



*The stunning view from our new Greens Nursery*

**Mount Osmond Golf Club  
Incorporated**

# Annual Report

**AGM** Thursday 30 June 2016 | 7.45pm



## **Board Of Management**

<b>President</b>	Mr David Garry
<b>Chairman of Women Members</b>	Ms Sally Attrill
<b>Men's Captain</b>	Mr Ben Hook
<b>Women's Captain</b>	Ms Chris Holden
<b>Board</b>	Ms Jackie Aykroyd Mr Alan Freeman Mr Jason Morgan

## **General Manager**

Mr Mark Tan

## **VISION STATEMENT**

A friendly member and family orientated Golf Club that promotes and enjoys its unique geographic environment, whilst delivering the best quality golf and hospitality services to its members and guests.

*Adelaide's most beautiful test of golf*



## President's Message 2015/16



Dear Members,

In presenting the annual report for the period ending the 31st March 2016 your Board is pleased to announce that we have continued on from last financial year and recorded a cash flow surplus.

The period also brings to a conclusion the three year strategic plan implemented by the Board in April 2013.

That plan has seen a number of major infrastructure projects completed such as the clubhouse renovations, car park resurfacing, gates entrance project, pro shop entrance and with the assistance of the Foundation fund other member amenities such as new carpet, new dining tables and chairs and renovations to the men's toilets to name a few.

The acquisition of the catering business from outside contractors

has also been a significant major acquisition that has assisted in fulfilling an increase to member services with a higher quality food and beverage service.

There were a number of large scale projects not completed within the strategic plan time table such as water security (pipeline replacement) however we have made substantial progress on the assessment of this outstanding project with the help of members who have expertise in those areas and the Board is considering the report and the appropriate action plan to achieve the best outcome.

The strategic plan has also initiated a better gender balance at board level and a more progressive attitude in encouraging members to nominate for Board positions. Further initiatives in regard to the constitution will be put to the forthcoming AGM in respect to the furtherance of a better structured constitution and Board.

Post the AGM the new Board will move to review the previous strategic plan and move forward to the development of a new three year strategic plan that will concentrate on delivering water security as a priority. There are other substantial infrastructure projects such as course pathway improvements, the restructure of the first three holes of the course, and major irrigation infrastructure

above our current levy contribution management program. These are major decisions that the Board will deliberate upon in regard to progressing our club under the new strategic plan.

The recent establishment of our nursery at the top of the practice fairway is one initiative that will assist in course development.

I remain very optimistic in a difficult economic period that the Board will deliver lasting long term infrastructure changes to the club through the next 3 year strategic plan.

In conclusion I would also like to thank all staff members as their commitment to the club is exemplary.

**David Garry**  
President





# Operations & Administration



General Manager  
Mark Tan

In 2015/2016 the Club returned an operating deficit of \$260.5k. The audited financial statements include

non-cash items in the operational expenses of the Club, excluding these non-cash items results in surplus funds of \$85k (\$72k, 2014/2015). A pleasing result given the current economic conditions and continued pattern of improvement on previous years. Membership numbers continue to be the most important factor in improving our operating result. The budget for 2016/2017 has been approved and show further improvement again in the operating performance of the Club.

With the expected minimal improvement in surplus funds Board and Management adopted a measured approach to capital expenditure. Smaller projects identified in the departmental action plans that support the Club's Strategic Plan were targeted and completed. These included several projects to upgrade and improve pathways around the course.

Water levy expenditure this financial year was restricted due to the heavy expenditure experienced last year with the replacement of two pumps, the installation of variable speed drives and the upgrades to the irrigation system on the 3rd and 11th

holes. There are still four projects that remain uncompleted; 1st hole, 5th hole, 14th hole (from top of the hill to the green) and the 18th hole (last 100m to the green). These remain a focus and will be implemented when the allocation of funds and human resources allow.

Funds from the Foundation Fund allowed for upgrades to the men's and women's locker room toilet areas. Thanks too must go to members Leon Calladine (E J Northway Plumbers), Mirco Dallosto (M & D Dallosto Bathrooms), Frank Filippi (Festival Glass) and Tony Spry (Spry & Spry Architectural Cabinetmakers) for their generous support and assistance with this project.

The audited financial statements indicate the reliance on subscription income (42.4% of total income) remained consistent with the improved results of previous (41.4% in 2014/15). Other major sources of income included food and beverage, green fees, competition fees and entrance fees. For a third successive year we saw a significant increase in green fee revenue, which is a testament to the current offering including course presentation.

Food and beverage sales of \$1,022k (\$1,020k 2014/15) resulted in a net contribution to club revenues of \$30k (\$87k 2014/15), a significant decrease from the results of last year. Total wage costs increased slightly (3%) to 50.4% of total sales and total costs of goods sold (COGS) margins remained

at 37% during 2015/2016. The balance in sales shifted throughout last year with an increase in member sales as a percentage of total sales (64.6% 2014/15 to 69.1% 2015/16). This shift had a negative effect on profitability of the food and beverage department.

To provide a clearer example of the expenses involved with earning each dollar (\$1.00) of revenue from the food and beverage service to members and others;

	Members	Others
Wage costs	\$0.59	\$0.36
Cost of goods	\$0.39	\$0.32
Other expenses	\$0.08	\$0.08
<b>TOTAL</b>	<b>\$1.06</b>	<b>\$0.76</b>

This table highlights that we are only able to provide the level of service to members that we do by the support of outside functions and golf days.

The goal since taking control of the catering has been to provide members with a quality, consistent service that adds value to their membership. The level of service and quality provided to members and visitors continues to improve. The challenge for management has been to make improvements in service and quality whilst monitoring profitability. It will be vitally important for members to maintain their support through the upcoming winter months, please encourage others to come in and make use of the facilities available.



Photography c/o H & C Russack



Membership numbers as at 31 March 2016 remained at 1041 as at 31 March the previous year. The full member equivalent (FME) as at 31 March 2016 was 696.1 which was higher than previous year 686.2. This increase in FME for the second consecutive year continues to reinforce the improvements that have been made.

The Board and Management is constantly reviewing membership categories to provide members with flexible options that meet members' needs and provide security of income for the Club.

I would like to acknowledge the generous support of our Club major sponsors Kevin Bew and the team at Paradise Motors Mazda. For the first time last year their ongoing generous sponsorship included support of the Twilight series, this was in addition to support of the Foundation Golf Day, Women's Chairman's Day and many other club events. Your ongoing generous support is valued and appreciated. The Club also is

very generously supported by many other sponsors, I thank them all and encourage you to show them support when you have the opportunity.

### Personnel

The staff team continue to show commitment to their roles in servicing the members.

The administration staff of Lyn McGough and Sandra Flashman continue to provide service to the membership in an efficient and friendly manner.

Course Superintendent Barry Bryant and the team of grounds staff continue to present the course in wonderful condition. Consistency of playing surfaces has continued to be a major focus. Well done to the course team.

The food and beverage team continue to raise the bar in the level of service and quality of product offered. The team dutifully manage the increased workload of

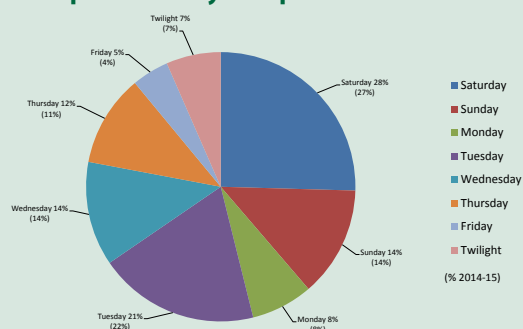
our function commitments whilst maintaining a high level of service to members.

