



**Mount Osmond Golf Club  
Incorporated**

# Annual Report

**AGM** Thursday 28 June 2018 | 7.45pm



## **Board Of Management**

<b>President</b>	Mr Ian McInerney
<b>Chair of Women Members</b>	Mrs Jackie Aykroyd
<b>Men's Captain</b>	Mr Dale Hancock
<b>Women's Captain</b>	Mrs Ros Brown
<b>Board</b>	Mr David Brooks Mr Alan Freeman Mr Russel Hanna Mr Jason Morgan

## **General Manager**

Mr Mark Tan

## **VISION STATEMENT**

To provide the best golfing and  
community club in South Australia



## President's Message 2017/18

When I became President of the Club I took the opportunity reflect on my time when I first became a corporate manager. At that time business leaders would refer to the two 'guarantees' in life as 'Death' and 'Taxes'. In the early nineties these 'guarantees' were extended to include 'Change'. Between the early and mid-nineties, the amount of information we could source quadrupled. Change has had a dramatic impact on all our lives and it is something we now live with daily.

I mention this as the newly appointed Board, following the Annual General Meeting, changed by 50% in personnel. A change of this nature required an induction process for all members to align their thoughts on strategies, responsibilities and the Constitution of the Club.

The new Board elected to alter its responsibilities and established two new Board roles: Member Engagement, whose objective is to facilitate programs to enhance members' enjoyment and participation in the Club, and Business Development, whose objective is the overseeing of all aspects of the Club's marketing and sales programs. The Board has recently approved the appointment of a full time Business Development and Marketing Manager.

In July of last year, the Club celebrated its 90th anniversary with a luncheon held in the Adelaide

and Summit rooms. This spectacular occasion was supported by the Governor of South Australia, His Excellency The Honourable Hieu Van Le AC. A fantastic day, supported by 134 members and guests.

As I mentioned earlier the Club and Board has experienced significant change, none more than the establishment of a new 1st green. The efforts of our Grounds Staff in conjunction with the earth moving contractor saw the project completed on time and within budget. I would also like to thank all of the volunteers who helped lay the new green and 1,800m<sup>2</sup> of the turf surrounds. I look forward to the same support when the 2nd hole construction commences. I'm proud to say I'm a member of the Mount Osmond Golf Club. The presentation and quality of the golf course is first class and all credit goes to Barry, Simon and the Grounds Staff. We have a fantastic product which I'm sure is the envy of a number of other clubs.

I'm pleased to announce the Club has achieved an operating cash surplus of \$95,130. After our depreciation costs our statutory loss was \$262,882. Overall a solid result and acknowledgement needs to be given to Mark and his entire team.

The Board has reviewed aspects of the Constitution and these amendments are largely to make the Constitution more relevant. Information relevant to these

recommended changes will be circulated to the membership prior to the Annual General Meeting.

The Board has recently conducted a review of our Strategic Plan and objectives. The outcomes are now being collated and these findings will be communicated to the membership later in the year.

I realise I have mentioned some of our Staff previously, however, I cannot applaud all of these people enough for the fantastic performance in the last twelve months. From the management, employees, Club Professional and all Staff I congratulate them on providing an excellent product which I'm sure is the envy of all other clubs. Let me also acknowledge the volunteers who give freely of their time and labour in presenting the Club in the fantastic manner it is.

The Foundation Fund continues to provide a source of revenue which allows the continued improvement of members' facilities. I would like to acknowledge the selfless efforts of Lawrie Lewis; his personal contribution is of the highest standard.

Finally, I would like to thank my fellow Board members. The Board is a very cohesive group which has a single focus of making the Mount Osmond Golf Club the best club in South Australia.

**Ian McInerney**  
President

# Operations & Administration



In 2017/2018 the Club returned an operating deficit of \$262.9k (excluding Course Development

Levy). The audited financial statements include non-cash items in the operational expenses of the Club. Excluding these non-cash items there is a resultant funds surplus of \$95.1k (\$35.7k, 2016/2017). It was pleasing to bounce back from a difficult previous year.

Membership numbers continue to be the most important factor in improving our operating result. Total membership numbers finished slightly behind last year (refer membership summary), there was also a drop of 22.9 in our full member equivalent. Whilst we have had consecutive drops the five-year summary reflects a stable membership. There has been an increase of 21 total members and a slight drop in our full member equivalent of 9.8 (1.5%).

Water levy expenditure was completed in conjunction with the 1st green redevelopment. In total 8 lateral lines were installed to complete the 1st fairway at a cost of \$14,187. There are now only three projects that remain uncompleted; 5th hole, 14th hole (from top of the hill to the green) and the 18th hole (last 100m to the green). These will be

implemented when the allocation of funds and human resources allow.

Funds from the Foundation Fund supported the upgrading of the Club's audio visual system, hot water system and replacement of the Summit room air-conditioners. A fantastic result for the Club and a real testament to the hard work the Foundation Committee has undertaken.

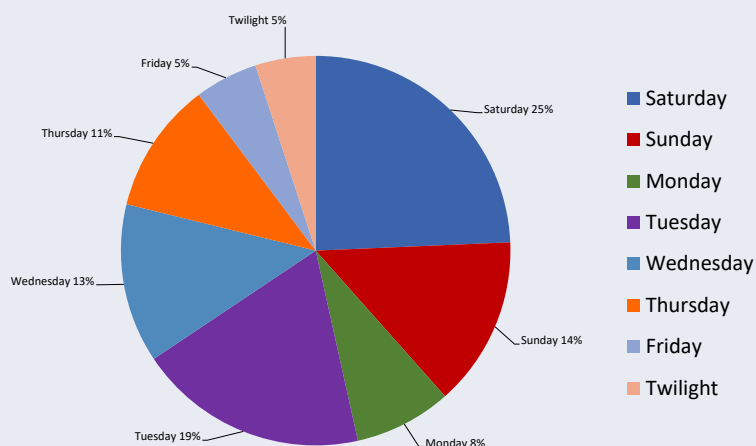
The audited financial statements indicate the reliance on subscription income (40.8% of total income) remained consistent with the improved results of previous years (41.9% in 2016/17). Other major sources of income included food and beverage, green fees, competition fees and entrance fees.

