(474,184)
<b>Net cash provided by (used in) investing activities</b>		<u>(78,280)</u>	<u>(403,247)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings		14,500	-
Repayment of borrowings		(20,363)	(27,989)
<b>Net cash provided by (used in) financing activities</b>		<u>(5,863)</u>	<u>(27,989)</u>
Net increase (decrease) in cash held		(23,285)	37,824
Cash at beginning of financial year		<u>227,772</u>	<u>189,949</u>
Cash at end of year	<b>5</b>	<u><u>204,487</u></u>	<u><u>227,773</u></u>

The accompanying notes form part of these financial statements.

**CALLALA R.S.L. COUNTRY CLUB LIMITED**  
**A.B.N. 36 001 816 799**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**1 Summary of Significant Accounting Policies**

**Basis of Preparation**

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

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

The financial statements, except for cash flow information, have been prepared on an accrual 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.

The financial statements of Callala R.S.L. Country Club Limited for the year ended 31 December 2017 were authorised for issue in accordance with a resolution of the directors on 9 March 2018.

**Going Concern**

The club has incurred a net operating loss of \$150,728 for the year vs \$111,126 last year.

The financial statements have been prepared on a going concern basis which assumes the realisation of assets and extinguishment of liabilities in the normal course of business at the amounts stated in the financial report for the following reasons;

Net cash flow from operating activities has decreased compared to last year. The clubs ability to continue to adopt the going concern assumption will depend upon achieving continued improvements in profitability and operating cash flow. If improvement is not achieved there exists a material uncertainty which may cast significant doubt on the Club's ability to continue as a going concern and therefore, it may be unable to realise its assets and discharge its liabilities in the ordinary course of business.

The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessarily incurred should the club not continue as a going concern.

**CALLALA R.S.L. COUNTRY CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**Revenue and Other Income**

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and cessation of all involvement in those goods.

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the period of the memberships.

Grant revenue is recognised in the statement of comprehensive income when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

Callala R.S.L. Country Club Limited receives non-reciprocal contributions of assets from the government and other parties for zero or nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of comprehensive income.

Donations and bequests are recognised as revenue when received.

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

**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 borrowings in current liabilities on the balance sheet.

**CALLALA R.S.L. COUNTRY CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**Trade and Other Receivables**

Trade receivables are recognised initially at the transaction price (i.e. cost) and are subsequently measured at cost less provision for impairment. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

At the end of each reporting period, the carrying amount of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in statement of comprehensive income.

**Inventories**

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

Stores are valued at cost.

**Prepayments**

Prepayments are recognised when a payment is made for services that the company expects to utilise over a period of time. Prepayments are measured at the unexpended portion of the contractual cost of the services. Expenditure is transferred to profits and losses on a straight line basis over the period to which it relates.

**Property, Plant and Equipment**

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

**Property**

Freehold land and buildings are measured at cost less depreciation. It is the policy of the entity to have annual appraisals by the directors to ensure the carrying amount is not in excess of the recoverable amount from those assets.

**CALLALA R.S.L. COUNTRY CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**Plant and Equipment**

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present.

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

The depreciation rates used for each class of depreciable asset are:

<b>Class of Fixed Asset</b>	<b>Depreciation Rate</b>
Leasehold Improvements	2% - 40%
Plant & Equipment	3.5% - 40%
Motor Vehicles	10% - 25%
Poker Machines	25% - 40%
Furniture & Fittings	5% - 30%

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

**CALLALA R.S.L. COUNTRY CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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## **Financial Instruments**

### **Initial Recognition and Measurement**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

### **Classification and Subsequent Measurement**

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, prices quoted in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

(i) **Financial assets at fair value through profit or loss**

Financial assets are classified as 'fair value through profit or loss' when they are held for trading for the purpose of short term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with changes in such fair value (i.e. gains or losses) recognised in other comprehensive income (except for impairment losses and foreign exchange gains and losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as current assets when they are expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as non-current assets.

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

**Impairment**

At the end of each reporting period, the company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are immediately recognised in profit or loss. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

**CALLALA R.S.L. COUNTRY CLUB LIMITED**  
**A.B.N. 36 001 816 799**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written off amounts are charged to the allowance account of the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance accounts.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognised the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

#### **Derecognition**

Financial assets are derecognised when the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

#### **Impairment of Assets**

At each reporting date, the company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement, unless the asset is carried at a revalued amount in accordance with another standard. Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**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.