Our Golf Club and its members rely on the services of the Club Professional Ian Pritchard and his staff. The professionalism and willingness to go above and beyond in servicing the members continues to remain outstanding. Ian's commitment and dedication to the Club and his service to the industry was recognised in October 2015 when he was awarded the Club Professional of the Year award (for the second consecutive year) at the Golf SA Industry awards dinner. In December of 2015 he then was acknowledged as a joint winner of the National Club Professional of the Year, an outstanding effort.

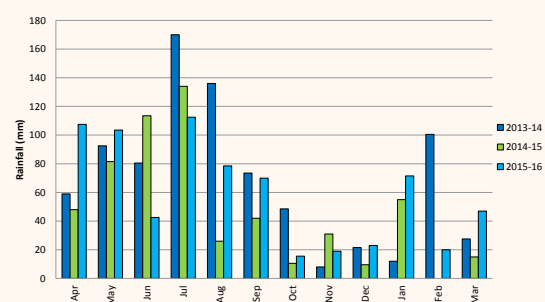
The Club is fortunate to have such a dedicated Club Professional who maintains such a high level of service to members, guests and visitors.

**Mark Tan**  
General Manager

### Competition Players April 2015–March 2016



### Rainfall at Mt Osmond Golf Club





# Committee Reports



## Men's Captain



Following a rollicking period of change over the previous year, across these last 12 months the

Match Committee has delivered outcomes on a narrower but by no means less valuable range of feats.

I'm tremendously proud to set foot on our course and note the orange tees now installed for kids and beginners. The viability of Mt Osmond Golf Club is dependent on our club introducing new players to the game.

Making our course playable for as many people as possible is important for the growth of the club and important for the growth of the game. This is a key step forward, and I thank Ian Pritchard and Barry Bryant for their commitment to this project.

Furthermore, the match committee has developed a policy to deal with hot weather, with the safety of our

members paramount. This has now been approved by the Board and was first implemented in December last year.

And the match committee has begun the task of developing a bushfire action plan, again to ensure to the best of our ability the safety of our members and guests should wildfire threaten the clubhouse and course.

This comes on top of the usual responsibilities of a match committee to oversee scoring and adjudication of feature competitions, and carry out presentations where appropriate.

I wish to sincerely thank my band of volunteers Andrew Nairn, Andrew Marcus, Matt Hodgson and George Christopoulos, as well as expressing my gratitude for the tremendous input the club receives from Women's Captain, Chris Holden.

Our Match committee receives outstanding service from club staff members who are second to none in their fields. General Manager Mark Tan, Golf Operations Co-ordinator

Lyn McGough and Club Professional Ian Pritchard are true leaders and their various awards from Golf SA, Clubs SA and the Australasian PGA awards is a clear pointer to this. I am eternally appreciative of their tireless energy in the interests of the club.

The Match Committee undertake a process of renewal, with the close of my second term in two months to be my final period in the post. I offer my successor my strong support and wish him every success in the role.

It has been truly an honour to serve as Men's Captain of this club I deeply cherish.

Indian researcher MK Soni once said: "Retire from work, but not from life."

While I'm stepping down as Captain, I hope I can continue to assist the club and its members achieve its aims.

**Ben Hook**  
Men's Captain



## Women's Chairman



The 2015/16 financial year for the women has once again accentuated the commitment, cohesiveness

and inclusiveness of our women members.

Apart from our major event of the Club Championships, the women have the opportunity to participate in some 23 club events.

We also provide teams for 4 events played annually against other clubs, and we participate in the GolfSA Country Week, where we are well represented at each level.

This does not include the Pennant season, which involves a huge commitment over an eight week period from, players, caddies and managers.

This year for the first time we are fielding a Sunday A2 team as well as our Monday A3, Cleek and Hickory teams.

The participation in our events is increasing year by year:

Our Christmas competition fielded 120 players this year, with additional attendees arriving for the lunch, and traditional Christmas entertainment provided by the Women's Committee ably assisted by Ian and Ray from the Pro Shop.

Our GolfSA Open Day broke all our

records, with a field of 132 players, and 160 lunch attendee's. We see this as a great way to showcase what Mount Osmond has to offer.

The demographics of our Club Championships this year showed a significant move of new players into our D Grade Championship, mostly having come from our Try Golf Programs.

Moving forward to 2017, we have changed our Club Championship timetable to play the finals on the same Sunday as the Men's Final and to have a combined Championship Dinner.

Additionally we run:

Rules and Etiquette Sessions for our newer players.

A Fun Orange Day with some quirky rules.

Golf Fashion Evenings, in conjunction with the Pro Shop.

A Bridge and Mah Jong day run in aid of our charity Ovarian Cancer Research Foundation.

Finally: At Our Special General Meeting and lunch held in October, Flora Rumbelow completed her two years as the Women's Chair and was duly thanked and applauded for her amazing efficiency and hard work over the previous two years.

Trish Reed also stepped down from her role as Membership coordinator, a role she had made her own over the last two years by supporting the Try

Golf Program and welcoming new members.

We also lost Louise Downing our Secretary, Louise however has continued in her role on the Foundation Committee.

Three nominations were received for the two vacant positions, a members vote was taken. Lorraine Carpenter and Ann Bila were duly elected and welcomed to the committee.

This year having the Australian Open here in Adelaide was very exciting for the State and for women's golf in particular. A large number of our women members took the opportunity to work as volunteers during the event.

The success of the year is due to a large number of people all of whom have my thanks:

The Women's Committee; Chris Holden Women's Captain, Ros Brown Vice Captain, Ruth Gwilliam, Gail Kennett, Jackie Aykroyd, Briony Williams, Lorraine Carpenter, Ann Bila.

Mark Tan, Lyn McGough and Ian Pritchard for their support and golfing guidance.

Sandra, Robert, the kitchen and bar staff. So many of our events involve them.

Barry and the Grounds staff — the course is a credit to them.

And of course the women members.

**Sally Attrill**

Women's Chairperson





## Grounds Committee



2015/16 has again been a positive year for the course which improves each year. There is no

doubt that Barry and his team are doing a fantastic job keeping the course consistently beautiful and preparing a golf course that is not only fair but an enjoyable challenge for all handicaps week in and week out. If you see one of our fantastic green staff through the week or on the weekend I am sure a little bit of positive feedback will be appreciated.

There have been some minor course improvements that have taken place over the year. I think we will all agree that the view from the 7th green is one of the best golf course scenes in the country and the clearing out of some shrubs and bushes behind the green has highlighted this to make it even more spectacular. The cart path at the rear of the 4th green and next to the 5th tee is also a highlighted feature that is certainly an improvement as the ground staff are always looking for ways to improve our paths and surrounds.

The Greens Nursery at the top of the practice fairway was the major course project for the year. This is with the view that some of our greens on the course are 50yrs old and the turf quality over time has lapsed. It is essential that greens be rotated to keep consistent turf throughout the course creating pure and true playing surfaces. The greens nursery will allow for quick replacement of greens allowing for sustainable improvements and be a fundamental asset for improving the course. The first project that the nursery will be utilised for will be for a new practice putting green replacing the current practice green. The works for this will be designed and managed by Mount Osmond staff. Any major work to be undertaken on the course will be in line with the current course master plan and a golf course architect will be appointed. The Grounds Committee are in the process of developing a prioritised list of works to be considered by the Board in the next Strategic Plan.