Food and beverage sales of \$1,190k (\$1,097k 2016/17) resulted in a net

contribution to club revenues of \$68.6k (\$19.9k 2016/17), an increase on last year's results. The level of service and quality provided to members and visitors remains at a high standard. Thank you to the many members who have held functions and celebrations with us during the last year. We have received some great feedback from these functions and the staff really appreciate the acknowledgement of their hard work. We continue to look for your support. It will be vitally important for members to maintain their support of the Club. Please encourage others to come in and make use of the facilities available.

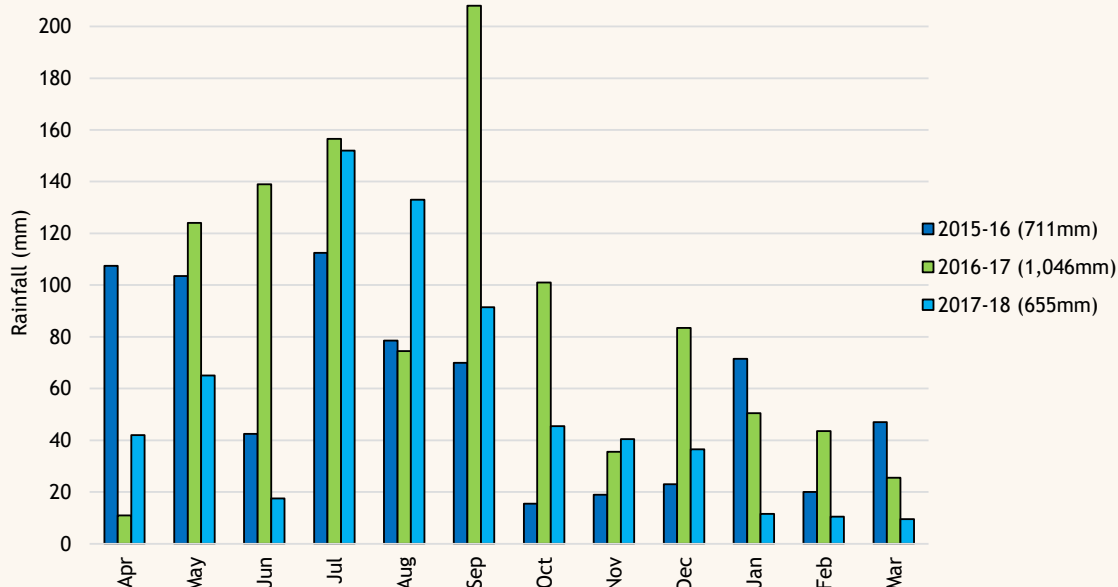
I would like to acknowledge the generous support of our Club major sponsors Kevin Bew and the team at Paradise Motors Mazda. Their generous sponsorship included

## Competition Players April 2017–March 2018





### Rainfall at Mt Osmond Golf Club



support of the Twilight series, Foundation Golf Day, Women's Chairperson's Day and many other club events. Their 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 administration staff of Lyn McGough and Sandra Flashman provided a high level of service to the membership during the year. After seven years of service to the Mt

Osmond members Sandra accepted an expanded role at the Royal Adelaide GC. We wish her all the best.

Without doubt it was one of the biggest years for our grounds staff team with the successful 1st hole redevelopment project. We all now look at and enjoy the outcome of the hard work, a project completed on time and on budget. Course Superintendent Barry Bryant, Assistant Superintendent Simon Work and the team of grounds staff continue to present the course in wonderful condition. Well done to the course team.

The food and beverage team continues to raise the bar in the level of service and quality of product offered. The team dutifully manages 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. We thank Ian, Ray and David for the service they have provided during the year.

**Mark Tan**  
General Manager



## Match Report



This year has been significant for the Match Committee with Captains Dale Hancock and Ros Brown

sharing the role of chairing this committee. Graham Feltham, Susie Bishop and Peter Haysman continued with the good work of last year and with the addition of Lyndall Finch we are continually trying to find ways to improve the golfing experience at MOGC. We thank them, along with Mark Tan and Ian Pritchard who give generously of their time and expertise.

It has been a busy year with the redesigning of the first hole and the subsequent re-rating of the course. There has been a continued focus on the pace of play with regular marshalling of the Saturday field and encouragement of ready golf principles. With the continued 8-minute tee times and the changes to the first hole, the flow of players through the first four holes has been greatly improved.

In the last 12 months, the match committee has made progress with;

- Reviewing competitions and Conditions of Play
- Marking the drain area to the back right of the 16th green

- Moving the women's and veterans' tee block further back on the 6th hole to create a par 5 for women
- Offering a stableford competition when stroke rounds are played
- Adjusting the men's stroke indices
- Collecting data to review the women's stroke indices
- Making the John Hill Putter a 36-hole stand-alone event
- Experimenting with NTP markers in an effort to prevent damage to the greens by players scratching the surface when "marking" the pin positions

Congratulations to our pennant teams last season. The men, after a slow start, just missed making the finals. The women's A3 pennant and Cleek teams finished mid-field while the Hickory team reached the finals but were defeated on the day. The Pike Cup (A2) team finished third in only their second year in the competition and have now been promoted to Sanderson Cup (A1) for 2018. Thanks to captains, managers, caddies and all who helped throughout the season.

We have just completed a successful Club Championship event. Congratulations to our Championship winners in the Men's event — Andrew Edwards (Open), Tim Mortimer (David Wettenhall Trophy), Trevor Coles (B grade) and Jack Atkinson (C grade).



The Women's Open Championship was played over weekends this year and all finals were

played on the final Sunday with the Men's events. Congratulations to the winners – Rachel Taylor (Open), Lyndall Finch (B grade), Bronwyn Kilpatrick (C grade), Sarah Watts (D grade) and Gwen Rogers (9hole).

