

Russell Vale Golf & Social Club Ltd

ABN 69 003 029 810

Financial Statements

For the Year Ended 30 June 2016

Russell Vale Golf & Social Club Ltd

ABN 69 003 029 810

For the Year Ended 30 June 2016

Financial Statements

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Russell Vale Golf & Social Club Ltd

ABN 69 003 029 810

Directors' Report

30 June 2016

Your directors present their report on Russell Vale Golf & Social Club Ltd for the financial year ended 30 June 2016.

Information on directors

The names of each person who has been a director during the year and to the date of this report are:

Name	Position	Qualifications	Appointment date
R Crowe	Director	Retired	20 October 2004
R Jordan	Director	Retired	5 August 1987
T Johnston	Director	Retired	20 October 2004
P Moore	Director	Retired	19 October 2011
A Nelson	Director	Retired	21 February 2011
B Johnston	Director	Retired	20 October 2004
A Sellers	Director	Retired	19 October 2011
C Woods	Director	Retired	16 October 2013
P Peace	Director	Retired	18 April 2016
G Evans	Director	Retired	Resigned 12 October 2015
P Shoobert	Director	Retired	Resigned 21 March 2016

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

Review of operations

The result of the Company amounted to a profit of \$ 2,410 (2015: \$11,252) .

Principal activities

The principal activities of Russell Vale Golf & Social Club Ltd during the financial year were to promote and conduct the game of golf and other such sports games, amusements and entertainments, past times and recreations, both indoor and outdoor, as the Company may deem expedient.

No significant changes in the nature of the entity's activity occurred during the financial year.

Short and long term objectives

The Company's short term objectives are to continue to provide quality facilities for the benefits of members and guests. From a long-term perspective, the Company seeks to improve the facilities and services that we can offer to our members.

Russell Vale Golf & Social Club Ltd

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Directors' Report

30 June 2016

Performance measures

The Company assesses its performance in terms of its achievement of strategic and financial objectives with reference to:

- the quality of the service and facilities provided to members;
- the ability to generate strong cash flows from its operating activities;
- the trading and overall financial result; and
- the stability of the balance sheet with respect to the Company's liquidity and the totals levels of debt.

Members guarantee

The Russell Vale Golf & Social Club Ltd is a Company limited by guarantee. In the event of, and for the purpose of winding up of the Company, the amount capable of being called up from each members and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$ 10 for members, subject to the provisions of the Company's constitution.

At 30 June 2016 the collective liability of members was \$ 6,890 (2015: \$ 7,080).

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Directors' Report

30 June 2016

Meetings of directors

During the financial year, 13 meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
R Crowe	13	12
R Jordan	13	12
T Johnston	13	11
P Moore	13	13
A Nelson	13	12
B Johnston	13	11
A Sellers	13	12
C Woods	13	11
P Peace	3	3
G Evans	4	3
P Shoobert	9	7

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2016 has been received and can be found on page 4 of the financial report.

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



R Crowe
President

Wollongong

27 September 2016

**Auditor's Independence Declaration under Section 307C of the Corporations Act 2001
To the Directors of Russell Vale Golf & Social Club Ltd**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2016, there have been:

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

Daley & Co.
Daley & Co
Chartered Accountants

Michael Mundt
Michael Mundt
Partner

27 September 2016

Wollongong

Liability limited by a scheme approved under Professional Standards Legislation

Russell Vale Golf & Social Club Ltd

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Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2016

	Note	2016 \$	2015 \$
Revenue	4	463,572	442,996
Cost of sales		(90,120)	(84,378)
Gross profit		373,452	358,618
Golf related expenses		(143,878)	(146,610)
Employee benefits expense		(40,167)	(45,724)
Occupancy expense		(20,058)	(22,386)
Administration expense		(80,693)	(54,616)
Depreciation expense	10	(53,955)	(54,615)
Finance costs		(114)	(1,803)
Other expenses		(32,069)	(21,612)
Loss on disposal of assets		(108)	-
Profit for the year		2,410	11,252
Other comprehensive income for the year		-	-
Total comprehensive income for the year		2,410	11,252

The accompanying notes form part of these financial statements.

Russell Vale Golf & Social Club Ltd

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Balance Sheet

As at 30 June 2016

	Note	2016 \$	2015 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	177,598	169,967
Trade and other receivables	7	40,395	19,217
Inventories	8	7,542	7,620
Other financial assets	9	206,600	200,500
TOTAL CURRENT ASSETS		432,135	397,304
NON-CURRENT ASSETS			
Property, plant and equipment	10	492,821	490,218
TOTAL ASSETS		924,956	887,522
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	63,820	69,037
Borrowings	12	-	4,050
Employee benefits	13	10,772	10,276
Other financial liabilities	14	43,795	-
TOTAL CURRENT LIABILITIES		118,387	83,363
TOTAL NON-CURRENT LIABILITIES		-	-
TOTAL LIABILITIES		118,387	83,363
NET ASSETS		806,569	804,159
EQUITY			
Retained earnings		806,569	804,159
TOTAL EQUITY		806,569	804,159

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity

For the Year Ended 30 June 2016

	Note	Retained Earnings \$
Balance at 1 July 2015		804,159
Result for the year		<u>2,410</u>
Balance at 30 June 2016		<u><u>806,569</u></u>
Balance at 1 July 2014		792,907
Result for the year		<u>11,252</u>
Balance at 30 June 2015		<u><u>804,159</u></u>

The accompanying notes form part of these financial statements.