Water sustainability is a constant focus. The pipeline project is still in consideration as it is a major outlay of cost to the club. Alternative solutions are continuously suggested. It will

be a process that needs very careful and exact decision making to make sure the club will be benefitting on its outlay to go well into the future with a sustainable water source.

I would sincerely like to thank the work of our member volunteers that assist and contribute to the course, club gardens and surrounds. There is no doubt the passion that is shown by these members is part of what makes Mount Osmond such a fantastic club. I would also like to thank the Grounds Committee members, Ros Brown, Chris Gill and Barry Bryant who have assisted me greatly. Thank you all.

It is exciting with what lays ahead for Mount Osmond Golf Club and future improvements will undoubtedly continue to make Mt Osmond the leading Golf Club in SA behind the Big 4. There is no doubt that Mount Osmond offers the most beautiful test of golf in SA followed by the most beautiful clubhouse to debrief the wonderful round of golf you just played, over some delicious food and refreshments.

Happy Golfing

**Jason Morgan**  
Chair of Grounds





## Finance Committee



Following on from previous years the Board has continued to address the items in the club's Strategic Plan, whilst

being aware of the constraints of cash availability. The most obvious improvement being the establishment of a turf nursery, which will enable us to develop a program of green replacement over the next few years. Additionally, the Board has developed a comprehensive Clubhouse & Surrounds masterplan that will enable us, in conjunction with the Course masterplan, to program our investment in the club over the coming years.

Over the past year we have continued to focus on a program of prudent cash management, and we also continue to see enhanced levels of member retention, with overall member numbers increasing for the second year in a row.

These combined efforts have resulted in the Club returning an operating deficit of \$260k (\$278k 2014/15). The audited financial statements include non-cash items in the operational expenses of the Club, and after excluding these non-cash items we have surplus funds of \$85k up marginally from \$72k in 2014/2015. This is a pleasing result in the current environment and a significant improvement on a few years ago.

The current, and ongoing, trend in membership will provide the club with the additional income required for our ongoing development program. This is of course the combined efforts of many years of hard work from Mark Tan, Club Administration and the various Committees, in promoting the Club as one of South Australia's premier courses. This exercise has been difficult in the current economic conditions, however, these endeavours continue to pay off, and I continue to be confident that our great club remains in a strong financial position.

As mentioned in previous reports we should all be exceedingly proud to bring family, friends and guests to our club, none having such priceless views of our magnificent city. With our excellent house staff, we can also enjoy some of the best hospitality and clubhouse facilities in Adelaide. As a Board we would ask that you continually look to invite visitors to our club, either to become a member, or just to enjoy the wonderful environment that we have created.

Lastly, I wish to thank my committee members, Brendon Skates & Todd Bond, for their continued commitment and support throughout the year, and also to Mark Tan and all the Administration staff for all their hard work and assistance.

**Alan Freeman**  
Chair Finance Committee

## Membership Committee



The membership committee for 2015/2016 has worked tirelessly in creating a good humoured golfing

environment for both existing and new members alike. For the second year in succession we have had a growth in the full member equivalent (FME) number of members. This is an outstanding achievement and one we should all be proud of.

The membership committee has focussed on a number of strategic goals outlined below:

### 1. Membership Attraction

In total we had 106 (70.5 FME) new members join Mt Osmond during the year. A large part of this success has been our membership drive. 58 new members joined in the drive period, including 22 new 5, 6 or 7 day members who all went into the draw to win \$3,000 worth of instore vouchers from major sponsor The Good Guys Hectorville. A big thank you to Jason Dansie and his team. Congratulations to Matt Brown on being the lucky winner.

Our 'Try Golf Programs' continue to be popular with 40 participants over the two sessions. The committee is considering



increasing these golfing programs as they are proving to be enormously successful for our membership drive.

The number of participants in our junior programs have been growing. Throughout the season we have had 27 different participants, all potential new members. Thank you very much to Jenny Butcher and Geoff Wagner who have, along with Club Professional Ian Pritchard, given up their time to deliver this program.

One of the program participants, Nayong Ku, won the Girls State Primary School competition in September 2015 and represented South Australia at the National Primary School competition held in NSW in November 2015. We now have a total of 45 juniors participating in our junior program as members or guests. Our My Golf group featured in the national on line MyGolf newsletter in March. These are new initiatives in the hope of attracting younger members and families to our club.

Our Intermediate categories have slowly gained popularity, the 2015/2016 year has shown a growth of 36% in membership. The Intermediate categories were included into the family discount program for the first time during the year, this coupled with reduced or no entrance fees

for Intermediate's has driven the increase in numbers.

## 2. Membership Retention

Our retention rates have been steady around the 90% level in recent years, whilst this has been an improvement we are working hard to ensure this does not slip.

The Membership committee have continued to engage with 'at risk' members as well as inviting all new members to participate in our 'Short Course' program. It has proved to be a popular way to introduce new golfers to the course. These sessions are always good fun and I encourage all members who are able to assist to come along and do so.

The Membership Committee again implemented its upgrade special through August and September encouraging members to take advantage of the summer season with an upgrade in their membership category. In total 17 members took up this opportunity.

In an effort to get you all playing more, don't forget the Club has a 'Family Entrance Fee' model and also offer junior membership for as little as \$80 per year for sons and daughters and grandsons and granddaughters of existing playing members, this way you can get some 'family time' as well as getting your golf fix.

## 3. Club Promotion

We have become much more active in promoting Mount Osmond on social media. We now have more than 500 following Mount Osmond on our Facebook page and also have a presence on Twitter.

You would have all seen the People's Choice television add, showing our course at its best. Fantastic views that you don't get at any other Club in Adelaide.

The Club also had the second version of the Club brochure produced. This has been available at the Club and also distributed to 5,000 local businesses and houses in the local area.

All of these initiatives and programs help in retaining and gaining new members each year. It is a very difficult task and I would like to take this opportunity in thanking Trish Reed, Dale Hancock and Ann Bila who make up the membership committee as well as Mark Tan and Sandra Flashman for their ongoing support and ideas.

I would also like to extend a special thank you to all our members who make Mount Osmond the special club it is today.

**Jackie Aykroyd**  
Chair Membership Committee



We are delighted to acknowledge the following Membership achievements.

### New Members

Simon Alder  
Kelly Allison  
Evan Arnold  
Amelie Arnold  
Simon Attrill  
Charlie Aykroyd  
Nick Bairstow  
Adam Baker  
Elliot Baker  
Vikki Bedford  
Mike Bennett  
Ulrike Brennecke  
Brad Broughton  
Matt Brown  
Jenni Brown  
John Bryant  
Keith Butcher  
Steve Cannon  
Hoy-Ping Chew  
Daniel Chiali  
Michael Chittleborough  
Christine Christopoulos  
Trish Comazzetto  
Jayne Cooper  
Lara Copus  
Peter Davis  
Pat Deegan  
Phil Dewick  
Karen Elvish  
Michael Fallon  
Richard Foster  
Mike Gilmore  
Colin Goodall  
Todd Grant  
Nathan Gray  
Jim Green  
Daniel Gronert