The Tuesday Men's competition field continues to grow and we congratulate Phil Roberts as our mid-week Champion.

The Women's Wednesday golf program includes a wide range of internal and Golf SA competitions, Open Days and social events that create opportunities for golfers at all levels. Thank you to Jackie Aykroyd and the Women's Committee for their enormous support of the women's program and the club.

The Twilight season, running from October to March, was enjoyed by many with the Christmas and Final dinners a highlight on the calendar. The winner of the RT Johnson Trophy was Stu Bowd. Thank you to Bob Hicks, Jim Dawes and Susie Bishop for their enthusiasm and time in organising the season.



Our mixed events program this year has seen a resurgence in numbers for the Sunday social events.

The popular Captains' Challenge between the women & men was played in March and the women were victorious again this year.

Our Junior program has been well supported through the MyGolf clinics run by Ian Pritchard and his staff. A team participated in the MyGolf competition as well as the J2 pennants held last year. Our thanks to Jenny Butcher for her time and effort in coordinating the junior program in recent years.

Our thanks to Ian Pritchard and staff, Mark Tan, Lyn McGough and Sandra Flashman for their continued support and efficient running of golf events throughout the year.

And thank you to Barry Bryant and grounds staff for maintaining the course at such a high standard. We appreciate the continued improvements to the course. The changes to the first green are a credit to their workmanship and give us a greatly improved opening hole.

**Dale Hancock & Ros Brown**  
*Club Captains*

## Women's Chair Report



It has been another great year for women's golf at Mount Osmond Golf Club. I

am delighted to say that our numbers continue to grow and I thank all lady members for your ongoing support at our wonderful club. The game of golf has many of us hooked, however it is not just the game that most of us enjoy, it is the warm, friendly atmosphere that most of us relish.

A special mention must go to the Women's Committee whose dedication and enthusiasm is second to none. The committee takes on the responsibility of organising special golf days coupled with social golfing events for the year. It also maintains great communication with current members and equally welcomes new lady members into the club. Ros Brown, our Captain and Lyndall Finch, our Vice Captain also deserve a special thank you for their incredible attention to all golfing matters relating to our lady membership at Mount Osmond.

Our Wednesday competition is the highlight of the week when everyone gets together in the club house after their game. The Wednesday booking system is such that we all get to play different people and of course

this enables us to befriend all lady members whether existing or new.

The Saturday field for ladies is smaller but equally enthusiastic. Playing on the weekend is a wonderful way of getting to know the wider membership and in fact brings the men and women together in sharing the passion of golf.

The calendar of events this year included:

- SGM and lunch in October with the winter trophies presented to our winners
- Christmas Ambrose, lunch and entertainment by the Committee
- Opening of the Season, 9 hole ambrose, lunch and summer trophies
- Golf SA Guest day
- Captain's Challenge, 25 men vs 25 women followed by lunch, 2nd year and so successful we are going to hold this event twice a year.
- Annual Bridge and Mahjong Day supported by 80 members followed by lunch.
- Holden Scramble
- Fun Day, 14 holes followed by lunch.
- Country Week — different grades to different regions.



- Rules session followed by short course for beginners and new members.
- Try Golf twice a year with a high attendance of lady golfers and therefore it is beneficial for our lady volunteers to be on hand to help and encourage.

In closing, I would like to thank the Pro shop for all the encouragement and help the staff give us on any golfing day. Equally, Mark Tan and his team for their support in helping us achieve the best results for our lady members. The club house and course are magnificent and it is a credit to all staff members who make it such an enjoyable experience to be a member of Mount Osmond Golf Club.

**Jackie Aykroyd**  
Women's Chairperson

## Grounds Report



What a year it has been for the grounds staff and volunteers. The major development and talking

point for the club

has been the improvement and construction of the 1st hole. Barry, his team and volunteers have shown and proved their advanced professionalism through construction and the exceptional finish of the hole. The project came in on time and on budget. The nursery was a

fundamental part of making this happen and is a crucial part to minimise the use of our temporary green. Everyone involved should be commended on this successful project. It is wonderful to see that as a club we can use our own resources to continually improve, develop and train staff on such projects.

We are in the process of developing and implementing a small improvement plan to prioritise projects throughout the course. This will involve areas that are a minimal cost and in line with the grounds budget. The course staff, grounds committee and volunteers have recognised areas that can be improved. This could be in the form of planting extra vegetation to aesthetically improve areas such as certain carries, or to the scale of the men's 6th tee. The list is extensive and will play out over the next few years.

The course once again seems to improve every year and this year was no exception. It seems each week when debriefing with golfing mates on how frustrating my golf was, the main and first comment usually is how good the course is. It really is improving year on year. Barry and his team need to be congratulated and I hope you all had a chance to give our greenkeepers a wave for Thank a Superintendents week. They certainly will appreciate this for all the great work they do.

