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BEXLEY GOLF CLUB LIMITED

ABN 47 000 043 667

DIRECTORS' REPORT

# BEXLEY GOLF CLUB LIMITED

A.C.N. 000 043 667

(A Company Limited by Guarantee)

2009-2010 Seventy Second Annual Report



**BEXLEY GOLF CLUB LIMITED**

**ABN 47 000 043 667**

**DIRECTORS' REPORT**

**BEXLEY GOLF CLUB LIMITED**

A.B.N. 000 043 667 (A Company Limited by Guarantee)

Notice is hereby given that the 72<sup>nd</sup> Annual General Meeting of the Club will be held in the Clubhouse, Stoney Creek Road, Kingsgrove, on Monday 25<sup>th</sup> October 2010 at 7.00 p.m.

**BUSINESS**

1. To confirm the minutes of the previous Annual General Meeting of members held on Monday 26<sup>th</sup> October 2009. Please note a copy of the minutes has been placed on the Noticeboard.
2. To receive and adopt the Audited Statement of Financial Position as at 30<sup>th</sup> June 2010 and the Profit and Loss Statement for the twelve months ended 30<sup>th</sup> June 2010, together with the reports of the Auditor and the Board of Management thereon.
3. Notice of Ordinary Resolution  
That pursuant to the Registered Clubs Act
  - (a) The members approve and agree to the following expenditure and benefits for certain members of the Club over the next twelve months subject to approval by the Board of Directors.
    - (i) The provision of reasonable meals and refreshments to each Director or Sub Committee Member when attending Board and Sub Committee meetings.
    - (ii) The reimbursement of reasonable expenses, provided such expenses are approved by the Board, with appropriate substantiated documentation.
    - (iii) The provision of apparel, golf balls and lunch to members of teams representing the Club in any competition or event as determined by the Board.
    - (iv) Preferential allocation of starting times for the President, Captain, Treasurer, Ladies President, Vice President, Captain and Treasurer.
    - (v) Specified car parking spaces reserved for the use of the President, Vice President, Captain and Treasurer, and on Tuesday competition day for the Ladies President, Vice President, Captain and Treasurer.
  - (b) Members acknowledge that the benefits set out above are not available to members generally, but only to those persons specified in the Resolution.
4. To elect a Patron or Patrons.
5. To elect Office Bearers for the ensuing year.
6. To transact any other business that may be brought forward in accordance with the Club's Constitution.

Dated this 29<sup>th</sup> Day of September, 2010 By order of the Board of Management

Jason Parle,  
General Manager

Members **must give notice in writing** to the General Manager by 18<sup>th</sup> October 2010 of any questions that they may wish to put forward to the meeting with regard to the Financial Accounts. This will allow a substantiated response to be sought out.

**BEXLEY GOLF CLUB LIMITED**

**ABN 47 000 043 667**

**DIRECTORS' REPORT**

# **BEXLEY GOLF CLUB LIMITED.**

A.B.N. 47 000 043 667 (A Company Limited by Guarantee)

## **LIST OF OFFICE BEARERS, 2009-2010**

### **LIFE MEMBERS**

M BUCKLEY  
L COSGROVE  
L WHITE  
J TURNBULL  
MRS D BOOTH  
MRS M JENNER  
MRS J MCLURE  
MRS J HARVEY

### **PATRON**

Mayor of Rockdale

President: L TURNER

Vice President: I GRAHAM

Honorary Treasurer: C O'CONNELL

Captain: N McMAHON

Vice Captain: T BOOKER

### **DIRECTORS**

L TURNER, I GRAHAM, C O'CONNELL,  
N McMAHON, T BOOKER, K DAY  
P CHIANDOTTO, B NAIRN, B DAVIES.

### **SECRETARY MANAGER**

Mr J WARING

### **AUDITORS**

Finncorp,  
Chartered Accountants  
2 – 4 Northumberland Drive  
Caringbah NSW 2229

### **PROFESSIONAL**

P DAVIS

### **COURSE SUPERINTENDANT**

M LONGWORTH

**Bexley Golf Club Limited**  
**ACN: 000 043 667**  
**Directors Report**  
**for the Year Ended 30 June 2010**

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The Directors present this report on the company for the financial year ended 30 June 2010.

**Directors**

The following persons held office of director as at balance date;

Lew Turner  
Peter Cunneen retired October 2009      Chris O'Connell appointed October 2009  
Neil McMahon  
Terry Booker  
Kevin Day  
Reg Lawson retired October 2009      Peter Chiandotto appointed October 2009  
Bruce Nairn  
William Davies  
Ian Graham appointed President August 2010

No other person was a director during the year. Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

**Net Loss after Income Tax**

The loss of the company for the financial year was \$140,277.

**Review of Operations**

A Review of the company operations during the financial year and the results of those operations are as follows;

The company's operations during the year performed as expected in the opinion of the directors.

**Significant Changes in State of Affairs**

There have been no significant changes in the state of the company's affairs during the financial year.