Winston Halliday  
Mary Hartley  
Liam Hicks  
James Hill  
Zander Hill  
Jane Hill  
Roger Hoare  
Chris Hughes  
Brad Ingram  
John Jaccarini  
Adrian Johnston  
Andrew Kay  
Lou Khorasanee  
Alison Khorasanee  
Bronwyn Kilpatrick  
Trent Kuchel  
Ryan Li  
Dapeng Liu  
Rhonda Lloyd  
Graeme Lloyd  
Kent Makin  
Cecilia Makin  
Jim McBride  
George McKenzie  
Duncan McKenzie  
Mike McQuade  
Brendan Melville  
Paul Mitolo  
Tom Moore  
Tim Nelligan  
Nick O'Brien  
Phillip Ondimu  
Cecily Orenstein  
Caled Osman  
Meg Parmee  
Lilly Phillips  
Derek Piper

Marilyn Pitt  
James Pratt  
Dallas Quigley  
Tom Ralph  
Gill Read  
Liam Reidy  
Michael Richardson  
Alex Roe  
Bill Rumbelow  
Henry Schreier  
Karen Sherrard  
Glen Shipley  
Dal Sihota  
Yvonne Slunder  
John Stapleton  
Roger Stent  
Kathy Subramaniam  
Rob Surman  
Rosie Sutherland  
Ben Suttell  
Ned Thwaites  
Paul Tymukas  
Seb Warr  
Laine Wescombe  
Amy West  
Patrick Willenbrinck  
Ruben Wyld  
Nick Zachat  
Simon Zilm

### 25 Year Members

James Cawthorne  
Stefan Demianyk  
Wolf Engel  
Alan Freeman  
Graeme Krieg  
Don Matteo  
William McLeay  
Bruce Purcell  
Brian Thomas

### Vale

It is with deep regret we acknowledge the passing of the following members during the year;

Llyod Beames  
Robert J Black  
Eberhard Dathe  
Gregory Earl  
David Emery  
Donald Young





## Membership Summary

CATEGORY	31 MARCH 2016	31 MARCH 2015	31 MARCH 2014	31 MARCH 2013	31 MARCH 2012
Seven Day	264	272	278	270	302
Seven Day (B)	n/a	n/a	n/a	28	29
Six Day	202	189	171	137	131
Six Day (B)	n/a	n/a	n/a	44	74
Five Day	180	187	206	167	181
Five Day (B)	n/a	n/a	n/a	38	44
Mt Osmond 100	79	67	61	65	55
Veteran (A)	n/a	n/a	n/a	0	0
Intermediate (18 - 24)	34	26	12	12	11
Intermediate (25 - 29)	15	10	11	10	7
Intermediate B (25 - 29)	n/a	n/a	n/a	3	10
Youth (18 - U21)	n/a	n/a	n/a	n/a	1
Student	n/a	n/a	1	3	3
Junior A (8 - U15)	20	21	24	28	27
Junior B (15 - U18)	18	24	19	19	17
Life	2	3	3	3	2
Membership Through Service	1	1	1	1	1
Honorary	0	0	0	0	0
Counrty	1	2	2	3	6
Country (B)	n/a	n/a	n/a	0	1
Nine Hole	20	14	16	10	6
Nine Hole (B)	n/a	n/a	n/a	27	17
Try Golf	38	56	41	3	n/a
Back to the Mount	24	17	19	1	n/a
Driving Range	1	2	3	6	12
Social	86	88	78	39	16
Special Social	15	17	13	11	12
Supernumerary	39	43	47	93	36
Temporary	0	0	0	2	0
Corporate	2	2	2	2	0
Staff	11	11	14	13	12
Total	1052	1052	1022	1038	1013



# **Mount Osmond Golf Club Inc**

## **Financial Statements**

**For the Year Ended 31 March 2016**

## Board Member's Report

31 March 2016

The board members submit the financial report of the Association for the financial year ended 31 March 2016.

### 1. General information

#### Principal activities

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

- The maintenance and operation of the Golf Club.

#### Significant changes

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

#### Benefits as a result of contracts

During the financial year, there were no benefits received or entitled to be received as a result of a contract between an officer, firm or body corporate and the Association.

#### Payments and other benefits

No payments or benefits of a pecuniary value were received by any officers of the Association during the financial year.

### 2. Operating results and review of operations for the year

#### Operating result

The loss of the Association for the financial year amounted to \$ 260,607(2015: \$ 278,206).

Signed in accordance with a resolution of the Board Members:

President: .....

David Garry

Board member: .....

Alan Freeman

Dated

8/5/2016

The accompanying notes form part of this financial report





## Statement of Profit or Loss and Other Comprehensive Income

### For the Year Ended 31 March 2016

	Note	2016 \$	2015 \$
<b>Revenue</b>			
Membership income	2.	1,194,873	1,106,762
Golf operations income	3.	232,275	221,130
Bar Income	4.	413,774	441,142
Catering Income	5.	597,834	585,135
Interest income		1,267	1,065
Other Income		58,545	50,545
<b>Total revenue</b>		<b>2,498,568</b>	<b>2,405,779</b>
<b>Expenses</b>			
Golf operations	3.	(137,118)	(132,197)
Bar operations	4.	(429,372)	(434,458)
Catering operations	5.	(551,874)	(504,469)
Course maintenance	6.	(692,964)	(687,434)
Administration and membership		(555,232)	(527,339)
Bank fees		(15,895)	(19,776)
Interest paid		(41,253)	(45,755)
Depreciation and amortisation expense		(335,367)	(332,555)
<b>Total expenses</b>		<b>(2,759,075)</b>	<b>(2,683,983)</b>
<b>(Loss) for the year</b>		<b>(260,507)</b>	<b>(278,204)</b>
<b>Other comprehensive income:</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>(260,507)</b>	<b>(278,204)</b>

The accompanying notes form part of this financial report



## Balance Sheet

As At 31 March 2016

	Note	2016 \$	2015 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	7	232,375	210,683
Trade and other receivables		(3,166)	6,510
Inventories		44,147	34,284
Other assets		16,150	13,307
TOTAL CURRENT ASSETS		289,506	264,784
NON-CURRENT ASSETS			
Property, plant and equipment	8	5,530,563	5,450,329
Intangible assets	9	127,706	129,733
TOTAL NON-CURRENT ASSETS		5,658,269	5,580,062
TOTAL ASSETS		5,947,775	5,844,846
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables		274,246	203,544
Interest-bearing loans and borrowings	10	270,388	251,369
Employee entitlements	11	128,224	124,057
Subscriptions received in advance		997,205	1,020,834
TOTAL CURRENT LIABILITIES		1,670,063	1,599,804
NON-CURRENT LIABILITIES			
Interest-bearing loans and borrowings	10	56,168	89,887
Employee entitlements	11	50,300	37,452
TOTAL NON-CURRENT LIABILITIES		106,468	127,339
TOTAL LIABILITIES		1,776,531	1,727,143
NET ASSETS		4,171,244	4,117,703
<b>EQUITY</b>			
Asset revaluation reserve		2,580,165	2,266,117
President trophy fund		-	23,450
Foundation fund	12	19,925	19,329
Retained earnings		1,571,154	1,808,807
TOTAL EQUITY		4,171,244	4,117,703

The accompanying notes form part of this financial report



## Statement of Changes in Equity

### For the Year Ended 31 March 2016

#### 2016

		Retained Earnings	President's Trophy Fund	Asset Revaluation Reserve	Foundation Fund	Total
		\$	\$	\$	\$	\$
<b>Balance at 1 April 2015</b>		1,808,807	23,450	2,266,117	19,329	4,117,703
(Loss) attributable to members of the entity		(237,057)	(23,450)	-	-	(260,507)
Revaluation	8.1	-	-	314,048	-	314,048
Transfers from retained earnings	12	(596)	-	-	596	-
<b>Sub-total</b>		<b>(237,653)</b>	<b>(23,450)</b>	<b>314,048</b>	<b>596</b>	<b>53,541</b>
<b>Balance at 31 March 2016</b>		<b>1,571,154</b>	<b>-</b>	<b>2,580,165</b>	<b>19,925</b>	<b>4,171,244</b>