**Jason Morgan**  
Chair of Grounds

## Finance Report

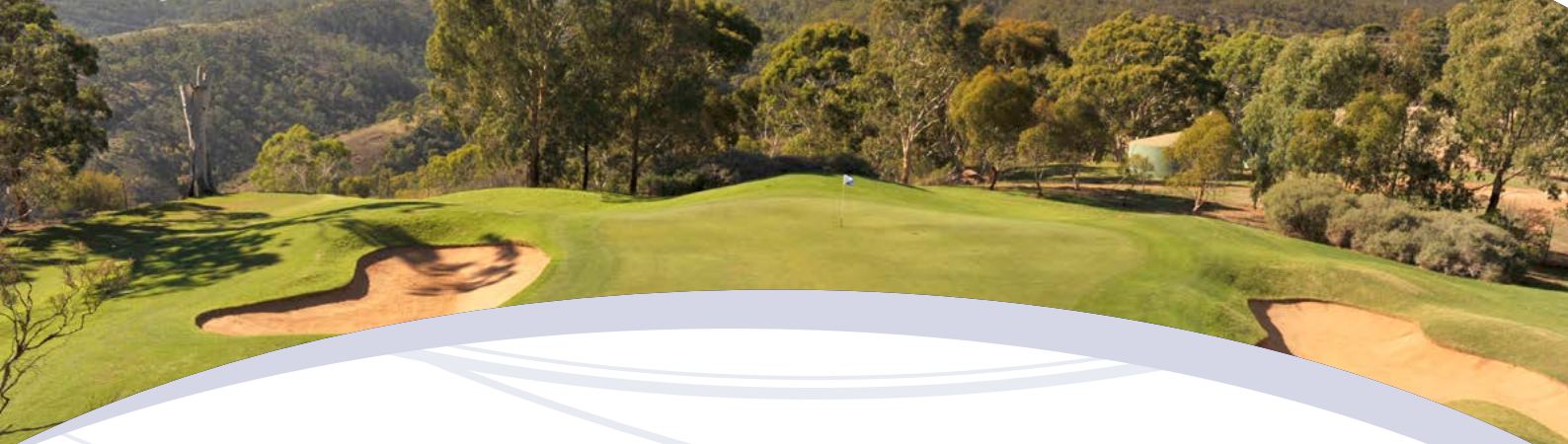


It has been another challenging year from a financial perspective, however, I am pleased

to report that the 2017/18 Financial Year resulted in an operating profit of \$95k before provisions and depreciation charges. This result is the best operating result in the past 6 years and reflects the result of a number of years of hard work from the Board and management in developing a business model that works for the club.

Two primary sources of income continue to be the main focus of our financial outcomes – our ongoing membership subscriptions and also our food and beverage operations.

Subscription revenue remains a key challenge, one that we share with most golf clubs around Australia. Revenue in this area was however 3% above prior year, an excellent result considering the current economic climate. Food & Beverage revenues were also up by around 6% in the year, and the combined focus of management on controlling wage costs whilst maintaining customer service have also resulted in a significant increase in profitability. The Board and Management have been working at reducing costs in



all areas whilst continuing to focus on providing a first-class golf course the likes of which all members can be proud.

Following on from previous years the Board has continued to address the items in the club's Strategic Plan, whilst being aware of the ongoing constraints of cash availability. The recently completed redevelopment of the first hole, which was delivered on time, and more importantly on budget by our dedicated and highly skilled ground staff, is an indication of the Board's commitment to the continued enhancement of our great course.

Whilst debt reduction might not be an immediate opportunity in the current economic environment, the Board remains committed to the continued investment in our facilities, based around our income and expenditure projections, and will continue to explore every opportunity to both boost revenue and save costs over the coming years.

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 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 on all things financial.

**Alan Freeman**  
*Chair of Finance*

## Business Development Report



After the last AGM the former Membership and Marketing Committee

was split into

two committees; Member Engagement and Business Development.

The Business Development Committee is responsible to the Board for the oversight of all aspects of the Club's marketing and sales programs including;

- Business growth
- Promotion of the Club's products and services
- Oversight of the Club's communications program
- Development of strategies to attract new members
- Development of business to business partnerships

- Enhancement of the Club's relationships with key external stakeholders

The Committee have been able to provide assistance to management with several initiatives throughout the year.

The Club's website was upgraded to provide improved functionality, better user experience along with a more contemporary design that highlighted the Club's unique strengths — the view and scenery we are all lucky to enjoy. In addition, the highly popular weekly Oracle e-newsletter was also provided with an updated design that has seen even higher levels of engagement with the membership.

The 2017 – 2018 Membership Drive campaign was conducted over the November to February period. The result was 58 new members were welcomed to the Club. This campaign was the first time that only digital marketing initiatives were used to promote the club.

Our partnerships and sponsorships make an important contribution to the Club and the Business Development Committee provided assistance in the development of new partnership relationships and the management of the Club's existing relationships.

The committee is currently developing a concept to better connect and engage with local casual and social golfers. A particular



focus for the concept is an offer that appeals to younger demographics. The goal is to drive new revenue streams, Increase utilisation of course and clubhouse facilities without impact to club members.

I thank the Committee members Libby Blake and Adam Baker for their expertise and assistance throughout the year, and look forward to the coming year when Arlen Kaesler will join the management team in the role of Business Development and Marketing Manager.

**David Brooks**  
*Chair of Business Development*

## Member Engagement Report



The role of the Member Engagement Committee (MEC) is to work with the membership to engage and

retain their membership. In the past, attracting and keeping members was managed by the one committee. Having MEC as its own working committee has been a welcome development for the membership.

Member retention in the golf industry, outside the Tier 1 clubs, is an ongoing challenge. MEC's objective is to actively engage with members: to build a relationship for the member to actively participate

and be proud of the Club. This has two parts; existing members and then new members.

Our primary engagement with the member is the club. MEC is working with the Pro shop, Grounds and Match Committees to communicate, understand and deliver a positive experience. Our survey indicates this is working, however more is needed. We work with "at risk" members who are under utilising the club and course. Recent data indicates 53% non-renewals were members for less than 3 years. Reaching out to these members is a priority – we have worked hard to get them, important to keep them.

Communication is key between member and club. I am pleased to report the website development and revamped Oracle has moved our communication to more of a contemporary style. This will continue, moving to a more direct communication engagement for all aspects of club engagement.

MEC is working to integrate new members into the club. Realising we all enjoy playing in "our group", MEC is actively working to introduce the new member (and existing members) to other members, so they can enjoy the club as we do; meeting new people, feeling welcome and enjoying the golfing experience. The female membership does this very well and there is the opportunity to learn and develop comparable models.

The Club house continues to provide a wonderful value proposition for the hospitality it delivers. MEC continues to work with Robert and the team for a wide range of events and activities; Food and Beverage rating very highly with members and visitors. MEC will continue to develop events to engage members. It is planned to implement online communications and booking system to ensure we have events to benefit both member and club.

I would like to thank the MEC members; Ann Bila, Robyn Jenkin, Nathan Gray and Matt Hodgson. Ann and Robyn's work with try golf and new members is a great lead for us all.