**Principal Activities**

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

Promotion of the sport of golf;  
Conduct a licensed Club.

There have been no significant changes in the nature of these activities during the year.

**After Balance Date Events**

Damage to golf course greens occurred during the financial year and an insurance recovery was claimed as a result of same which significantly affected or may significantly affect the company's operations, the results of those operations or the state of affairs of the company in subsequent financial years.

**Future Developments**

The company expects to maintain the present status and level of operations and hence there are no likely known developments in future financial years.

**Auditors Independence Declaration  
Under Section 307C of the Corporations Act 2001**

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To the Directors of Bexley Golf Club Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Bexley Golf Club Limited for the year ended 30 June 2010 there have been;

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

**Andrew Stephen Finney**  
**Registered Auditors no: 2285**



Finncorp Accountants  
Suite 7, 2-4 Northumberland Drive, Caringbah NSW 2229

Dated this 21 day of September 2010

**BEXLEY GOLF CLUB LIMITED**  
**ABN 47 000 043 667**

**DIRECTORS' REPORT**

**PRESIDENTS REPORT**

We started the year with the aim to further reduce our losses over the past two years and if you remember at 30<sup>th</sup>. June 2008 the income statement showed a loss of \$165,562 at 30<sup>th</sup>. June 2009, we had a further loss of \$43, 341. We seemed to be on the road to recovery and were sure we would be back on the right side of the ledger by June 2010. We had worked hard and in September 2009 we had improved by another \$30,000 compared with September 2008.

It appeared we were back on track to make a profit by June 2010.

Then disaster hit us, we lost 18 greens and as a result lost considerable income due to social clubs cancelling their bookings, and the public deserting us in a big way.

This all reflected loss of income in bar trading, poker machine income and kitchen sales. The members of the club rallied with the majority turning up as usual played their games on temporary greens and continued to support their club.

I can only say to all those that battled on with us, you were loyal members with big hearts and showed your support despite the course conditions.

Well done and your board thanks you.

As we only had 4 years to go on our lease we applied to Rockdale council to increase our lease further to enable the club to negotiate an overdraft to enable us to maintain our cash flow. Council agreed to a longer period and we now have a lease for the next nine years. We also had a rent increase which you will see in the financial statement.

These increases are based on cost of living increases and never seem to reduce.

We were able to get assistance from other golf clubs which supplied us with turf to relay some of the greens and thanks to Justin and others who had the contacts to make this happen.

All the staff chimed in to help even to have Mel loading and unloading turf from trucks. The only good thing that has come out of this is that we now have new bent greens and they will all be consistent when we go through the coming growing period.

We further developed the holding of functions which helped our income. It has been refreshing to see letters come in after these functions complimenting the efforts of our staff and the catering, the word has been spreading that BGC is a good place to have a function. Linda and Mel, Vimal & Jenny have put in a lot of work selling our club, to potential customers.

The greens staff have worked hard and given us a golf course which is now in magnificent condition. Thank you all for the work you have done since the earlier loss of our greens.

**BEXLEY GOLF CLUB LIMITED**

**ABN 47 000 043 667**

**DIRECTORS' REPORT**

The board felt that further action was required to get our club on a more solid financial position and agreed to retain the services of consultants to assist us.

This resulted in cutting overheads considerably, changing our gaming room so smokers would be able to smoke while playing, and the installation of the TAB.

We also took our bookkeeping off site which reduced our cost in this area considerably.

The taking the bookkeeping off site has not been satisfactory and we now intend to bring it back to the club but with a considerable reduction in hours.

Membership this year is again down on last year, although this seems to be a normal occurrence and we pick up again during the year.

I was away for a week in Perth in July, meeting a commitment I had made the year before. On my return I was handed a letter of resignation from Justin, this was quite a shock, although deep down I was half expecting it due to the heavy load placed on him by having to take over a lot of the day to day financial work whilst at the same time in conjunction with our Insurance claims preparer working on an insurance claim for loss of revenue due to the accidental loss of our greens. Myself, and other directors tried to get him to withdraw his resignation to no avail.

Since that time our claim has been accepted and will make things a lot easier and should more than cover our loss of \$147,277 for the year.

Finally I would like to thank all the staff and sub committees, ie. "Match and Greens", "Finance Committee" the "Ladies Committee", Alan Winter who took over handicapping, Paul Davis and his staff for the day to day running of golf.

To all those who lost family members during the past year I offer my sincere condolences.

I would ask all members to take note of the "Annual General Meeting to be held on Monday 25<sup>th</sup> of October. If you are interested in the future of your club please attend.

Nominations for board positions are open and any member who feels he could contribute to the running of the Club please consider nominating.

**BEXLEY GOLF CLUB LIMITED**  
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**DIRECTORS' REPORT**

Finally I would like to thank Justin Waring for the work he has done for Bexley Golf Club and I am sure he will be missed by myself and many members.