#### 2015

		Retained Earnings	President's Trophy Fund	Asset Revaluation Reserve	Foundation Fund	Total
		\$	\$	\$	\$	\$
<b>Balance at 1 April 2014</b>		2,094,317	23,450	2,266,117	12,025	4,395,909
(Loss) attributable to members of the entity		(278,206)	-	-	-	(278,206)
Transfers from retained earnings	12	(7,304)	-	-	7,304	-
<b>Sub-total</b>		<b>(285,510)</b>	<b>-</b>	<b>-</b>	<b>7,304</b>	<b>(278,206)</b>
<b>Balance at 31 March 2015</b>		<b>1,808,807</b>	<b>23,450</b>	<b>2,266,117</b>	<b>19,329</b>	<b>4,117,703</b>

The accompanying notes form part of this financial report





## Statement of Cash Flows

For the Year Ended 31 March 2016

	Note	2016 \$	2015 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Subscriptions and other receipts from members		1,283,764	1,289,022
Golfing fees received		253,928	241,683
Bar sales and catering sales and club house hire		1,113,418	1,129,256
Interest received		1,267	1,065
Sundry income		88,164	53,279
Payments to employees and on costs		(1,232,237)	(1,162,531)
Payments to suppliers		(1,369,464)	(1,385,678)
Interest paid		(41,253)	(45,755)
Proceeds from President's Trophy Fund		23,450	-
Net cash provided by operating activities	13	121,037	120,341
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Proceeds from sale of property, plant & equipment		12,080	9,786
Payments for property, plant and equipment		(121,868)	(168,833)
Net cash (used by) investing activities		(109,788)	(159,047)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Net Proceeds from borrowings		-	6,232
Net cash (used by) financing activities		-	6,232
Net (decrease) in cash and cash equivalents held		11,249	(32,474)
Cash and cash equivalents at beginning of year		18,197	50,671
Cash and cash equivalents at end of financial year	7	29,446	18,197

The accompanying notes form part of this financial report



## Notes to the Financial Statements

### For the Year Ended 31 March 2016

The financial statements cover Mount Osmond Golf Club Inc (Mount Osmond Golf Club) as an individual entity, Mount Osmond Golf Club Inc is a not-for-profit association incorporated in South Australia under the *Associations Incorporation Act (SA) 1985*.

#### 1. Summary of Significant Accounting Policies

##### 1.1. Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards, Australian Accounting Interpretations and the *Associations Incorporation Act (SA) 1985*.

Australian Accounting Standards set out accounting policies that AASB have concluded would result in 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 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.

##### 1.2. Comparative figures

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

Where the Association has retrospectively applied an accounting policy, made a retrospective restatement or reclassifies items in its financial statements, an additional balance sheet as at the beginning of the earliest comparative period will be disclosed.

##### 1.3. Inventories

Inventories comprise bar stocks and are valued at the lower of cost or net realisable value being determined on a first in first out basis.

##### 1.4. 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.

###### Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses. Cost includes expenditure that is directly attributable to the asset.

###### Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The accompanying notes form part of this financial report

## 1. Summary of Significant Accounting Policies continued

### 1.4. Property, plant and equipment continued

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

Class of Fixed Asset	Depreciation Rate
Buildings and course improvements	2 - 5%
Plant and machinery	10 - 25%
Furniture and fittings	10%

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

### 1.5. 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 the equivalent to the date that the Association commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions 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 either 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 in arm's length transaction. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

*Amortised cost* is calculated as:

- (a) the amount at which the financial asset or financial liability is measured at initial recognition;
- (b) less principal repayments;
- (c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and
- (d) less any reduction for impairment.

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 value with a consequential recognition of an income or expense in profit or loss.

The classification of financial instruments depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and at the end of each reporting period for held-to-maturity assets.

The accompanying notes form part of this financial report



## Notes to the Financial Statements for the Year Ended 31 March 2016

### 1. Summary of Significant Accounting Policies continued

#### 1.5. Financial instruments continued

##### *..(i) - 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.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period.

##### *..(ii) - 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 Association's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets, except for those which are expected to be realised within 12 months after the end of the reporting period, which will be classified as current assets.

If during the period the Association sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire held-to-maturity investments category would be tainted and reclassified as available-for-sale.

The Association did not hold any held-to-maturity investments in the current or comparative financial year.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to be realised within 12 months after the end of the reporting period.

##### *..(iii) - Financial liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Fees payable on the establishment of loan facilities are recognised as transaction costs of the loan.

Borrowings are classified as current liabilities unless the Association has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

#### **Fair value**

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

#### **Impairment**

At the end of each reporting period, the Association assesses whether there is objective evidence that a financial asset has been impaired through the occurrence of a loss event.

Where a subsequent event causes the amount of the impairment loss to decrease (e.g. payment received), the reduction in the allowance account (provision for impairment of receivables) is taken through profit and loss. However, any reversal in the value of an impaired available for sale asset is taken through other comprehensive income rather than profit and loss.

The accompanying notes form part of this financial report



## 1. Summary of Significant Accounting Policies continued

### 1.5. Financial instruments continued

#### Impairment continued

Impairment losses are recognised through an allowance account for loans and receivables in the statement of profit or loss and other comprehensive income.

#### Derecognition

Financial assets are derecognised where 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 expired. The difference between the carrying value 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.

### 1.6. Impairment of non-financial assets

At the end of each reporting period, the Association 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 statement of profit or loss and other comprehensive income.

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

### 1.7. 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 which are convertible to a known amount of cash and subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

### 1.8. Employee leave benefits

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

### 1.9. 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 Association 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.

### 1.10. Income tax

The Association is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

The accompanying notes form part of this financial report



## Notes to the Financial Statements for the Year Ended 31 March 2016

### 1. Summary of Significant Accounting Policies continued

#### 1.11. Revenue and other income

The Association recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of Mount Osmond Golf Club Inc's activities as discussed below.

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed.

##### **Subscriptions**

Subscriptions from members received during the year that relate to the next membership year are treated as subscriptions received in advance and not recorded as income until the commencement of the year to which the subscription relates.

##### **Sale of goods**

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and the costs incurred in respect of the transaction can be measured reliably.

##### **Interest income**

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

#### 1.12. Borrowing costs

Borrowing costs are recognised as an expense when incurred.

#### 1.13. 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 balance sheet are shown inclusive of GST.

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

#### 1.14. Critical accounting estimates and judgments

##### **Key estimates - impairment**

The Association assesses impairment at the end of each reporting year by evaluating conditions specific to the Association that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

With respect to cash flow projections, growth rates have been factored into valuation models for the next five years on the basis of the committee's expectations around the continued ability to attract new members, historical population growth in the area of operation, allowance for inflation.

The accompanying notes form part of this financial report



**1. Summary of Significant Accounting Policies continued**

**1.15. Adoption of new and revised accounting standards**

During the current year, the Association adopted all of the relevant new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The adoption of these Standards has impacted the recognition, measurement and disclosure of certain transactions. There was no significant impact from the adoption of these Standards and Interpretations on the financial statements of Mount Osmond Golf Club Inc.