Russell Vale Golf & Social Club Ltd

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Statement of Cash Flows

For the Year Ended 30 June 2016

	Note	2016 \$	2015 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		550,424	485,945
Payments to suppliers and employees		(483,132)	(415,927)
Interest received		7,267	9,459
Finance costs		(114)	(1,803)
Net cash provided by operating activities	20	<u>74,445</u>	<u>77,674</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Payments for property, plant and equipment		(56,667)	(85,851)
Purchase of held-to-maturity investments		(6,100)	(200,500)
Net cash used by investing activities		<u>(62,767)</u>	<u>(286,351)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:			
Repayment of borrowings		(4,047)	(5,333)
Net cash used by financing activities		<u>(4,047)</u>	<u>(5,333)</u>
Net increase/(decrease) in cash and cash equivalents held		7,631	(214,010)
Cash and cash equivalents at beginning of year		<u>169,967</u>	<u>383,977</u>
Cash and cash equivalents at end of financial year	6	<u>177,598</u>	<u>169,967</u>

The accompanying notes form part of these financial statements.

Russell Vale Golf & Social Club Ltd

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Notes to the Financial Statements

For the Year Ended 30 June 2016

The financial report covers Russell Vale Golf & Social Club Ltd as an individual entity. Russell Vale Golf & Social Club Ltd is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Russell Vale Golf & Social Club Ltd is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

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.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

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

Sale of goods

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

Russell Vale Golf & Social Club Ltd

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Notes to the Financial Statements

For the Year Ended 30 June 2016

2 Summary of Significant Accounting Policies (Continued)

(a) Revenue and other income (Continued)

Donations

Donations and bequests are recognised as revenue when received.

Interest revenue

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

Subscriptions

Revenue from the provision of membership subscriptions is recognised over the period of membership.

(b) Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

(c) Income tax

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

(d) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the balance sheet.

(e) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the Company are classified as finance leases.

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Notes to the Financial Statements

For the Year Ended 30 June 2016

2 Summary of Significant Accounting Policies (Continued)

(e) Leases (Continued)

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

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

(f) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first-in-first-out basis and is net of any rebates and discounts received.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the costs necessary to make the sale. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

(g) Property, plant and equipment

Each class of property, plant and equipment is carried at cost, where applicable, any accumulated depreciation and impairment of losses.

Under the cost model, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Company, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

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Notes to the Financial Statements

For the Year Ended 30 June 2016

2 Summary of Significant Accounting Policies (Continued)

(g) Property, plant and equipment (Continued)

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

Fixed asset class	Depreciation rate
Buildings	5 - 30%
Plant and equipment	13 - 33.3%
Office equipment	10 - 37.5%
Kitchen equipment	10 - 30%

(h) Financial instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial Assets

Financial assets are divided into the following categories which are described in detail below:

- loans and receivables;
- financial assets at fair value through profit or loss; and
- held-to-maturity investments.

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

All income and expenses relating to financial assets are recognised in the statement of profit or loss and other comprehensive income in the 'finance income' or 'finance costs' line item respectively.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

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Notes to the Financial Statements

For the Year Ended 30 June 2016

2 Summary of Significant Accounting Policies (Continued)

(h) Financial Instruments (Continued)

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

The Company's trade and most other receivables fall into this category of financial instruments.

Discounting is omitted where the effect of discounting is considered immaterial.

Significant receivables are considered for impairment on an individual asset basis when they are past due at the reporting date or when objective evidence is received that a specific counterparty will default.

The amount of the impairment is the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

In some circumstances, the Company renegotiates repayment terms with customers which may lead to changes in the timing of the payments, the Company does not necessarily consider the balance to be impaired, however assessment is made on a case-by-case basis.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets:

- acquired principally for the purpose of selling in the near future
- designated by the entity to be carried at fair value through profit or loss upon initial recognition or
- which are derivatives not qualifying for hedge accounting.

Assets included within this category are carried in the balance sheet at fair value with changes in fair value recognised in finance income or expenses in profit or loss.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity. Investments are classified as held-to-maturity if it is the intention of the Company's management to hold them until maturity.