To the new board which will be elected at the AGM, I wish you all every success for the coming year although it will never be easy, as the Club Industry in general is always under pressure from outside influences.

To all members remember this is your club and its survival will depend on your support, as the board can only do so much.

The future of the club depends on you.

President  
**Lew Turner**

## **BEXLEY GOLF CLUB LIMITED**

**ABN 47 000 043 667**

### **DIRECTORS' REPORT**

#### **FINANCE, HOUSE & MARKETING COMMITTEE**

Well what a tumultuous year 2009-10, but first things first, a big thank you to my fellow board members and especially the serving H&F committee. The meetings have been well attended and held often and fiery at times to say the least. That is part of our democratic process that we can express our views in an open format and have the benefit of previous years of wisdom.

I start with the acceptance of the position last year as I firmly believed that the 'friendly club' was the place where I was most happy to play my golf. I had previously been a member at Campbelltown golf club and had never experienced the chivalry and friendship so easily offered up at Bexley golf club. I held the belief that it was time to give something back to so many who had welcomed me into the family at Bexley. Little was I to know what lay ahead, October 2009 saw our greens start to deteriorate, November they worsened and we all know what happened after that.

The club started to lose golfers and social players alike stopped coming to our facilities and of course the direct correlation was a significant downturn in trading, both in the clubhouse and out on the course. This happening at the traditional start of our high season was a disaster and we saw a drop of approximately \$15k per week. So what happened next? The committee met several times to see if we could find a quick fix, even to the point of one morning travelling to Manly golf club and actually picking up a green from the course (they cut it in front of us!) That grass now makes up the bulk of the 3<sup>rd</sup> green now. This was only one green though and we realised that the only action left to us was to close all of the greens and let them rest. Financially an absolute headache and I wondered what I'd done to incur all of these problems as the new guy in the treasurers' seat.

Our result for the trading year is showing a loss of \$152k, significant I know, however our previous Sec Manager had done a lot of work on the insurance claim for loss of income and I am pleased to report that the claim has been successful and that will be reflected in the figures for 2010-2011. A big thank you to Justin for that work, who then decided to move on to further challenges outside the club industry. Encapsulating the figures means that we had to pay out one of the green staff who retired in January then the administrative person left, So with those two payouts and the loss is the incoming claim and the cost saving from our reorganisation of our staffing, plus the improved turnover in our gaming and bar operations we have achieved a result which is very acceptable.

In a perverse way I look back now and believe it was a significant turning point for the club as a whole, here we were in our busiest period with no greens and no income and money draining away quicker than we could generate any. The work of the previous treasurer and his H&F was now important as we were actually coming off a reasonable year and this gave us a good starting base, but that wasn't enough and we needed new strategies to win this new battle.

Enter a company called AAT consulting who agreed to assist the committee in improving efficiencies and improving our bottom line. This was done in a manner so not to inconvenience the general membership and to be as low key and invisible as possible. Over costs were identified and strategized to improve each and every one identified. Our accounting procedures were looked at

**BEXLEY GOLF CLUB LIMITED**  
**ABN 47 000 043 667**

**DIRECTORS' REPORT**

and before we could move to change, Sharon decided to accept a new role elsewhere, I wish her well into the future. Next we changed the trading hours of the clubhouse so as to not have staff on weekends and holidays on penalty rates standing around for one or two customers, this change resulted in significant saving in our wage costs. We indentified through AAT wage costs in our catering that were unacceptable and wasteful, this was changed also providing savings and improving our bottom line.

We then pushed through with the installation of a new gaming area and a big thank you to several people including local member Max Milton for his construction work which was done at cost, AAT also assisted and provided gaming expertise to relocate the machines. Anyone who doesn't understand the psychology of gaming (I didn't until then) would be amazed at what is involved. The short of that decision was an increase in turnover in our poker machines too figures never seen before at Bexley Golf Club. The introduction of the TAB was another milestone for this committee, this has led to greater bar turnover and an improvement in food sales as people are staying around longer too enjoy the facilities of the 'friendly club'.

I would like to thank all of the staff who have contributed over this difficult period in adjusting to change and accepting that things can't stay the same way forever, the dedication shown by the majority of the staff is outstanding and I am sure they will enjoy the stewardship shown already by our new secretary manager Mr Jason Parle who has assumed the role as of August, welcome Jason. In closing your committee are expecting a positive year in terms of revenue notwithstanding things outside our control, we firmly believe we are heading in the right direction. We are only as strong as you the member make us and your support in difficult times is greatly appreciated and likewise as we move forward in the good times. Our new man at the helm is very approachable for good and bad discussions, and I encourage you to engage with him on any issue.

Please pass to Jason any questions you might have in writing two weeks prior to the AGM so I can be properly prepared with answers.