**1.16. New accounting standards for application in future periods**

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The board members have decided against early adoption of the relevant Standards, as does not expect the adoption of these standards to have any impact on the reported position or performance of the Association.

The accompanying notes form part of this financial report



## Notes to the Financial Statements for the Year Ended 31 March 2016

### 2. Membership Income

Membership income is summarised as follows:

	2016	2015
	\$	\$
<b>Membership income</b>		
Membership Subscriptions	1,060,081	997,034
Entrance Fees	54,301	49,672
Sponsorship income	24,691	13,973
Water Levy	42,420	38,650
PIP Insurance	13,380	7,432
<b>Total membership income</b>	<b>1,194,873</b>	<b>1,106,761</b>

### 3. Golf operation income

Golf operation income is summarised as follows:

	2016	2015
	\$	\$
<b>Golf operation income</b>		
Green fees	142,142	139,408
Competition fees	89,077	78,935
Other income	1,056	2,786
<b>Total golf operation income</b>	<b>232,275</b>	<b>221,129</b>
<b>Golf operation expenses</b>		
Competition fees	(74,120)	(67,399)
Pennant	(6,027)	(8,696)
Professional retainer and commission	(56,971)	(56,102)
<b>Total golf operation expenses</b>	<b>(137,118)</b>	<b>(132,197)</b>
<b>Net golf operation income</b>	<b>95,157</b>	<b>88,932</b>

The accompanying notes form part of this financial report





#### 4. Bar Income Summary

Bar operations are summarised as follows:

	2016	2015
	\$	\$
<b>Bar Income</b>		
Bar Income	413,774	441,142
<b>Bar Expenses</b>		
Cost of goods sold	(144,902)	(151,825)
Employee remuneration	(276,790)	(272,851)
Other expenses	(7,680)	(9,782)
<b>Total bar expenses</b>	<b>(429,372)</b>	<b>(434,458)</b>
<b>Net bar income</b>	<b>(15,598)</b>	<b>6,684</b>

#### 5. Catering Income Summary

Catering operations are summarised as follows:

	2016	2015
	\$	\$
<b>Catering Income</b>		
Catering Income	597,834	585,135
<b>Catering Expenses</b>		
Cost of goods sold	(229,937)	(226,448)
Employee Remuneration	(250,165)	(226,694)
Cleaning, gas, replacements	(49,818)	(36,516)
Entertainment and promotions	(21,954)	(14,811)
<b>Total catering expenses</b>	<b>(551,874)</b>	<b>(504,469)</b>
<b>Net catering income</b>	<b>45,960</b>	<b>80,666</b>

The accompanying notes form part of this financial report



## Notes to the Financial Statements for the Year Ended 31 March 2016

### 6. Course maintenance

Course maintenance are summarised as follows:

	2016	2015
	\$	\$
<b>Course Expenses</b>		
Employee Remuneration	434,025	409,628
Course Maintenance	89,136	75,119
Electricity (bore)	50,545	57,827
Course Chemicals	66,715	63,314
Other Course Expenses	52,543	81,546
<b>Total course expenses</b>	<b>692,964</b>	<b>687,434</b>

### 7. Cash and Cash Equivalents

Cash at bank and in hand	232,375	210,683
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#### Reconciliation of cash

Cash and cash equivalents	232,375	210,683
Bank overdrafts	10 (202,929)	(192,486)
<b>Balance as per statement of cash flows</b>	<b>29,446</b>	<b>18,197</b>

The accompanying notes form part of this financial report

**8. Property, Plant and Equipment**

	2016	2015
	\$	\$
LAND AND BUILDINGS		
Land		
At valuation	2,240,785	1,926,737
Total Land	2,240,785	1,926,737
Buildings & course improvements		
At valuation	2,085,428	2,085,428
At cost	4,561,679	4,524,630
Accumulated depreciation	(3,940,812)	(3,675,802)
Total buildings	2,706,295	2,934,256
Total land and buildings	4,947,080	4,860,993
PLANT AND EQUIPMENT		
Capital works in progress		
At cost	21,360	-
Plant and machinery		
At cost	1,511,700	1,505,501
Accumulated depreciation	(1,067,978)	(1,021,582)
Total plant and equipment	443,722	483,919
Furniture, fixture and fittings		
At cost	323,802	300,041
Accumulated depreciation	(205,401)	(194,624)
Total furniture, fixture and fittings	118,401	105,417
Total plant and equipment	583,483	589,336
<b>Total property, plant and equipment</b>	<b>5,530,563</b>	<b>5,450,329</b>

The accompanying notes form part of this financial report



## Notes to the Financial Statements for the Year Ended 31 March 2016

### 8. Property, Plant and Equipment continued

#### 8.1. Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Capital Works in Progress	Land	Buildings & Course Improvements	Plant and Machinery	Furniture, Fixtures and Fittings	Total
	\$	\$	\$	\$	\$	\$
<b>2016</b>						
Balance at the beginning of year	-	1,926,737	2,934,256	483,919	105,417	<b>5,450,329</b>
Additions	21,360	-	24,808	42,395	26,013	<b>114,576</b>
Disposals	-	-	-	(13,023)	-	<b>(13,023)</b>
Depreciation expense	-	-	(252,759)	(69,579)	(13,029)	<b>(335,367)</b>
Revaluation increase recognised in equity	-	314,048	-	-	-	<b>314,048</b>
<b>Balance at 31 March 2016</b>	<b>21,360</b>	<b>2,240,785</b>	<b>2,706,305</b>	<b>443,712</b>	<b>118,401</b>	<b>5,530,563</b>
<b>2015</b>						
Balance at the beginning of year	1,531	1,926,737	3,092,679	507,032	111,618	5,639,597
Additions	-	-	102,421	63,872	2,540	168,833
Disposals	(1,531)	-	-	(25,438)	(605)	(27,574)
Depreciation expense	-	-	(260,844)	(61,547)	(8,136)	(330,527)
<b>Balance at 31 March 2015</b>	<b>-</b>	<b>1,926,737</b>	<b>2,934,256</b>	<b>483,919</b>	<b>105,417</b>	<b>5,450,329</b>

The accompanying notes form part of this financial report



**9. Intangible Assets**

	2016	2015
	\$	\$
Goodwill	126,250	126,250
<b>Net carrying value</b>	<b>126,250</b>	<b>126,250</b>
Business setup costs	10,136	10,136
Accumulated amortisation	(8,680)	(6,653)
<b>Net carrying value</b>	<b>1,456</b>	<b>3,483</b>
 <b>Total Intangibles</b>	 <b>127,706</b>	 <b>129,733</b>

**10. Interest-bearing loans and borrowings**

CURRENT		
Hire purchase liabilities	67,459	58,883
Bank overdraft	202,929	192,486
<b>Total current borrowings</b>	<b>270,388</b>	<b>251,369</b>
NON-CURRENT		
Hire purchase liabilities	56,168	89,887
<b>Total non-current borrowings</b>	<b>56,168</b>	<b>89,887</b>

**10.1. Business Line of Credit**

The Association has negotiated a Business Line of Credit facility with Commonwealth Bank of Australia to the value of \$1,000,000. At balance date the balance drawn down on this facility was \$202,929 (2015: \$192,486). The facility is subject to a variable interest rate and is also subject to an annual review by the bank. Security for the facility is a First Registered Mortgage by Mount Osmond Golf Club Incorporated over Non Residential Real Property located at 60 Mount Osmond Rd, Mount Osmond SA 5064.