**Goods and Services Tax (GST)**

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

Cash flows are presented on a gross basis, except for the GST component of investing and financing activities which are disclosed as operating cash flows.

**Income Tax**

The company is exempt from income tax under section 50-40 of the Income Tax Assessment Act 1997.

**Employee Benefits**

**Short term employee benefits**

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages and salaries. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages and salaries are recognised as a part of current liabilities in the statement of financial position.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**Other long-term employee benefits**

The company classifies employee's long service leave and annual leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the company's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

The company's obligations for long-term employee benefits are presented as non-current liabilities in the statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current liabilities.

**Provisions**

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

**CALLALA R.S.L. COUNTRY CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**Leases**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted). Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit or loss" in which case transaction costs are recognised immediately as expenses in profit or loss.

Finance leases are capitalised, recognising an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

**Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the income statement in the period in which they are incurred.

**CALLALA R.S.L. COUNTRY CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**Comparative Figures**

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

**Correction to Prior Period Error**

In the 2016 financial year \$30,000 in loans were received to purchase a Golf Course Mower. These loans were treated in error in the bookkeeping system and financial report as Donations Income. In the 2017 financial year, this error was identified, so the \$30,000 was reversed out of donations and credited to the Club's Balance Sheet as a liability.

The effect of this correction was to increase the operating loss for the 2016 financial year by \$30,000 from \$81,126 to \$111,126 and to reduce the Club's Net Assets as at 31 December 2016 from \$2,531,333 to \$2,501,333. We note that these loans were fully repaid by the Club in the 2017 financial year.

**Critical Accounting Estimates and Judgments**

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information.

Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

*Key judgments - Going Concern*

It is the opinion of the directors that the club can continue to pay its debts as and when they fall due, and therefore the going concern assumption is appropriate.

**CALLALA R.S.L. COUNTRY CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>2 Revenue</b>		
<b>Operating activities</b>		
Trading Revenue	2,239,411	2,280,593
Interest	297	674
Members Subscriptions	14,489	14,028
Sub Groups	12,816	6,728
Sundry Income	66,346	57,722
Golf Range Income	114,577	100,541
Bistro Rent	5,135	10,409
Keno Commissions	37,003	27,802
TAB Commissions	17,230	16,670
Mug Punter	-	1,791
	<u>2,507,304</u>	<u>2,516,958</u>
<b>3 Capital Funding</b>		
TGS Capital Reimbursements	37,280	302,720
	<u>37,280</u>	<u>302,720</u>
<b>4 Profit from Ordinary Activities</b>		
Profit from ordinary activities before income tax expense has been determined after:		
<b>Expenses:</b>		
Cost of sales	489,784	462,205
Depreciation of non-current assets	218,012	247,356
Audit & Accountancy Fees		
Audit Fees	16,875	16,134
Accountancy Fees	14,375	13,744
<b>Total Auditor's Remuneration</b>	<u>31,250</u>	<u>29,878</u>
Rental expense on operating leases	365,744	245,519

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>5 Cash and Cash Equivalents</b>		
<b>Current</b>		
Cash on Hand	96,972	101,824
Westpac Banking Corporation	643	791
St. George Bank	7,338	6,280
National Australia Bank	25,537	38,277
I.M.B	-	2,105
Illawarra Credit Union	5,627	6,346
Commonwealth Bank	68,370	72,150
	<u>204,487</u>	<u>227,773</u>
<b>Reconciliation of cash</b>		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:		
Cash and cash equivalents	<u>204,487</u>	<u>227,773</u>
	<u>204,487</u>	<u>227,773</u>
<b>6 Trade and Other Receivables</b>		
<b>Current</b>		
GST Payable	-	3,521
Trade Debtors	81,017	60,920
	<u>81,017</u>	<u>64,441</u>
<b>7 Inventories</b>		
<b>Current</b>		
Stock on Hand - Other	30,539	27,420
Stock on Hand	42,844	44,711
	<u>73,383</u>	<u>72,131</u>
<b>8 Other Current Assets</b>		
<b>Current</b>		
Prepayments	<u>81,803</u>	<u>81,152</u>