Chris O'Connell

Honorary Treasurer

## BEXLEY GOLF CLUB LIMITED

ABN 47 000 043 667

### DIRECTORS' REPORT

#### CAPTAIN'S REPORT

I am sure members will rejoice in the way in which the golf course (and in particular our greens) have recovered from the events of October/ November 2009. I sincerely thank all those loyal members who have continued to support Bexley Golf Club by maintaining their Club membership, despite the difficult and testing financial times. In deciding to renew memberships, you members are supporting Bexley Golf Club in the most effective way – by your presence at competition level and in the Club house. The Board saw fit to acknowledge and thank members for that display of loyalty by sponsoring two special competition days, which included complimentary food and entertainment. Most members reported that they had a thoroughly enjoyable day and the Club-house camaraderie was outstanding.

Congratulations to all the winners of our major events and our various Championships held throughout the year. It is a great honour to be named a Champion and one which has been earned through a combination of talent, maybe some good luck and an obvious dedication to your chosen sport. For the rest of us - keep trying in the hope that one day we too can earn the right to be called a Champion!!

In April, 2010, first part of the new Australian Handicap System was introduced to Australian golf clubs, including Bexley GC, and the transition from the CCR-driven system to the American style system appeared to go smoothly. The second package of the system, to allow handicap variations depending on various course ratings as determined by groups such as NSW Golf Association, will be introduced at a later time, after all the Australian courses have been rated. Bexley Golf Club will be establishing a Handicap Committee, comprising representation from our men and ladies and the Committee will be responsible for ensuring compliance with the Australian Men's and Women's Handicap System.

Bexley Golf Club over the past year provided pennant teams to participate in the Major Pennants, the Masters Pennant, Warren Trophy (B), Gibson Shield (C), Metropolitan Mixed Pennants, Junior Pennants and Encourage Shield as well as the various Ladies Pennants Competitions. Whilst team results were not as dynamic as we had hoped for, our Club was well represented in the sporting traditions that we expect – well done to all our representatives and their various team managers.

Your Club has an outstanding Match and Greens Committee which works solely in the interest of the development of policies and programs to promote a golf course with standards in keeping with members' expectations at "Royal Bexley". I place on record my thanks to the Board members of the Match and Greens Committee, V/C Terry Booker, Bruce Nairn and Kevin Day for their individual contributions and their work as a team to achieve our objectives. The Committee benefits immensely from the input from our Course Superintendent, Matt Longworth and our Head Professional Paul Davis. The services provided by the other Match Committee members, Peter Chiandotto, Doug Marriner and Alan Winter in attending to competition closures and many other tasks which seem to go un-noticed are also very much appreciated.

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**DIRECTORS' REPORT**

Over the past year, the weather conditions were once again extremely testing, with excessive rain and heavy conditions at unwelcome times. This type of weather pattern has a severe affect on the Club's financial potential and in fact limited our financial ability to proceed with a number of course improvement plans. Poor weather conditions also restricted course usage, particularly for those players requiring motorized carts and bikes, but most members agree that the sensible management of our golf course and its ability to generate reasonable income is our prime objective.

Project development on our course is difficult, given the lack of alternate space within the boundaries of the course. However, projects at various points around the course are included on the Course Works Schedule and will be activated as finances and resources permit, including the development of a "spare" hole (to replace the previous stand-by), for anticipated use in emergency situations .

Head Professional Paul Davis and his staff have again given members and visitors outstanding service in starting them promptly on competition days and providing those special services to members and visitors which are essential for the successful running of any golf club. Generally being the first point of contact to the golf club, the services provided are vitally important and very much appreciated.

Our course is well maintained by our Course Superintendent Matt Longworth and his hard working greens staff team. The Greens staff work as a team and their achievements over the past year are too numerous to list in this report. A big THANK YOU to Matt and his team for the exemplary way in which they present the course to members for them to enjoy week after week.

Some of our Club members have come forward during the year with suggestions which have led to useful improvements on the course or in the way things are done – thank you to those members and if you have any ideas to benefit the membership generally please let someone know – a Match & Greens member, a Director, Club Manager, Club Professional - it may bring about some useful changes!!

Finally, for all the continuing support I have received from many members throughout the year – thank you for your confidence and encouragement.

Neil McMahon  
Club Captain.

**BEXLEY GOLF CLUB LIMITED**

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**DIRECTORS' REPORT**

**CLUB MANAGERS REPORT**

It has been a rollercoaster introduction to life at Bexley Golf Club and I apologise to any members that I have not yet had a word with. I am, however, steadily adjusting to the workload and getting on top of it.

The Board of Directors have made some big decisions recently and not all members will agree with all of them. Quite simply, it is impossible to please everyone and the long term effects of these decisions, not the short term effects, will show them to have been right or wrong. All anyone can ask is that you keep on supporting the club, and, where you can, introduce new people to it.

It is fair to say that the result shown in this financial report is disappointing. There were obviously some mitigating circumstances (loss of Greens) but it is both the intention of the Board and of myself that this current financial year prove to be the start of much better things to come.