**Russel Hanna**  
*Chair of Member Engagement*



We are delighted to acknowledge the following Membership achievements.

### New Members

Daniel Arcadiou  
Mary Ashby  
Haydn Baillie  
Richard Blomfield  
Anthony Browne  
Ann Callaghan  
Rhett Calnan  
Damian Cappel  
Jackson Chen  
Cecilia Chung  
Michael Curry  
Richard Dahl  
Angelo De Palma  
Geoff Dowling  
Scott Edwards  
James Edwards  
Alex Edwards  
Maria English  
Peter Fairbrother  
Rylan Ford  
Andrew Fraser  
Tim Fraser  
Simon Freezer  
Wesley Glanville  
Toi Haig  
Irene Harms  
Christopher Hodgson  
Felix Hoelscher  
Gavin Holman  
Kate Hoskins  
Harry Hughes  
Josh Hutchinson  
Seth Hutchinson  
Ricky Jackson  
Simon James  
Chris Jeong

Andy Kim  
Nick Kirchner  
Max Klubal  
Jan Lanser  
Roy Luo  
Nick Ma  
Vel Maksimovic  
Bill Marsh  
Julie Marshall  
Armani Marsters  
Asia Marsters  
Gary Martin  
Steve Mason  
Scott McDonald  
Hamish McLeay  
Jack McLeay  
Prue McMichael  
Christine Millar  
John Millar  
Nick Mosey  
David Muster  
Ben Owen  
John Payne  
Kym Peacock  
Jake Pitt  
Barnaby Pyne  
Ming Qiao  
Enzo Ricci  
Hugo Ricci  
Craig Richards  
Bill Richards  
Alan Richardson  
Tom Rieger  
Deb Roach  
Tom Robson  
Kris Rosada

Alex Ross  
Jenny Rowe  
Matt Scarce  
Trish Seide  
Katie Seol  
Jacquie Simpson  
Denys Simpson  
Greg Size  
Lyric Smith  
Brenton Sneath  
Tom Suszko  
Nick Taylor  
Chris Thomas  
Sally-Anne Thomas  
Craig Thomas  
David Tiver  
Darren Vonthethoff  
Simon Walsh  
Richard Ward  
Caroline Webber  
Jan Western  
David White  
John Wilson  
Alex Wilson  
Sam Wilson  
Ryan Yuan

### 25 Year Members

Lydia Ades  
Brian Bateup  
Peter Chan  
Glenice Edwards  
Chris Gill  
James Khoo  
Bob Liteplo  
Craig MacIntosh  
Peter McCarthy  
Mary Mittiga  
Peter Parks  
Michael Redmond  
Jens Sandstrom  
Rae Williams

### Vale

It is with deep regret we acknowledge the passing of the following Mount Osmond Members since the last annual report;

Marc Diamond  
Jonathan Flaherty  
Victor Moo  
Gordon Ormandy  
Brian Thomas



# **Mount Osmond Golf Club Inc**

## **Financial Statements**

**For the Year Ended 31 March 2018**



## Board Member's Report

31 March 2018

The board members submit the financial report of the Association for the financial year ended 31 March 2018.

### 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 \$ 191,062 (2017: \$ 318,118).

Signed in accordance with a resolution of the Board Members:

President:   
Ian McInerney

Board member:   
Alan Freeman

Dated 24.5.18

The accompanying notes form part of this financial report



## Statement of Profit or Loss and Other Comprehensive Income

### For the Year Ended 31 March 2018

	Note	2018 \$	2017 \$
<b>Revenue</b>			
Membership income	2	1,217,214	1,190,525
Golf operations income	3	252,998	228,373
Bar Income	4	462,213	437,945
Catering Income	5	727,948	675,493
Interest income		-	1
Other Income		94,397	82,043
<b>Total revenue</b>		<b>2,754,770</b>	<b>2,614,380</b>
<b>Expenses</b>			
Golf operations	3	(142,043)	(144,979)
Bar operations	4	(489,782)	(480,578)
Catering operations	5	(631,782)	(612,999)
Course maintenance	6	(743,624)	(701,197)
Administration and membership		(600,178)	(587,105)
Bank fees		(19,066)	(15,252)
Interest paid		(41,418)	(39,774)
Depreciation and amortisation expense		(349,759)	(350,614)
<b>Total expenses</b>		<b>(3,017,652)</b>	<b>(2,932,498)</b>
<b>Net (Loss) before special levy</b>		<b>(262,882)</b>	<b>(318,118)</b>
Special levy		71,820	-
<b>(Loss) for the year</b>		<b>(191,062)</b>	<b>(318,118)</b>
<b>Other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>(191,062)</b>	<b>(318,118)</b>

The accompanying notes form part of this financial report



## Balance Sheet

As At 31 March 2018

	Note	2018 \$	2017 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	7	254,244	242,710
Trade and other receivables		5,680	7,533
Inventories		40,962	37,326
Other assets		18,556	17,678
TOTAL CURRENT ASSETS		319,442	305,247
NON-CURRENT ASSETS			
Property, plant and equipment	8	5,181,824	5,311,476
Intangible assets	9	126,250	126,250
TOTAL NON-CURRENT ASSETS		5,308,074	5,437,726
TOTAL ASSETS		5,627,516	5,742,973
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables		264,299	298,163
Interest-bearing loans and borrowings	10	393,897	279,079
Employee entitlements	11	172,037	150,142
Subscriptions received in advance		1,039,908	1,046,444
TOTAL CURRENT LIABILITIES		1,870,141	1,773,828
NON-CURRENT LIABILITIES			
Interest-bearing loans and borrowings	10	81,643	61,674
Employee entitlements	11	13,668	47,072
Other liabilities		-	7,273
TOTAL NON-CURRENT LIABILITIES		95,311	116,019
TOTAL LIABILITIES		1,965,452	1,889,847
NET ASSETS		3,662,064	3,853,126
<b>EQUITY</b>			
Asset revaluation reserve		2,580,165	2,580,165
Foundation fund	12	29,486	42,435
Retained earnings		1,052,413	1,230,526
TOTAL EQUITY		3,662,064	3,853,126