**CALLALA R.S.L. COUNTRY CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>9 Property, Plant and Equipment</b>		
<b>Land and Buildings</b>		
Leasehold Improvements	4,724,673	4,724,673
Less: Amortisation	<u>(2,836,837)</u>	<u>(2,749,820)</u>
	<u>1,887,836</u>	<u>1,974,853</u>
<b>Total Land and Buildings</b>	<u>1,887,836</u>	<u>1,974,853</u>
<b>Plant and Equipment</b>		
Motor Vehicles at Cost	153,254	153,254
Less: Accumulated Depreciation	<u>(153,254)</u>	<u>(151,522)</u>
	<u>-</u>	<u>1,732</u>
Furniture & Fittings	325,771	322,687
Less: Provision for Depreciation	<u>(207,628)</u>	<u>(169,497)</u>
	<u>118,143</u>	<u>153,190</u>
Furniture & Fittings - Sub Groups	39,621	227,139
Less: Accumulated Depreciation	<u>(31,594)</u>	<u>(107,244)</u>
	<u>8,027</u>	<u>119,895</u>
Plant & Equipment	460,588	385,394
Less: Provision for Depreciation	<u>(309,657)</u>	<u>(270,109)</u>
	<u>150,931</u>	<u>115,285</u>
Plant and Equipment - Golf Club	680,818	493,300
Less Accumulated Depreciation	<u>(568,517)</u>	<u>(448,714)</u>
	<u>112,301</u>	<u>44,586</u>
Poker Machines	39,651	39,651
Less: Provision for Depreciation	<u>(29,048)</u>	<u>(21,614)</u>
	<u>10,603</u>	<u>18,037</u>
<b>Total Plant and Equipment</b>	<u>400,005</u>	<u>452,725</u>
<b>Total Property, Plant and Equipment</b>	<u><u>2,287,841</u></u>	<u><u>2,427,578</u></u>

**CALLALA R.S.L. COUNTRY CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

2017                      2016  
 \$                              \$

All of the leasehold improvements owned by the club are located at Callala Beach Road, Callala, and are considered 'Core Property' (as defined in the Registered Club Act 1976).

We refer to the carrying amount of the leasehold improvements at 31 December 2017. This cost incurred by Callala RSL Country Club Limited would be expected to remain with the owners of the land at Callala Beach Road, Callala. The building improvements made by the club would be difficult to relocate from the land itself.

**Movements in Carrying Amounts**

Movements in carrying amount for each class of property, plant and equipment between the beginning and the end of the financial year:

	<b>Carrying Value</b>				<b>Carrying Value</b>
	<b>1 Jan 2017</b>	<b>Additions</b>	<b>Disposals</b>	<b>Depreciation</b>	<b>31 Dec 2017</b>
Leasehold Improvements	1,974,852	-	-	(87,016)	1,887,836
Motor Vehicles at Cost	1,731	-	-	(1,731)	-
Furniture & Fittings	153,190	3,084	-	(38,131)	118,143
Plant & Equipment	279,764	75,195	-	(83,700)	271,259
Poker Machines	18,037	-	-	(7,434)	10,603
	<u>2,427,574</u>	<u>78,279</u>	<u>-</u>	<u>(218,012)</u>	<u>2,287,841</u>

**10 Intangible Assets**

Poker Machine Entitlements	<u>72,896</u>	<u>72,896</u>
<b>Total</b>	<u><u>72,896</u></u>	<u><u>72,896</u></u>

**CALLALA R.S.L. COUNTRY CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

2017  
\$

2016  
\$

**Movements in Carrying Amounts**

Movements in carrying amount of each class of intangibles between the beginning and the end of the current financial year:

	Carrying Value				Carrying Value
	1 Jan 2017	Additions	Disposals	Amortisation	31 Dec 2017
Poker machines	72,896	-	-	-	72,896
	<u>72,896</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>72,896</u>

**11 Trade and Other Payables**

**Current**

Trade Creditors & Accruals	211,032	240,836
GST Payable	32,625	-
	<u>243,657</u>	<u>240,836</u>

**Non-Current**

Unsecured Debentures	-	40,000
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**Financial liabilities at amortised cost classified as trade and other payables**

Trade and other payables:

- Total current	243,657	240,836
- Total non-current	-	40,000
	<u>243,657</u>	<u>280,836</u>

Less:

GST	(32,625)	-
Accruals	(98,057)	(50,281)
Financial liabilities as trade and other payables	<u>112,975</u>	<u>230,555</u>

**CALLALA R.S.L. COUNTRY CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>12 Financial Liabilities</b>		
<b>Current</b>		
Unsecured Debentures	40,000	-
Hire Purchase Liability	7,205	7,205
Less: Unexpired Hire Purchase Liability	<u>(906)</u>	<u>(1,343)</u>
	<u>46,299</u>	<u>5,862</u>
<b>Non-Current</b>		
Hire Purchase Liability	9,607	16,813
Less Unexpired Hire Purchase Liability	<u>(473)</u>	<u>(1,379)</u>
	<u>9,134</u>	<u>15,434</u>
<b>13 Provisions</b>		
<b>Current</b>		
Provision for Annual Leave	18,932	32,638
Provision for Long Service Leave	18,098	16,231
Provision for Members Points	5,762	4,331
Provision for PM Jackpot	<u>16,599</u>	<u>10,877</u>
	<u>59,391</u>	<u>64,077</u>
<b>Non-Current</b>		
Provision for Long Service Leave	<u>16,937</u>	<u>39,163</u>
	<u>53,967</u>	<u>88,032</u>
<b>14 Other Liabilities</b>		
<b>Current</b>		
Subscriptions in Advance	20,061	16,931
Other Income in Advance	<u>7,389</u>	<u>11,958</u>
	<u>27,450</u>	<u>28,889</u>
<b>Non Current</b>		
Subscriptions in Advance	<u>10,674</u>	<u>10,377</u>
<b>15 Capital and Leasing Commitments</b>		

**CALLALA R.S.L. COUNTRY CLUB LIMITED**  
**A.B.N. 36 001 816 799**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>Operating Lease Commitments</b>		
Non-cancellable operating leases contracted for but not capitalised in the financial statements:		
Payable - minimum lease payments		
Not later than 12 months	359,842	354,853
Between 12 months and five years	768,763	1,121,028
	<u>1,128,605</u>	<u>1,475,881</u>

Callala has a 5 year agreement with TGS. The current portion of operating lease is \$317,550 and the non-current is \$740,950. Callala also has an operating lease with Multiscreen, Printercorp, Yamaha, Rent Lite and Atlantic Group. The current portion of the operating lease for Multiscreen is \$4,135 and the non-current portion is \$5,514. The current portion of the Printercorp lease is \$5,958 and the non-current is \$12,909. The current portion of the Yamaha lease is \$27,210 and the non-current is \$6,802. The current portion of the Rent Lite lease is \$2,619 and the non-current is \$1,813. The current portion of the Atlantic Group lease is \$2,370 and the non-current is \$775.

**16 Key Management Personnel Compensation**

Total Compensation	<u>87,092</u>	<u>93,816</u>
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**17 Related Party Transactions**

Transactions between related parties are on normal commercial terms and conditions. These terms and conditions are no more favourable than those available to other parties unless otherwise stated.

**CALLALA R.S.L. COUNTRY CLUB LIMITED**  
**A.B.N. 36 001 816 799**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<hr/>		
<b>18 Financial Risk Management</b>		
<p>The company's financial instruments consist mainly of deposits with banks, accounts receivable and payable, and leases.</p> <p>The carrying amounts 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:</p>		
<b>Financial Assets</b>		
Cash and cash equivalents	204,487	227,773
Loans and receivables	81,017	64,441
Total Financial Assets	<u>285,504</u>	<u>292,214</u>
<b>Financial Liabilities</b>		
Financial Liabilities at amortised cost		
- Trade and other payables	112,975	230,555
- Borrowings	55,433	21,296
Total Financial Liabilities	<u>168,408</u>	<u>251,851</u>

**CALLALA R.S.L. COUNTRY CLUB LIMITED**  
**A.B.N. 36 001 816 799**

**DIRECTORS' DECLARATION**

The directors of the company declare that:

1. The financial statements and notes are in accordance with the Corporations Act 2001 and:
  - (a) comply with Australian Accounting Standards.
  - (b) give a true and fair view of the financial position of the company as at 31 December 2017 and of its performance for the year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

**Director:** \_\_\_\_\_  
Mr Dennis Beazley

**Director:** \_\_\_\_\_  
Mrs Leann Lewington

Dated 9 March 2018

**CALLALA R.S.L. COUNTRY CLUB LIMITED**  
**A.B.N. 36 001 816 799**

**DISCLAIMER ON ADDITIONAL FINANCIAL INFORMATION**

The additional information on the following pages is in accordance with the books and records of Callala R.S.L. Country Club Limited which have been subjected to the auditing procedures applied in the audit of the company for the year ended 31 December 2017. It will be appreciated that the audit did not cover all details of the additional financial information. Accordingly, we do not express an opinion on such financial information and no warranty of accuracy or reliability is given.