The Line of Credit was not fully drawn as at balance date due to subscriptions received in advance of \$997,205 (2015: \$1,020,834). The Line of Credit will be drawn upon during the year to cover operational expenditure.

**10.2. Hire purchase**

Draw downs under the hire purchase facility are subject to prevailing market rates at the time of draw down.

The accompanying notes form part of this financial report



## Notes to the Financial Statements for the Year Ended 31 March 2016

### 11. Employee Benefits

#### 11.1. Employee benefits - current liability

	2016 \$	2015 \$
Annual leave	59,962	55,833
Long service leave	68,262	68,224
<b>Total current liability</b>	<b>128,224</b>	<b>124,057</b>

#### 11.2. Employee benefits - non-current liability

Long service leave	50,300	37,452
<b>Total non-current liability</b>	<b>50,300</b>	<b>37,452</b>

### 12. Reserves

#### 12.1. Foundation Fund

The Foundation Fund was established to provide passionate members with a mechanism to donate funds that will be used in improving or maintaining the Club house and surrounds for the benefit of members and future generations.

	2016 \$	2015 \$
<b>Opening Balance</b>	<b>19,329</b>	12,025
Income	38,799	24,597
Capital expenditure	(29,994)	-
Other expenditure	(8,209)	(17,293)
<b>Net Movement</b>	<b>596</b>	7,304
<b>Closing Balance</b>	<b>19,925</b>	19,329

The accompanying notes form part of this financial report



### 13. Cash Flow Information

#### 13.1. Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

(Loss) for the year	(260,507)	(278,204)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation and amortisation	335,367	332,555
- net loss on disposal of assets	10,262	17,787
Changes in assets and liabilities		
- (increase)/decrease in trade and other receivables	9,676	976
- (increase)/decrease in other assets	(2,843)	13,101
- (increase)/decrease in inventories	(9,863)	(8,251)
- (increase)/decrease in subscriptions in advance	(48,773)	61,346
- increase/(decrease) in trade and other payables	70,703	(22,684)
- increase/(decrease) in employee benefits	17,015	3,717
Cashflow from operations	<u>121,037</u>	<u>120,343</u>

### 14. Financial Risk Management

The main risks Mount Osmond Golf Club Inc is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk, foreign currency risk and equity price risk.

The Association's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable, bank loans and overdrafts.

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:

	2016	2015
	\$	\$
<b>Financial Assets</b>		
Cash and cash equivalents	232,375	210,683
- Trade and other receivables	(3,166)	6,510
<b>Total financial assets</b>	<u>229,209</u>	<u>217,193</u>
<b>Financial Liabilities</b>		
Financial liabilities at amortised cost		
- Trade and other payables	274,246	203,545
- Borrowings	326,556	341,256
<b>Total financial liabilities</b>	<u>600,802</u>	<u>544,801</u>

The accompanying notes form part of this financial report



## Notes to the Financial Statements for the Year Ended 31 March 2016

### 14. Financial Risk Management continued

#### Financial risk management policies

The board has overall responsibility for the establishment of Mount Osmond Golf Club Inc's financial risk management framework. This includes the development of policies covering specific areas such as interest rate risk and credit risk.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Mount Osmond Golf Club Inc's activities.

The day-to-day risk management is carried out by Mount Osmond Golf Club Inc's finance function under policies and objectives which have been approved by the board. The General Manager has been delegated the authority for designing and implementing processes which follow the objectives and policies. This includes monitoring the levels of exposure to interest rate and assessment of market forecasts for interest rates.

The board receives monthly reports which provide details of the effectiveness of the processes and policies in place.

Mount Osmond Golf Club Inc does not actively engage in the trading of financial assets for speculative purposes nor does it write options.

Mitigation strategies for specific risks faced are described below:

#### 14.1. Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to Mount Osmond Golf Club Inc and arises principally from Mount Osmond Golf Club Inc's receivables.

It is Mount Osmond Golf Club Inc's policy that all customers who wish to trade on credit terms undergo a credit assessment process which takes into account the customer's financial position, past experience and other factors. Credit limits are then set based on ratings in accordance with the limits set by the board, these limits are reviewed on a regular basis.

Goods are sold subject to retention of title clauses, so that in the event of non-payment Mount Osmond Golf Club Inc may have a secured claim.

#### 14.2. Liquidity risk

Liquidity risk arises from the possibility that Mount Osmond Golf Club Inc might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Association manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financial activities which are monitored on a monthly basis;
- monitoring undrawn credit facilities;
- obtaining funding from a variety of sources;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;

The accompanying notes form part of this financial report





#### 14. Financial Risk Management continued

##### 14.2. Liquidity risk continued

- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

Typically, Mount Osmond Golf Club Inc ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days.

The available funds to the Association are discussed in note 13.

##### 14.3. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

###### *i. Interest rate risk*

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period, whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Association is also exposed to earnings volatility on floating rate instruments.

###### *ii. Price risk*

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices of securities held being available-for-sale or fair value through profit and loss.

Such risk is managed through diversification of investments across industries and geographic locations.

#### 15. Auditors' Remuneration

	2016	2015
	\$	\$
Remuneration of the auditor of the Association, HLB Mann Judd, for:		
- auditing the financial statements	9,050	9,000

#### 16. Contingent Liabilities and Contingent Assets

In the opinion of the Board of Management, the Association did not have any contingencies at 31 March 2016 (31 March 2015:None).

#### 17. Events after the end of the Reporting Period

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

The accompanying notes form part of this financial report



## Notes to the Financial Statements for the Year Ended 31 March 2016

### 18. Association Details

The registered office of the association is:

Mount Osmond Golf Club Inc.  
60 Mount Osmond Road  
MOUNT OSMOND SA 5064

The principal place of business is:

Mount Osmond Golf Club Inc.  
60 Mount Osmond Road  
MOUNT OSMOND SA 5064

The accompanying notes form part of this financial report



## Statement by Board Members

In the opinion of the Board the financial report as set out on pages 2 to 22:

1. Present fairly the results of the operations of Mount Osmond Golf Club Inc as at 31 March 2016 and its state of affairs for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that Mount Osmond Golf Club Inc will be able to pay its debts as and when they fall due.
3. During the period ended 31 March 2016:
  - a. no officer of the club;
  - b. no firm of which an officer of the club is a member; or
  - c. no body corporate in which an officer of the club has a substantial interest, has received or become entitled to receive a benefit as a result of a contract between the officer, firm or body corporate and the club or has received directly or indirectly from the club any payment or benefit of a pecuniary value except as follows:
    - the General Manager received the normal rewards of that office in accordance with his employment contract as a full time paid employee of the club

This statement is made in accordance with a resolution of the Board Members and is signed for and on behalf of the Board Members by:

President

  
David Garfy

Board member

  
Alan Freeman

Dated

8th May 2016



# Independent Auditor's Report



Chartered Accountants

**MOUNT OSMOND GOLF CLUB INC**

**ABN 79 990 797 062**

## **INDEPENDENT AUDITOR'S REPORT**

To the members of Mount Osmond Golf Club Inc:

We have audited the accompanying financial report of Mount Osmond Golf Club Inc, ("the Association"), which comprises the balance sheet as at 31 March 2016, the statement of 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 Board Members' declaration.

### ***Board Members' Responsibility for the Financial Report***

Board Members are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, *Associations Incorporation Act (SA) 1985* and for such internal control as the Board Members determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

### ***Auditor's 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 about whether the financial report is free from material misstatement.