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Notes to the Financial Statements

For the Year Ended 30 June 2016

2 Summary of Significant Accounting Policies (Continued)

(h) Financial Instruments (Continued)

Held-to-maturity investments are subsequently measured at amortised cost using the effective interest method, with revenue recognised on an effective yield basis. In addition, if there is objective evidence that the investment has been impaired, the financial asset is measured at the present value of estimated cash flows. Any changes to the carrying amount of the investment are recognised in profit or loss.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities depending on the purpose for which the liability was acquired.

The Company's financial liabilities include trade and other payables (including finance lease liabilities), which are measured at amortised cost using the effective interest rate method.

Impairment of financial assets

At the end of the reporting period the Company assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

Impairment on loans and receivables is reduced through the use of an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

(i) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is an evidence of an impairment indicator for non-financial assets.

Where this indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

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Notes to the Financial Statements

For the Year Ended 30 June 2016

2 Summary of Significant Accounting Policies (Continued)

(i) Impairment of non-financial assets (Continued)

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

(j) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than twelve months after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on corporate bonds with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

Employee benefits are presented as current liabilities in the balance sheet if the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

(k) Goods and services tax (GST)

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

Russell Vale Golf & Social Club Ltd

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Notes to the Financial Statements

For the Year Ended 30 June 2016

2 Summary of Significant Accounting Policies (Continued)

(k) Goods and services tax (GST) (Continued)

Receivables and payable are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the balance sheet.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

3 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - impairment of property, plant and equipment

The Company assesses impairment at the end of each reporting period by evaluating conditions specific to the Company that may be indicative of impairment triggers.

Key estimates - provisions

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

Russell Vale Golf & Social Club Ltd

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Notes to the Financial Statements

For the Year Ended 30 June 2016

4 Revenue and Other Income

	Note	2016 \$	2015 \$
<i>Revenue from continuing operations</i>			
- Refreshment, BBQ and food sales		168,296	159,070
- Membership income	(a)	90,416	118,062
- Competition fees		102,246	96,709
- Sponsorship income		19,642	19,003
- Grants received		28,079	-
- Other income		47,626	40,693
- Interest income		7,267	9,459
		<u>463,572</u>	<u>442,996</u>

(a) Membership Income

The membership period has been recently changed from a period beginning in October and ending in September to a period beginning in July and ending in June. This change required the most recent membership period to commence in October 2015 and end in June 2016, and therefore only 9 months of membership income has been recognised in the current financial year. In addition to this, membership monies were received in advance of the membership period which have been disclosed as unearned income for the first time (refer note 14).

5 Result for the Year

Expenses

Superannuation contributions	2,935	2,840
Rental expense - minimum lease payments	9,094	8,827

6 Cash and Cash Equivalents

Cash on hand	4,100	4,100
Cash at bank	173,498	165,867
	<u>177,598</u>	<u>169,967</u>

Russell Vale Golf & Social Club Ltd

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Notes to the Financial Statements

For the Year Ended 30 June 2016

7 Trade and Other Receivables

	2016	2015
	\$	\$
Trade receivables	1,298	1,225
Prepayments	33,729	11,286
Other receivables	5,368	6,706
	<u>40,395</u>	<u>19,217</u>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

8 Inventories

Inventories	<u>7,542</u>	<u>7,620</u>
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9 Other Financial Assets

Held-to-maturity financial assets	<u>206,600</u>	<u>200,500</u>
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Russell Vale Golf & Social Club Ltd

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Notes to the Financial Statements

For the Year Ended 30 June 2016

10 Property, Plant and Equipment

	2016	2015
	\$	\$
Buildings		
At cost	468,965	459,758
Accumulated depreciation	(126,408)	(103,259)
	<u>342,557</u>	<u>356,499</u>
Plant and equipment		
At cost	259,718	239,317
Accumulated depreciation	(139,507)	(119,817)
	<u>120,211</u>	<u>119,500</u>
Office equipment		
At cost	77,839	59,384
Accumulated depreciation	(47,843)	(45,233)
	<u>29,996</u>	<u>14,151</u>
Kitchen equipment		
At cost	12,323	12,323
Accumulated depreciation	(12,266)	(12,255)
	<u>57</u>	<u>68</u>
Total property, plant and equipment	<u><u>492,821</u></u>	<u><u>490,218</u></u>

Russell Vale Golf & Social Club Ltd

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Notes to the Financial Statements

For the Year Ended 30 June 2016

10 Property, Plant and Equipment (Continued)

(a) 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:

	Plant and Buildings	equipment	Office equipment	Kitchen equipment	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2015	356,499	119,500	14,151	68	490,218
Additions	9,207	23,629	23,831	-	56,667
Disposals - written down value	-	(109)	-	-	(109)
Depreciation expense	(23,149)	(22,809)	(7,986)	(11)	(53,955)
Balance at 30 June 2016	342,557	120,211	29,996	57	492,821

(b) Core and Non-Core Property

As required under section 41J of the Registered Clubs Act 1976, the Club is required to specify the core property and non core properties owned as at the end of the financial year. The Company conducts and maintains a licensed golf premises on leased land at Hicks Street, Russell Vale NSW. Accordingly the premises on that leased land and the surrounding lands (comprising the golf club) from which the Club operates are regarded as core property.