In accordance with our firm policy, we advise that neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any person (other than the company) in respect of such information, including any errors or omissions therein, arising through negligence or otherwise however caused.

**BOOTH PARTNERS**

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Rebeka Schroeder, CPA  
52 Osborne Street, Nowra NSW 2541  
Dated 9 March 2018

**CALLALA R.S.L. COUNTRY CLUB LIMITED**  
**A.B.N. 36 001 816 799**

**SUPPLEMENTARY INFORMATION**  
**DEPARTMENTAL PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 \$	2016 \$
<b>Bar Trading</b>			
Sales		1,010,619	1,020,046
		<u>1,010,619</u>	<u>1,020,046</u>
<b>LESS: COST OF GOODS SOLD</b>			
Opening Stock		37,221	49,210
Less : Closing Stock		(34,743)	(37,221)
Purchases		469,853	438,642
		<u>472,331</u>	<u>450,631</u>
<b>GROSS PROFIT FROM TRADING</b>		<u>538,288</u>	<u>569,415</u>
Alcohol Rebates		23,025	-
		<u>23,025</u>	<u>-</u>
<b>EXPENDITURE</b>			
Wages		328,764	389,241
Amortisation		5,907	5,907
Member Points/ Voucher Expense		7,507	-
Repairs & Requisites		5,208	8,837
Superannuation		31,232	34,158
		<u>378,618</u>	<u>438,143</u>
<b>NET PROFIT</b>		<u>182,695</u>	<u>131,272</u>

The accompanying notes form part of these financial statements.

**CALLALA R.S.L. COUNTRY CLUB LIMITED**  
**A.B.N. 36 001 816 799**

**SUPPLEMENTARY INFORMATION**  
**DEPARTMENTAL PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 \$	2016 \$
<b>TAB Trading</b>			
<b>INCOME</b>			
Mug Punter		-	1,791
TAB Commissions		17,230	16,670
		17,230	18,461
<b>EXPENDITURE</b>			
Superannuation		57	43
TAB Expenses		1,040	1,270
Wages		600	450
		1,697	1,763
<b>NET PROFIT</b>		<b>15,533</b>	<b>16,698</b>

The accompanying notes form part of these financial statements.

**CALLALA R.S.L. COUNTRY CLUB LIMITED**  
**A.B.N. 36 001 816 799**

**SUPPLEMENTARY INFORMATION**  
**DEPARTMENTAL PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 \$	2016 \$
<b>Poker Machine Trading</b>			
Gross Clearances		3,657,026	3,822,993
Poker Machine GST Rebate		17,180	17,180
Poker Machine Payouts		<u>(2,487,466)</u>	<u>(2,597,672)</u>
		<u>1,186,740</u>	<u>1,242,501</u>
<b>EXPENDITURE</b>			
Monitoring Costs		17,809	17,079
Supplementary Tax		81,990	89,829
Wages		18,573	20,107
Community Donations		5,312	4,710
Depreciation and Loss on Disposal		7,434	11,470
Member Points/ Voucher Expense		27,322	8,982
Repairs & Maintenance		-	1,845
Superannuation		1,764	1,910
TGS Expenses		<u>353,250</u>	<u>234,465</u>
		<u>513,454</u>	<u>390,397</u>
<b>NET PROFIT</b>		<u><u>673,286</u></u>	<u><u>852,104</u></u>

The accompanying notes form part of these financial statements.