The accompanying notes form part of this financial report

## Statement of Changes in Equity

### For the Year Ended 31 March 2018

2018

		Retained Earnings	Asset Revaluation Reserve	Foundation Fund	Total
		\$	\$	\$	\$
<b>Balance at 1 April 2017</b>		1,230,526	2,580,165	42,435	3,853,126
(Loss) attributable to members of the entity		(191,062)	-	-	(191,062)
Transfers from retained earnings	12	12,949	-	(12,949)	-
<b>Sub-total</b>		(178,113)	-	(12,949)	(191,062)
<b>Balance at 31 March 2018</b>		<b>1,052,413</b>	<b>2,580,165</b>	<b>29,486</b>	<b>3,662,064</b>

2017

		Retained Earnings	Asset Revaluation Reserve	Foundation Fund	Total
		\$	\$	\$	\$
<b>Balance at 1 April 2016</b>		1,571,154	2,580,165	19,925	4,171,244
(Loss) attributable to members of the entity		(318,118)	-	-	(318,118)
Transfers from retained earnings	12	(22,510)	-	22,510	-
<b>Sub-total</b>		(340,628)	-	22,510	(318,118)
<b>Balance at 31 March 2017</b>		<b>1,230,526</b>	<b>2,580,165</b>	<b>42,435</b>	<b>3,853,126</b>

The accompanying notes form part of this financial report



## Statement of Cash Flows

For the Year Ended 31 March 2018

	Note	2018 \$	2017 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Subscriptions and other receipts from members		1,404,787	1,326,139
Golfing fees received		278,298	280,286
Bar sales and catering sales and club house hire		1,309,177	1,224,929
Interest received		-	1
Sundry income		102,010	94,236
Payments to employees and on costs		(1,374,758)	(1,417,015)
Payments to suppliers		(1,580,763)	(1,322,854)
Interest paid		(41,418)	(39,774)
Net cash provided by operating activities	13	97,333	145,948
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Proceeds from sale of property, plant & equipment		28,610	20,706
Payments for property, plant and equipment		(256,970)	(153,989)
Net cash (used by) investing activities		(228,360)	(133,283)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Net Proceeds from borrowings		11,607	(12,500)
Net cash (used by) financing activities		11,607	(12,500)
Net (decrease) in cash and cash equivalents held		(119,420)	165
Cash and cash equivalents at beginning of year		29,611	29,446
Cash and cash equivalents at end of financial year	7	(89,809)	29,611

The accompanying notes form part of this financial report



## Notes to the Financial Statements

### For the Year Ended 31 March 2018

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 and kitchen 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



## 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.

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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 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



## **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.

#### **Special levy**

The special levy relates to income received from members as Course Development Levy during the year.

### **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.

The accompanying notes form part of this financial report



## Notes to the Financial Statements for the Year Ended 31 March 2018

### 1. Summary of Significant Accounting Policies continued

#### 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.

#### 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



## 2. Membership Income

Membership income is summarised as follows:

	2018	2017
	\$	\$
<b>Membership income</b>		
Membership Subscriptions	1,124,956	1,094,411
Entrance Fees	21,432	27,773
Sponsorship income	24,086	21,509
Water Levy	40,944	41,084
PIP Insurance	5,796	5,748
<b>Total membership income</b>	<b>1,217,214</b>	<b>1,190,525</b>

## 3. Golf Operation Income

Golf operation income is summarised as follows:

	2018	2017
	\$	\$
<b>Golfing operation income</b>		
Green fees	165,705	139,579
Competition fees	85,570	86,838
Other income	1,723	1,956
<b>Total golfing operation income</b>	<b>252,998</b>	<b>228,373</b>
<b>Golfing operation expenses</b>		
Competition fees	(69,006)	(73,183)
Pennant	(10,363)	(13,981)
Professional retainer and commission	(62,674)	(57,815)
<b>Total golfing operation expenses</b>	<b>(142,043)</b>	<b>(144,979)</b>
<b>Net golfing operation income</b>	<b>110,955</b>	<b>83,394</b>

The accompanying notes form part of this financial report

**4. Bar Income Summary**

Bar operations are summarised as follows:

	2018	2017
	\$	\$
<b>Bar Income</b>		
Bar Income	462,213	437,945
<b>Bar Expenses</b>		
Cost of goods sold	(161,088)	(155,131)
Employee remuneration	(323,982)	(319,614)
Other expenses	(4,712)	(5,833)
<b>Total bar expenses</b>	<b>(489,782)</b>	<b>(480,578)</b>
<b>Net bar income</b>	<b>(27,569)</b>	<b>(42,633)</b>

**5. Catering Income Summary**

Catering operations are summarised as follows:

	2018	2017
	\$	\$
<b>Catering Income</b>		
Catering Income	727,948	675,493
<b>Catering Expenses</b>		
Cost of goods sold	(262,530)	(239,318)
Employee Remuneration	(297,452)	(301,157)
Cleaning, gas, replacements	(51,664)	(52,342)
Entertainment and promotions	(20,136)	(20,182)
<b>Total catering expenses</b>	<b>(631,782)</b>	<b>(612,999)</b>
<b>Net catering income</b>	<b>96,166</b>	<b>62,494</b>

The accompanying notes form part of this financial report



## 6. Course maintenance

Course maintenance are summarised as follows:

	2018	2017
	\$	\$
<b>Course Expenses</b>		
Employee Remuneration	454,194	437,897
Course Maintenance	91,535	82,285
Electricity (bore)	69,867	50,007
Course Chemicals	64,711	66,869
Other Course Expenses	63,317	64,139
<b>Total course expenses</b>	<b>743,624</b>	<b>701,197</b>

## 7. Cash and Cash Equivalents

Cash at bank and in hand	254,244	242,710
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### Reconciliation of cash

Cash and cash equivalents	254,244	242,710
Bank overdrafts	10 (344,053)	(213,099)
<b>Balance as per statement of cash flows</b>	<b>(89,809)</b>	<b>29,611</b>