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

Our audit did not involve an analysis of the prudence of business decisions made by Board Members or management.

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

### ***Independence***

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

**HLB Mann Judd Audit (SA) Pty Ltd ABN: 32 166 337 097**

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Postal: PO Box 377, Kent Town SA 5071

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# Independent Auditor's Report



Chartered Accountants

MOUNT OSMOND GOLF CLUB INC


ABN 79 990 797 062

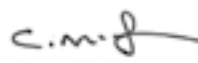
## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### Opinion

In our opinion the financial report of Mount Osmond Golf Club Inc has been prepared in accordance with the *Associations Incorporation Act (SA) 1985* including:

- (a) presenting fairly, in all material respects, the financial position of Mount Osmond Golf Club Inc as at 31 March 2016 and its performance for the year then ended; and
- (b) complying with Australian Accounting Standards

  
HLB Mann Judd  
Chartered Accountants

  
Corey McGowan  
Partner

Adelaide, South Australia  
11 May 2016

HLB Mann Judd Audit (SA) Pty Ltd ABN: 32 166 337 097

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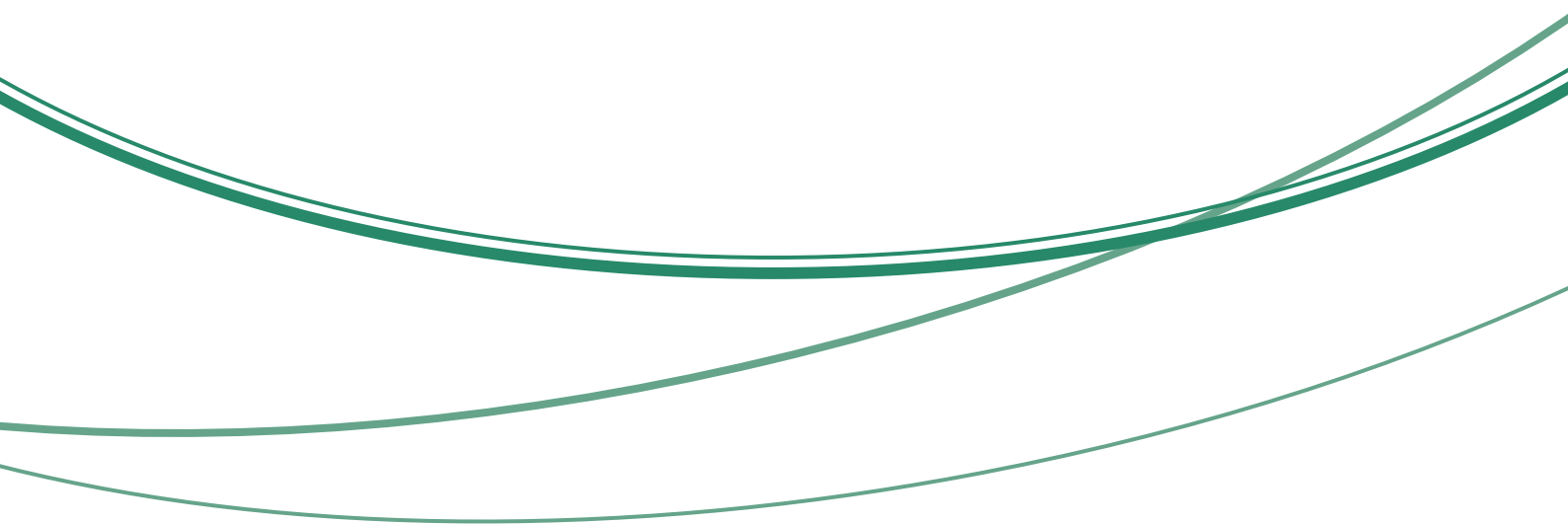
# Major Trophy Winners 2015

MEN'S COMPETITIONS	WINNER	RUNNER UP
2015 Ex-Serviceman's Golf Day	John Hill	John Griffith
2015 Veterans – Cliff Cornell Trophy	Robert Brady	Kevin Phelps
2015 Veterans – Bolton Trophy	John Moss	Gilbert Rutherford
2015 Veterans - Bill Harrington Putter	John Murphy	Mike Balharry
2015 Men's Mid-Week Championship	John Tucker	Graeme Bennett
2015 Don Sampson Trophy	Patric Kroschel	Sam Burton
2015 Junior Vardon	Liam Georgiadis	Ben Layton
2015 Foursomes Championship	Matt Hodgson & Joseph Hodgson	Andrew Edwards & Andrew Boath
2016 Club Championship	Ken Chan	Matt Hodgson
2016 David Wettenhall Trophy	Ben Hook	Ben Burrows
2016 B Grade Championship	Greg Sumsion	John McGrath
2016 C Grade Championship	Richard Smith	Philip Boey
2016 D Grade Championship	Nick Fuggle	Martyn Eames
WOMEN'S COMPETITIONS	WINNER	RUNNER UP
2015 Foursomes Championship - Open	Penny Mathews & Jenny Butcher	Sally Attrill & Sue-Ellen Sipek
2015 Foursomes Championship - B	Ros Brown & Jackie Aykroyd	Jill Jellett & Helen Miles
2015 Foursomes Championship - C	Jan Wolfensberger & Anne Stott	Noeleene Bertshinger & Gail Walker
2015 Veteran's Trophy	Penny Mathews	Denise Hutton
2015 Jenkins Scott Trophy	Ella Adams	Emma Sutton
2016 Club Championship	Penny Mathews	Belinda Porter
2016 B Grade Championship	Rosemary Robinson	Robyn Jenkin
2016 C Grade Championship	Jill Jellett	Louisa Storer
2016 D Grade Championship	Ange Paynter	Trish Garrett
MIXED COMPETITIONS	WINNER	RUNNER UP
2015 Junior Championship	Oliver Pritchard	Simon Ahn
2015 Sir Edward Holden Trophy	Chris & Ian Seaborn	Briony Williams & Andrew Marcus
2015 Roy Carter Trophy	Eloise & Alan Cooper	Lyndall Finch & Terry Mosel
2015 Malcolm Reid Rose Bowl	Andrew MacDonald	Siv D'Aloia
2016 Susie Marshall Mixed Ambrose	Ros Brown, Simon Brown, David Brown & Randell Brown	Sally McLennan, Mark McLennan, Julie Beveridge & Glen Beveridge
2016 Mixed Foursomes Championship	Sally Attrill & Andrew Nairn	Sarah Chia & Ben Hook
2015-16 RT Johnston Trophy	Jim Daws	Stephen Noack
2016 Lucas Trophy	Ruth Gwilliam & Martin Gwilliam	Wendy Northey & Adrian Todd



HOLE'S IN ONE	DATE	HOLE
John Langley	14/04/15	16
Darron Reid	10/05/15	4
Boon-Ho Goh	28/05/15	11
Brian Thomas	05/07/15	16
Alastair Palmer	09/08/15	16
Jim Green	22/09/15	11
Jeffrey Walsh	08/10/15	16

HOLE'S IN ONE	DATE	HOLE
Ian Seaborn	10/10/15	16
Oliver Pritchard	24/10/15	16
Phil O'Donnell	12/11/15	13
Penny Mathews	18/11/15	2
Bob Shute	22/11/15	16
Trish Reed	08/01/16	11
Ken Smith	01/03/16	16



*Adelaide's most beautiful test of golf*

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