**CALLALA R.S.L. COUNTRY CLUB LIMITED**  
**A.B.N. 36 001 816 799**

**SUPPLEMENTARY INFORMATION**  
**DEPARTMENTAL PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 \$	2016 \$
<b>Golf Course Trading</b>			
Shop Sales		19,027	18,046
		<u>19,027</u>	<u>18,046</u>
<b>LESS: COST OF GOODS SOLD</b>			
Opening Stock		7,490	8,510
Less Closing Stock		(8,101)	(7,490)
Purchases		18,064	10,554
		<u>17,453</u>	<u>11,574</u>
<b>GROSS PROFIT FROM TRADING</b>		<u>1,574</u>	<u>6,472</u>
<b>INCOME</b>			
Bank Interest		14	5
Competition Fees		-	1,945
Donations		-	518
Fund Raising		-	1,083
Golf Cart Hire		14,905	7,118
Green Fees		70,762	63,149
Memberships		27,014	21,955
Sponsorships		682	955
Sundry Income		1,200	3,813
		<u>114,577</u>	<u>100,541</u>
<b>EXPENDITURE</b>			
Affiliation Fees		7,212	6,690
Amortisation of Development Costs		16,580	16,580
Bank Charges		631	7
Computer Costs		2,323	2,772
Depreciation		25,751	15,564
Donation		100	1,200
General Expenses		5,310	3,313
Golf Course Maintenance		44,800	34,451
Link Fees		467	488
Postage Printing & Stationery		4,535	3,747
Presentation and Catering		859	2,704
Superannuation		11,936	9,742

The accompanying notes form part of these financial statements.

CALLALA R.S.L. COUNTRY CLUB LIMITED  
A.B.N. 36 001 816 799

SUPPLEMENTARY INFORMATION  
DEPARTMENTAL PROFIT AND LOSS STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	2017 \$	2016 \$
Telephone		123	36
Uniforms and Clothing		59	63
Wages		125,643	111,219
		<u>246,329</u>	<u>208,576</u>
<b>NET LOSS</b>		<u>(130,178)</u>	<u>(101,563)</u>

The accompanying notes form part of these financial statements.

**CALLALA R.S.L. COUNTRY CLUB LIMITED**  
**A.B.N. 36 001 816 799**

**SUPPLEMENTARY INFORMATION**  
**DEPARTMENTAL PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 \$	2016 \$
<b>Keno Trading</b>			
<b>INCOME</b>			
Keno Commissions		37,003	27,802
		37,003	27,802
<b>EXPENDITURE</b>			
Repairs & Maintenance - Keno		2,285	-
Superannuation		57	43
Wages		600	450
		2,942	493
<b>NET PROFIT</b>		<b>34,061</b>	<b>27,309</b>

The accompanying notes form part of these financial statements.

**CALLALA R.S.L. COUNTRY CLUB LIMITED**  
**A.B.N. 36 001 816 799**

**SUPPLEMENTARY INFORMATION**  
**DEPARTMENTAL PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 \$	2016 \$
<b>Bistro Trading</b>			
<b>INCOME</b>			
Bistro Rent		5,135	10,409
		5,135	10,409
<b>EXPENDITURE</b>			
Bistro Electricity and Gas		14,894	17,157
Bistro Repairs and Maintenance		-	3,244
		14,894	20,401
<b>NET LOSS</b>		<b>(9,759)</b>	<b>(9,992)</b>

The accompanying notes form part of these financial statements.

**CALLALA R.S.L. COUNTRY CLUB LIMITED**  
**A.B.N. 36 001 816 799**

**SUPPLEMENTARY INFORMATION**  
**PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	2017	2016
	\$	\$
<b>INCOME</b>		
Bar Trading	182,695	131,272
TAB Trading	15,533	16,698
Poker Machine Trading	673,286	852,104
Golf Course Trading	(130,178)	(101,563)
Keno Trading	34,061	27,309
Bistro Trading	(9,759)	(9,992)
Interest Received	297	674
Members Subscriptions	14,489	14,028
Sub Groups	<b>19</b> 12,816	6,728
Sundry Income	<b>20</b> 66,346	57,722
	859,586	994,980
<b>LESS : EXPENDITURE</b>		
Accountancy Fees	14,375	13,744
Advertising	20,491	28,661
Affiliation Fees	4,770	4,373
Amortisation	64,530	64,616
Audit Fees	16,875	16,134
Bank Charges	3,603	2,209
Bowling Green Maintenance	76,636	76,535
Cleaning Materials & Contractors	66,321	60,081
Courtesy Bus Expenses	20,825	16,492
Depreciation	95,298	131,170
Directors Meals & Duty Expenses	2,726	563
Donations	1,650	3,510
Drinks - Members & Other	391	2,859
Electricity & Gas	86,554	89,316
Entertainment & Promotion Expenses	<b>21</b> 126,572	138,537
General Expenses	<b>22</b> 44,714	46,591
Insurance	49,169	41,429

The accompanying notes form part of these financial statements.