As I have previously stated, my door is always open and if any member has a suggestion, complaint or just wants a chat, then you are more than welcome.

Jason Parle  
Club Manager

**BEXLEY GOLF CLUB LIMITED**

**ABN 47 000 043 667**

**DIRECTORS' REPORT**

**LADY CAPTAIN'S REPORT**

Yet another year has flown by not without its ups and downs. 2010 at Bexley has been quite some year what with losing our 18 greens for a period of time and then just to end the year our General Manager Justin Wearing decided to move on where we wish him all the best and thank him for the support he gave to the ladies of Bexley GC.

To Matt and his merry men we thank them for the great job they did in getting our course back in relevantly short time and back to its immaculate condition which we have been accustomed to with Matt at the helm, thanks boys.

To Vimal and Jenny what a great team and the delights they come up with each week we can do no more than say a big thank you.

Lets not forget our smiling Linda whom we would just be lost without, she just knows everyone and never seems to tire of us thanks Linda.

Congratulations to all our Major Championship winners well done all:

- Chick O Walk ; Robyn Mason & Judith Shade
- 3BBB Classic Par; Pauline McMahon, Linley Hoffman & Colleen Clark
- Foursomes Championship; Bev Worsley & Robyn Mason
- 4BBB Championships; Bev Worsley & Lorna Horder
- Division 2 ;Cath McCormack & Judith Hoore

We welcome our new General Manager Jason and hope we have a long and happy working relationship with.

My year as Captain has been very pleasant and I will always enjoy trying my best to do for the Ladies of Bexley I really do thank you for your support and if re elected I will continue to do as much as I can with and for the Ladies of Bexley GC.

I would finally like to wish all a Merry Christmas and a great 2011.

Elenore Turner  
Lady Captain

## BEXLEY GOLF CLUB LIMITED

ABN 47 000 043 667

### DIRECTORS' REPORT

#### VETERANS REPORT

Another successful year has been completed for the Bexley Veterans.

The past year has been a year we hope we don't have again, the loss of our greens was a major problem for the club as a whole, but most club members and the Vets continued to play throughout the period of temporary greens.

Our Xmas function this year continued to be bigger than Ben Hur. I thank all involved in the organisation of this day and especially Ron Neathercote.

Also our numbers have been down a little this year due to a lot of members supporting the medical profession, to name a few;- Henry K., Neil McMiggy Mc.C, Ross B, Ian Mid, Stan Nix , Tweety and lately Lew T.

This is a problem we cannot overcome as we all age but most make a comeback and continue to play our great game. The other reason for our numbers being down is that we all like to travel and enjoy retirement and I believe the leader of the bunch in this group is Angelo, good on you Ange wish we could all manage to cruise like you.

We also recently lost an old member Frank Keightley, and our condolences were sent to Marie.

Also we lost our longtime mate Henry (The handicapper) Kuczynski who has succumbed to cancer. R.I.P. Henry.

Last year we played our first mates day, and it was a great success. Hopefully it will again be well supported this year.

We again ran the Legacy Day for the club with the support of vets and some other members , and thanks to the generosity of our members we again made a considerable donation to a great cause, the need continues on to this day. At present we continue to lose ADF personnel, and their families will need assistance from Legacy.

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Our major winners for the year were:

Col Robinson Memeorial Trophy	Barry James
Runner up	Jim Beckett
Winners Circle	Jeff Andrew
A Grade Champion	Len Blair
Runner up	Jim Beckett
B Grade Champion	Reg Rule
Runner up	Bill Ping
C Grade Champion	Evan Roberts
Runner up	Neville Tucker
2BBB Champions	Matt McMillan & Peter Sullivan
Runners Up	Eric Lindsay & Stan Nixon

On behalf of the Bexley Veterans I wish to thank all the people who assist in running Friday Comps. Also to the Bar & Kitchen staff for their friendly and outstanding service . Thanks also to our green staff who have had a very trying year.

Lastly to the Vets Committee who run the show from week to week. Thank you all on behalf of the Vets.

Lew Turner  
Vets President

**Bexley Golf Club Limited**  
**ACN: 000 043 667**  
**Income Statement**  
**For the Year ended 30 June 2010**

	Note	2010 \$	2009 \$
Revenue	2	2,045,738	2,205,957
Expenses excluding Finance Costs	3	2,175,522	2,240,553
Finance Costs	4	10,493	8,642
<b>Loss before Income Tax</b>	5	<u>(140,277)</u>	<u>(43,238)</u>
<b>Loss Attributable to Members of the Company</b>		<u>(140,277)</u>	<u>(43,238)</u>

*The accompanying notes form part of these financial statements.  
These financial statements have been subject to audit or review and should be read in  
conjunction with the attached Independent Audit Report.*