The accompanying notes form part of this financial report



## Notes to the Financial Statements for the Year Ended 31 March 2018

### 8. Property, Plant and Equipment

	2018	2017
	\$	\$
LAND AND BUILDINGS		
Land		
At valuation	2,240,785	2,240,785
Total Land	2,240,785	2,240,785
Buildings & course improvements		
At valuation	2,085,428	2,085,428
At cost	4,630,876	4,567,755
Accumulated depreciation	(4,477,210)	(4,207,032)
Total buildings	2,239,094	2,446,151
Total land and buildings	4,479,879	4,686,936
PLANT AND EQUIPMENT		
Capital works in progress		
At cost	165,270	64,116
Plant and machinery		
At cost	1,518,382	1,535,493
Accumulated depreciation	(1,063,811)	(1,074,932)
Total plant and equipment	454,571	460,561
Furniture, fixture and fittings		
At cost	323,802	323,802
Accumulated depreciation	(241,698)	(223,939)
Total furniture, fixture and fittings	82,104	99,863
Total plant and equipment	701,945	624,540
<b>Total property, plant and equipment</b>	<b>5,181,824</b>	<b>5,311,476</b>

The accompanying notes form part of this financial report



## 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>2018</b>						
Balance at the beginning of year	64,115	2,240,785	2,446,160	460,553	99,863	<b>5,311,476</b>
Additions	101,154	-	63,120	92,696	-	<b>256,970</b>
Disposals	-	-	-	(36,863)	-	<b>(36,863)</b>
Depreciation expense	-	-	(270,176)	(61,824)	(17,759)	<b>(349,759)</b>
<b>Balance at 31 March 2018</b>	<b>165,269</b>	<b>2,240,785</b>	<b>2,239,104</b>	<b>454,562</b>	<b>82,104</b>	<b>5,181,824</b>
<b>2017</b>						
Balance at the beginning of year	21,360	2,240,785	2,706,305	443,712	118,401	5,530,563
Additions	42,755	-	6,076	105,168	-	153,999
Disposals	-	-	-	(23,929)	-	(23,929)
Depreciation expense	-	-	(266,221)	(64,398)	(18,538)	(349,157)
<b>Balance at 31 March 2017</b>	<b>64,115</b>	<b>2,240,785</b>	<b>2,446,160</b>	<b>460,553</b>	<b>99,863</b>	<b>5,311,476</b>

The accompanying notes form part of this financial report



## Notes to the Financial Statements for the Year Ended 31 March 2018

### 9. Intangible Assets

	2018	2017
	\$	\$
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	(10,136)	(10,136)
<b>Total Intangibles</b>	<b>126,250</b>	<b>126,250</b>

### 10. Interest-bearing loans and borrowings

CURRENT		
Hire purchase liabilities	49,844	65,980
Bank overdraft	344,053	213,099
<b>Total current borrowings</b>	<b>393,897</b>	<b>279,079</b>
NON-CURRENT		
Hire purchase liabilities	81,643	61,674
<b>Total non-current borrowings</b>	<b>81,643</b>	<b>61,674</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 \$344,053 (2017: \$213,099). 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 \$1,039,908 (2017: \$1,046,444). 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.

### 11. Employee Benefits

#### 11.1. Employee benefits - current liability

	2018	2017
	\$	\$
CURRENT		
Annual leave	65,915	82,505
Long service leave	106,122	67,637
	<b>172,037</b>	<b>150,142</b>

The accompanying notes form part of this financial report

**11. Employee Benefits continued****11.2. Employee benefits - non-current liability**

## NON-CURRENT

Long service leave

<b>13,668</b>	47,072
<b>13,668</b>	47,072

**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.

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
<b>Opening Balance</b>	<b>42,435</b>	19,925
Income	<b>42,787</b>	34,902
Borrowings from Mount Osmond Golf Club	-	10,442
Capital expenditure	<b>(50,836)</b>	(20,377)
Other expenditure	<b>(4,900)</b>	(2,457)
<b>Net Movement</b>	<b>(12,949)</b>	22,510
<b>Closing Balance</b>	<b>29,486</b>	42,435

The accompanying notes form part of this financial report



## Notes to the Financial Statements for the Year Ended 31 March 2018

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

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

	2018	2017
	\$	\$
(Loss) for the year	(191,062)	(318,118)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation and amortisation	349,759	350,613
- net loss on disposal of assets	8,253	3,215
Changes in assets and liabilities		
- (increase)/decrease in trade and other receivables	1,853	(10,699)
- (increase)/decrease in other assets	(878)	(1,528)
- (increase)/decrease in inventories	(3,636)	6,821
- increase/(decrease) in subscriptions in advance	(6,536)	49,239
- increase/(decrease) in other liabilities	(15,047)	18,693
- increase/(decrease) in trade and other payables	(33,864)	29,022
- increase/(decrease) in employee benefits	(11,509)	18,690
Cashflow from operations	<u>97,333</u>	<u>145,948</u>

### 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:

	2018	2017
	\$	\$
<b>Financial Assets</b>		
Cash and cash equivalents	254,244	242,710
- Trade and other receivables	5,680	7,533
<b>Total financial assets</b>	<u>259,924</u>	<u>250,243</u>
<b>Financial Liabilities</b>		
Financial liabilities at amortised cost		

The accompanying notes form part of this financial report

**14. Financial Risk Management continued**

	2018	2017
	\$	\$
- Trade and other payables	264,299	298,164
- Borrowings	475,540	340,753
<b>Total financial liabilities</b>	<b>739,839</b>	<b>638,917</b>

**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;

The accompanying notes form part of this financial report



## 14. Financial Risk Management continued

### 14.2. Liquidity risk continued

- obtaining funding from a variety of sources;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- 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.

### Auditors' Remuneration

	2018	2017
	\$	\$
Remuneration of the auditor of the Association, HLB Mann Judd, for:		
- auditing the financial statements	9,461	9,000

### Contingent Liabilities and Contingent Assets

In the opinion of the Board of Management, the Association did not have any contingencies at 31 March 2018 (31 March 2017:None).