**CALLALA R.S.L. COUNTRY CLUB LIMITED**  
**A.B.N. 36 001 816 799**

**SUPPLEMENTARY INFORMATION**  
**PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Interest Paid	4,371	23,072
Leasing Charges	12,494	11,054
Long Service Leave	(12,002)	6,405
Loss on Disposal of Non-Current Assets	-	2,461
Printing, Stationery & Postage	7,252	10,696
Raffle & Bingo Net Deficit	4,963	11,545
Rates & Taxes	3,112	5,480
Rent of Club Premises	69,708	69,708
Repairs & Maintenance	36,527	38,093
Security	8,165	6,156
Superannuation	18,928	12,052
Telephone	14,879	14,393
Trade Waste & Effluent Removal	22,327	22,609
Transport & Travelling Costs	-	418
Under/Over Banking	(1,928)	1,747
Wage Costs - Administration	116,278	126,705
Water Rates	9,740	6,692
	<u>1,010,314</u>	<u>1,106,106</u>
<b>NET PROFIT(LOSS) FROM OPERATING ACTIVITIES</b>	<b>(150,728)</b>	<b>(111,126)</b>
 <b>NON OPERATING INCOME</b>		
Profit on Sale of Poker Machines	-	77,955
TGS Capital Reimbursements	37,280	302,720
	<u>37,280</u>	<u>380,675</u>
<b>NET PROFIT(LOSS)</b>	<b>(113,448)</b>	<b>269,549</b>

The accompanying notes form part of these financial statements.

**CALLALA R.S.L. COUNTRY CLUB LIMITED**  
**A.B.N. 36 001 816 799**

**NOTES TO THE SUPPLEMENTARY INFORMATION**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>19 Sub Groups</b>		
Fishing Club	(841)	2,207
Indoor Bowling Club	(83)	70
Ladies Golf Club	(1,027)	921
Mens Bowling Club	11,495	4,124
Mens Golf Club	1,269	(482)
Veterans Golf Club	1,340	(1,731)
Womens Bowling Club	663	1,619
	<u>12,816</u>	<u>6,728</u>
<b>20 Sundry Income</b>		
Advertising Fees	327	3,864
Auditorium Hire	300	4,986
Bowling Club Greens Contribution	2,763	3,468
Bus Usage Fees	805	1,532
Callala Club Shirts	45	1,277
Commissions	25,608	25,229
Donations	3,506	800
EFTPOS Fees	2,433	2,535
Entertainment	-	202
Insurance Recoveries	16,844	4,455
Kids Activity Packs	50	-
Sundry Income	13,665	9,374
	<u>66,346</u>	<u>57,722</u>

The accompanying notes form part of these financial statements.

These statements should be read in conjunction with the attached disclaimer of Booth Partners.

**CALLALA R.S.L. COUNTRY CLUB LIMITED**  
**A.B.N. 36 001 816 799**

**NOTES TO THE SUPPLEMENTARY INFORMATION**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>21 Entertainment &amp; Promotion Expenses</b>		
Entertainment	32,980	36,983
Major Draw	3,881	6,995
Members Birthday	8,378	9,371
National Poker League	26,010	28,580
Net Special Events	(66)	776
Promotions	5,201	9,232
Sky Channel & Austar	50,188	46,600
	<u>126,572</u>	<u>138,537</u>
<b>22 General Expenses</b>		
AGM Election Expenses	1,525	1,600
Bar Uniforms	497	2,321
Computer Expenses	1,368	3,023
Consultancy	1,425	7,040
Food Subsidy	-	1,349
Function costs	-	1,795
Hire of Plant & Equipment	3,239	3,235
Hygiene	9,135	8,724
Licence Fees	1,983	1,734
Lucky Badge	15,046	7,455
Safety	6,060	6,103
Staff Meals and Drinks	427	183
Staff Training & Welfare	1,034	109
Subscriptions	1,645	-
Sundry Expenses	1,330	1,920
	<u>44,714</u>	<u>46,591</u>

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