**Bexley Golf Club Limited**  
**ACN: 000 043 667**  
**Balance Sheet**  
**As at 30 June 2010**

	Note	2010 \$	2009 \$
<b>Current Assets</b>			
Cash and Cash Equivalents	6	75,247	253,866
Trade and Other Receivables	8	4,977	1,306
Inventories	9	23,306	22,640
Other	10	17,556	26,105
<b>Total Current Assets</b>		<u>121,086</u>	<u>303,917</u>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	11	722,956	853,649
<b>Total Non-Current Assets</b>		<u>722,956</u>	<u>853,649</u>
<b>Total Assets</b>		<u>844,042</u>	<u>1,157,566</u>
<b>Current Liabilities</b>			
Trade and Other Payables	12	122,041	193,098
Financial Liabilities	13	150,365	212,580
Provisions	14	124,141	135,835
Other	15	251,176	279,458
<b>Total Current Liabilities</b>		<u>647,723</u>	<u>820,971</u>
<b>Total Liabilities</b>		<u>647,723</u>	<u>820,971</u>
<b>Net Assets</b>		<u>196,319</u>	<u>336,595</u>
<b>Equity</b>			
Retained Profits	16	196,319	336,595
<b>Total Equity</b>		<u>196,319</u>	<u>336,595</u>

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**Bexley Golf Club Limited**  
**ACN: 000 043 667**  
**Balance Sheet**  
**As at 30 June 2010**

	2010	2009
	\$	\$
<b>Share Capital and Reserves</b>		
<b>Paid Up Capital</b>		
Unappropriated Profit	196,319	336,595
<b>Total Share Capital and Reserves</b>	196,319	336,595
 <b>Represented by:</b>		
<b>Current Assets</b>		
Cash on Hand	19,850	23,850
Deposits	3,300	(1,800)
Cash at Bank - Current Account	1,460	216,602
Cash at Bank - Business Online Saver	50,638	15,214
ATM Clearing Account	3,900	-
Eftpos Clearing Account	241	1,170
Keno Clearing Account	198	(4)
Trade Debtors	638	140
Prepayments	17,556	26,105
Stock on Hand - Bar Stock	23,306	22,640
	121,086	303,917
 <b>Non-Current Assets</b>		
Leasehold Improvements - Course at Cost	131,404	134,949
Less Accumulated Depreciation & Impairment	20,819	13,977
	110,585	120,972
 Leasehold Improvements - Buildings at Cost	826,481	832,062
Less Accumulated Depreciation & Impairment	623,593	591,144
	202,888	240,918
 Plant & Equipment	1,680,875	1,891,017
Less Accumulated Depreciation & Impairment	1,271,392	1,399,258
	409,483	491,759
	722,956	853,649
<b>Total Assets</b>	844,042	1,157,566
 <b>Current Liabilities</b>		
Bank Overdraft	80,033	87,758
Hire Purchase Liability - Computers 2006	6,088	14,204
Less Unexpired Hire Purchase Liability - Computers	1,224	2,855
	4,864	11,349

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conjunction with the attached Independent Audit Report.*

**Bexley Golf Club Limited**  
**ACN: 000 043 667**  
**Balance Sheet**  
**As at 30 June 2010**

	2010	2009
	\$	\$
Hire Purchase Liability - Machinery	23,855	52,481
Less Unexpired Hire Purchase Liability - Machinery	4,388	9,654
	19,467	42,827
Hire Purchase Liability - Stove, Comp, Elect 2006	10,159	17,329
Less Unexpired Hire Purchase Liability - Stove, Comp, Elect	2,167	3,697
	7,992	13,632
Hire Purchase Liability - Fuel, Fence, Baine	48,318	72,478
Less Unexpired Hire Purchase Liability - Fuel, Fence, Baine	10,309	15,464
	38,009	57,014
Trade Creditors	56,447	187,944
Other Creditors		
- Other	6,000	5,154
- PAYG Withholding Liability	10,922	-
- Superannuation Liability	5,128	-
- Centrelink Liability	669	-
Provision for Holiday Pay	77,951	81,521
Provision for Long Service Leave	46,190	54,314
GST Liability	42,875	-
Income in Advance - Subscriptions	244,239	250,913
House Account	4,424	25,177
Trophie Vouchers Outstanding	2,513	3,368
	647,723	820,971
<b>Total Liabilities</b>	<b>647,723</b>	<b>820,971</b>
<b>Net Assets</b>	<b>196,319</b>	<b>336,595</b>

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**Bexley Golf Club Limited**  
**ACN: 000 043 667**  
**Cash Flow Statement**  
**As at 30 June 2010**

	Note	2010 \$	2009 \$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Receipts from customers		2,046,650	2,119,496
Payments to suppliers and employees		(2,175,134)	(2,099,696)
Interest Received		1,800	3,500
Other Income		14,468	94,251
<b>Net cash provided by (used in) operating activities</b>	7	<u>(112,216)</u>	<u>117,551</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Sale of property, plant and equipment		-	-
Purchase of property, plant and equipment		(17,707)	(118,048)
<b>Net cash provided by (used in) investing activities</b>		<u>(17,707)</u>	<u>(118,048)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings		,	87,758
Repayment of borrowings		(53,796)	(64,649)
<b>Net cash provided by (used in) financing activities</b>		<u>(53,796)</u>	<u>23,109</u>
<b>Net increase (decrease) in cash held</b>		(183,719)	22,612
Cash at the beginning of financial year		<u>255,667</u>	<u>233,055</u>
<b>Cash at End of Financial Year</b>		<u><u>71,948</u></u>	<u><u>255,667</u></u>