The accompanying notes form part of this financial report



**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.

**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 3 to 22:

1. Present fairly the results of the operations of Mount Osmond Golf Club Inc as at 31 March 2018 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 2018:
  - 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:
    - i. 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 .....  
Ian McNerney

Board member .....  
Alan Freeman

Dated 24.5.18

# Independent Auditor's Report



Chartered Accountants

**Independent Auditor's Report**  
**To the Members of Mount Osmond Golf Club Inc.**

## **REPORT ON THE AUDIT OF THE FINANCIAL REPORT**

### **Opinion**

We have audited the financial report of Mount Osmond Golf Club Inc ("the Association") which comprises the balance sheet as at 31 March 2018, the statement of profit and loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement by Board Members.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Mount Osmond Golf Club Inc as at 31 March 2018, and its financial performance and its cash flow for the year then ended in accordance with the Associations Incorporations Act (SA) 1985 and Australian Accounting Standards.

### **Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Association in accordance with the auditor independence 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Responsibilities of Board Members for the Financial Report**

Board Members are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and for such internal control as the Board Members determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Board Members are responsible for assessing the Association'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 Board members either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Board Members are responsible for overseeing the Association's financial reporting process.

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

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# Independent Auditor's Report



Chartered Accountants

## 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 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board Members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**HLB Mann Judd**  
HLB Mann Judd  
Chartered Accountants

Adelaide, South Australia  
24 May 2018

  
Corey McGowan  
Partner

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# Independent Auditor's Report



Chartered Accountants

**MOUNT OSMOND GOLF CLUB INC**  
**ABN 79 990 797 062**

## AUDITOR'S INDEPENDENCE DECLARATION

### TO THE BOARD MEMBERS OF MOUNT OSMOND GOLF CLUB INC

As lead auditor for the audit of the financial report of Mount Osmond Golf Club Inc. for the year ended 31 March 2018, I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

*HLB Mann Judd*  
HLB Mann Judd  
Chartered Accountants

*C.M. J.*  
Corey McGowan  
Partner

Adelaide, South Australia  
24 May 2018

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# Major Trophy Winners 2017

MEN'S COMPETITIONS	WINNER	RUNNER UP
2017 Ex-Serviceman's Golf Day	Jeremy Harris	Alan Bartram
2017 Veterans — Cliff Cornell Trophy	Jonathan Allin	Robert Brady
2017 Veterans — Bolton Trophy	Jan Wilson	Philip Ashwin
2017 Veterans — Bill Harrington Putter	Bob Andrews	David Kilmore
2017 Men's Mid-Week Championship	Phil Roberts	Matt Hodgson
2017 Don Sampson Trophy	Tyson Settre	Ben Burrows
2017 Junior Vardon	Frank Vucic	Harry Burner
2017 Foursomes Championship	Chris Hodgson & Matt Hodgson	Stuart Bowd & Anton Staykov
2018 Club Championship	Andrew Edwards	Ben Burrows
2018 A2 Championship	Tim Mortimer	Oliver Pritchard
2018 B Grade Championship	Trevor Coles	Phil Roberts
2018 C Grade Championship	Jack Atkinson	Sean Brennan
WOMEN'S COMPETITIONS	WINNER	RUNNER UP
2017 Foursomes Championship — Open	Belinda Porter & Julie Culley	Jenny Butcher & Penny Mathews
2017 Foursomes Championship — B	Jude Tanner & Trish Reed	Mary-Liz Brandon & Sue-Ellen Sipek
2017 Foursomes Championship — C	Jan Wolfensberger & Bronwyn Kilpatrick	Libby Blake & Ann Bila
2017 Veteran's Trophy	Penny Mathews	Helen Miles
2017 Jenkins Scott Trophy	Rachel Taylor	Nayoung Ku
2018 Club Championship	Rachel Taylor	Nayoung Ku
2018 B Grade Championship	Lyndall Finch	Sally Attrill
2018 C Grade Championship	Bronwyn Kilpatrick	Trish Garrett
2018 D Grade Championship	Sarah Watts	Denise Mudie
MIXED COMPETITIONS	WINNER	RUNNER UP
2017 Junior Championship	Oliver Pritchard	Sam Wilson
2017 Sir Edward Holden Trophy	Susie Bishop & Stuart Bowd	Robyn Boath & Andrew Boath
2017 Roy Carter Trophy	Ros Brown & Randall Brown	Robyn Jenkin & David Jenkin
2017 Malcolm Reid Rose Bowl	Dave Knox	Anton Staykov
2017 Susie Marshall Mixed Ambrose	Kelly Allison, Tim Allison, Luke Hattam, John Pires	Vera Mortimer, John Mortimer, Wolf Engel, Liza Wedge
2018 Mixed Foursomes Championship	Sally Attrill & Andrew Nairn	Penny Mathews & Peter Tyson
2017 RT Johnston Trophy	Stuart Bowd	Andrew MacDonald
2017 Lucas Trophy	Susie Bishop & Stuart Bowd	Annie Gower & Dirk Seret

HOLE'S IN ONE	DATE	HOLE
Alan Freeman	22 April 2017	11
Nathan Separovich	27 April 2017	2
Mike Gilmore	30 April 2017	13
Richard Milton	4 June 2017	11
Paul Buckman	2 July 2017	16
Greg Sumsion	27 August 2017	16
Dirk Seret	19 September 2017	13
John Murphy	19 October 2017	13
Nayoung Ku	18 November 2017	11

HOLE'S IN ONE	DATE	HOLE
Andrew Nairn	25 November 2017	4
Stuart Buckman	10 December 2017	13
Joseph De Tullio	16 December 2017	4
David Johnston	19 December 2017	16
Mike Mullins	30 December 2017	16
John McBain	1 January 2018	4
Simon Brown	4 January 2018	4
Jacob Park	25 February 2018	16
David Johnston	27 February 2018	16



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