11 Trade and Other Payables

	2016	2015
	\$	\$
Trade payables	61,749	66,988
Other payables	2,071	2,049
	<u>63,820</u>	<u>69,037</u>

Russell Vale Golf & Social Club Ltd

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Notes to the Financial Statements

For the Year Ended 30 June 2016

12 Borrowings

	2016	2015
Note	\$	\$
CURRENT		
Lease liability	-	4,050

Leased liabilities are secured by the underlying leased assets.

13 Employee Benefits

Long service leave	10,772	10,276
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14 Other financial liabilities

Unearned income	4(a) 43,795	-
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15 Financial Risk Management

Net fair values

Fair value estimation

Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgment and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded.

The main risks Russell Vale Golf & Social Club Ltd is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk.

The Company's financial instruments consist mainly of deposits with banks, accounts receivable and payable and leases.

Russell Vale Golf & Social Club Ltd

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Notes to the Financial Statements

For the Year Ended 30 June 2016

15 Financial Risk Management (Continued)

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

	Note	2016 \$	2015 \$
Financial Assets			
Cash and cash equivalents	6	177,598	169,967
Held-to-maturity investments	9	206,600	200,500
Trade and other receivables	7	6,275	19,216
Total financial assets		390,473	389,683
Financial Liabilities			
Financial liabilities at amortised cost			
- Trade and other payables	11	63,820	69,037
- Borrowings	12	-	4,050
Total financial liabilities		63,820	73,087

16 Interests of Key Management Personnel

The total remuneration paid to key management personnel of the Company is \$ 4,400 (2015: \$ 4,550).

17 Contingent Liabilities and Contingent Assets

In the opinion of the directors, the Company did not have any contingencies as at 30 June 2016 (30 June 2015: None).

18 Related Party Transactions

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

Russell Vale Golf & Social Club Ltd

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Notes to the Financial Statements

For the Year Ended 30 June 2016

19 Capital and Leasing Commitments

(a) Finance Leases

	2016	2015
	\$	\$
Minimum lease payments:		
- not later than one year	-	4,165
Minimum lease payments	<u>-</u>	<u>4,165</u>

A finance lease was in place for computer equipment which had a term of 4 years.

(b) Operating Leases

Minimum lease payments under
non-cancellable operating leases:

- not later than one year	8,100	8,100
- between one year and five years	32,400	32,400
- later than five years	5,400	13,500
	<u>45,900</u>	<u>54,000</u>

Operating leases have been taken out for the lease of premises. Lease payments are increased on an annual basis to reflect market rentals.

Russell Vale Golf & Social Club Ltd

ABN 69 003 029 810

Notes to the Financial Statements

For the Year Ended 30 June 2016

20 Cash Flow Information

Reconciliation of result for the year to cashflows from operating activities

	2016	2015
	\$	\$
Result for the year	2,410	11,252
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	53,955	54,615
- loss on disposal of property, plant and equipment	108	-
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	1,265	(2,314)
- (increase)/decrease in other assets	(22,443)	9,124
- (increase)/decrease in inventories	78	879
- (increase)/decrease in income in advance	43,795	-
- increase/(decrease) in trade and other payables	(5,219)	3,575
- increase/(decrease) in provisions	496	543
Cashflow from operations	<u>74,445</u>	<u>77,674</u>

21 Events after the end of the Reporting Period

The financial report was authorised for issue on 27 September 2016 by the Board of Directors.

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

Russell Vale Golf & Social Club Ltd

ABN 69 003 029 810

Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 5 to 24, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards - Reduced Disclosure Requirement; and
 - b. give a true and fair view of the financial position as at 30 June 2016 and of the performance for the year ended on that date of the Company.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



R Crowe
Director

Wollongong

27 September 2016

**Independent Audit Report
to the members of Russell Vale Golf & Social Club Ltd**

Report on the Financial Report

We have audited the accompanying financial report of Russell Vale Golf & Social Club Ltd, which comprises the balance sheet as at 30 June 2016, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

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

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 Company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

**Independent Audit Report
to the members of Russell Vale Golf & Social Club Ltd**

Opinion

In our opinion the financial report of Russell Vale Golf & Social Club Ltd is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Company's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

Daley & Co.

Daley & Co
Chartered Accountants

Michael Mundt

Michael Mundt
Partner

Wollongong

27 September 2016

Liability limited by a scheme approved under Professional Standards Legislation.