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**Bexley Golf Club Limited**  
**ACN: 000 043 667**  
**Statement of Changes in Equity**  
**For the Year ended 30 June 2010**

	2010	2009
	\$	\$
<b>Opening Balance</b>	336,596	-
<b>Retained Earnings</b>		
Profit Attributable to Shareholders	(140,277)	(43,238)
	<u>(140,277)</u>	<u>(43,238)</u>
<b>Closing Balance</b>	<u>196,319</u>	<u>(43,238)</u>
 <b>Reconciliation of Retained Earnings</b>		
Opening Balance	336,596	-
Profit Attributable to Shareholders	(140,277)	(43,238)
Closing balance	<u>196,319</u>	<u>(43,238)</u>

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**Bexley Golf Club Limited**  
**ACN: 000 043 667**  
**Trading Statement**  
**For the Year ended 30 June 2010**

	2010	2009
	\$	\$
<b>GOLF TRADING STATEMENT</b>		
<b>Income</b>		
Green Fees Received	484,099	591,319
Golf Cart Hire Receipts	112,623	124,648
Member's Subscriptions & Locker Hire	370,922	380,178
Trophies Income	34,366	40,900
Fees Received for Course Improvements	8,951	9,642
Fees Received for Junior Fund	4,700	6,076
Apprenticeship Scheme Rebate	1,500	-
	1,017,161	1,152,763
 <b>Less Cost of Sales</b>		
	1,017,161	1,152,763
 <b>Less Direct Expenses</b>		
Affiliation Fees	21,717	21,397
Course Maintenance	152,116	119,284
Depreciation	55,724	73,518
Direct Wages	327,781	337,915
Course Rent & Rates	45,326	42,318
Donations	-	1,500
Pennant Expenses	17,392	14,401
Golf Subsidies	44,107	57,431
Sundry Golf Expenses	19,892	22,331
Trophies	50,639	56,172
Promotions	16,585	863
Professional Retainer	24,080	18,862
	775,359	765,992
 <b>Gross Profit</b>		
	241,802	386,771
 <b>Gross Profit Margin</b>	23.8%	33.6%

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**Bexley Golf Club Limited**  
**ACN: 000 043 667**  
**Trading Statement**  
**For the Year ended 30 June 2010**

	2010	2009
	\$	\$
<b>BISTRO TRADING STATEMENT</b>		
<b>Income</b>		
Sales	267,581	269,588
Function Room Hire	4,616	9,759
	272,197	279,347
 <b>Less Cost of Sales</b>		
Purchases	125,162	129,878
	125,162	129,878
	147,035	149,469
 <b>Less Direct Expenses</b>		
Direct Wages	137,839	145,891
Entertainment	295	-
Repairs & Maintenance	2,539	930
	140,673	146,821
 <b>Gross Profit</b>	6,362	2,648
 <b>Gross Profit Margin</b>	2.3%	0.9%

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**Bexley Golf Club Limited**  
**ACN: 000 043 667**  
**Trading Statement**  
**For the Year ended 30 June 2010**

	2010	2009
	\$	\$
<b>BAR TRADING STATEMENT</b>		
<b>Income</b>		
Sales	467,610	443,606
	<u>467,610</u>	<u>443,606</u>
<b>Less Cost of Sales</b>		
Opening Stock	22,640	21,621
Purchases	197,989	206,927
	<u>220,629</u>	<u>228,548</u>
Closing Stock	23,306	22,640
	<u>197,323</u>	<u>205,908</u>
	270,287	237,698
<b>Less Direct Expenses</b>		
Direct Wages	126,457	167,992
Repairs & Maintenance	5,848	7,431
	<u>132,305</u>	<u>175,423</u>
<b>Gross Profit</b>	<u>137,982</u>	<u>62,275</u>
<b>Gross Profit Margin</b>	29.5%	14.0%

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**Bexley Golf Club Limited**  
**ACN: 000 043 667**  
**Trading Statement**  
**For the Year ended 30 June 2010**

	2010	2009
	\$	\$
<b>POKER MACHINE TRADING STATEMENT</b>		
<b>Income</b>		
Takings	272,502	300,398
GST Rebate	17,180	17,180
	289,682	317,578
 <b>Less Cost of Sales</b>		
	289,682	317,578
 <b>Less Direct Expenses</b>		
Data Monitoring Services	5,502	5,349
Depreciation	12,210	24,049
Direct Wages	27,790	42,497
Licence Fees & Taxes	75	-
Repairs & Maintenance	4,866	4,798
	50,443	76,693
 <b>Gross Profit</b>		
	239,239	240,885
 <b>Gross Profit Margin</b>	82.6%	75.9%

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**Bexley Golf Club Limited**  
**ACN: 000 043 667**  
**Profit and Loss Statement**  
**For the Year ended 30 June 2010**

	2010 \$	2009 \$
<b>Income</b>		
Commissions Received	12,653	14,556
Sponsorship Received	7,837	20,629
Net Raffle Income	(8,064)	(11,380)
Interest Received		
- Bank	1,800	3,500
Other Revenue		
- Sundry	2,042	2,538
Loss on Sale of Non-current Assets	(13,518)	-
Gross Profit from Trading	625,385	692,579
	628,135	722,422
<b>Expenditure</b>		
Administration Costs	381	-
Advertising	8,539	31,149
AGM Expenses	1,147	1,243
Auditor's Remuneration		
- Audit & review of financial reports	6,000	6,600
Bank Charges	6,444	7,183
Cleaning	51,146	52,315
Consultancy Fees	13,700	-
Committee Expenses	2,433	4,286
Computer Expenses	9,608	6,611
Damage Outside Property	6,713	12,222
Depreciation	66,948	65,130
Donations	2,353	1,850
Fines & Penalties	220	-
General Expenses	1,873	2,337
Hire Purchase Charges	13,581	15,508
Insurance	75,741	57,747
Interest Paid		
Interest Paid - Bank	10,041	8,002
Interest Paid - ATO	452	640
Leasing Charges		
Leasing Charges - Computer Rental	20,615	20,075
Light & Power	53,193	48,448
Members Benefits	24,613	10,429
Motor Vehicle Expenses	1,685	1,985
Payroll Tax	12,007	15,482
Postage	2,202	2,691
Printing & Stationery	13,110	15,522
Provision for Annual Leave	9,219	8,407

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**Bexley Golf Club Limited**  
**ACN: 000 043 667**  
**Profit and Loss Statement**  
**For the Year ended 30 June 2010**

	2010	2009
	\$	\$
Provision for Long Service Leave	(869)	4,473
Rent	51,983	49,552
Repairs & Maintenance	19,677	21,171
Salaries	162,528	171,555
Security Costs	22,119	27,474
Staff Training & Welfare	7,011	9,392
Stamp Duty	463	-
Subscriptions	16,415	2,914
Superannuation Contributions	64,563	73,149
Telephone	10,558	10,118
	<u>768,412</u>	<u>765,660</u>
<b>Loss before Income Tax</b>	<u>(140,277)</u>	<u>(43,238)</u>

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**Bexley Golf Club Limited**  
**ACN: 000 043 667**  
**Statement of Appropriations**  
**For the Year ended 30 June 2010**

	2010	2009
	\$	\$
<b>Retained Profits - Beginning of Year</b>	336,596	379,836
Loss from Ordinary Activities before Income Tax	(140,277)	(43,241)
	<u>196,319</u>	<u>336,595</u>
<b>Unappropriated Profit at 30 June 2010</b>	<u><u>196,319</u></u>	<u><u>336,595</u></u>

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**Bexley Golf Club Limited**  
**ACN: 000 043 667**  
**Notes to the Financial Statements**  
**For the Year ended 30 June 2010**

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**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The financial report covers Bexley Golf Club Limited as an individual entity. Bexley Golf Club Limited is a company limited by shares, incorporated and domiciled in Australia.

**Basis of Preparation**

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated. The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

**Accounting Policies**

**(a) Cash and Cash Equivalents**

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

**(b) Provisions**

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions recognised represent the best estimate of the amounts required to settle the obligation at reporting date.

**(c) Employee Benefits**

Provision is made for the company's liability for employee benefits arising from 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 the estimated future cash outflows to be made for those benefits. Those cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows.

**Bexley Golf Club Limited**  
ACN: 000 043 667  
**Notes to the Financial Statements**  
**For the Year ended 30 June 2010**

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(d) **Property, Plant and Equipment**

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

Property

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in shareholders' equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the income statement. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the income statement and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the consolidated group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

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

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the entity 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.

**Bexley Golf Club Limited**  
**ACN: 000 043 667**  
**Notes to the Financial Statements**  
**For the Year ended 30 June 2010**

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

Buildings	2 %
Plant and Equipment	5 - 10 %
Leased Plant and Equipment	10 %

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

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

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

**(e) Borrowing Costs**

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

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

**(f) Inventories**

Inventories are measured at the lower of cost and net realisable value. The cost of manufactured products includes direct materials, direct labour and an appropriate portion of variable and fixed overheads. Overheads are applied on the basis of normal operating capacity. Costs are assigned on the basis of weighted average costs.

**(g) 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 entities in the consolidated group, are classified as finance leases.

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.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the consolidated group will obtain ownership of the asset or over the term of the lease.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

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