

Carnarvon Golf Club

51st Annual Report

Year Ended 31st January, 2021 – for presentation at the Annual General Meeting

Wednesday 28 April 2021 at 7.00pm



Carnarvon Golf Club Limited
ACN: 000 854 544
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OFFICE BEARERS 2020-2021

PATRON

Nick Stoves

PRESIDENT

John Honeybrook

VICE PRESIDENT

Peter Richardson

CAPTAIN

Chris Thomson

VICE CAPTAIN

John Kindred

DIRECTORS

Reg Armstrong, Gene Levette,
Catherine Tucker, Mark Abood,
Richard Lee

LIFE MEMBERS

Lola Mitchell
Barry Ryan
Nick Stoves
Chris Thomson
Brad Lincoln

GENERAL MANAGER

Craig O'Brien

GOLF COURSE MANAGER

Shay Tasker

AUDITORS

Mawby, Cowper, Meares & Co.

LADIES MATCH COMMITTEE 2020 – 2021

PATRON

Mrs. Betty Davies

CAPTAIN

Una Bell

VICE CAPTAIN

Jude Kirby

COMMITTEE

Lisa Kim, Michelle Park, Julia Cramer

MEMBERSHIP REPORT

As at 31st January 2021

	<u>CATEGORY</u>	<u>2020-2021</u>	<u>2019-2020</u>
MEN:	Life	4	3
	Full Playing	204	195
	Senior	145	139
	Staff	1	1
	Intermediate 1 (18-24)	25	15
	Intermediate 2 (25-30)	18	13
	Intermediate 3 (31-35)	11	8
	Corporate	-	-
	Country	2	3
	Professional	3	4
	Restricted Full Playing	19	13
	Restricted Playing	39	32
	Male Time Poor	17	21
LADIES:	Junior 1 (12-17)	10	6
	Veteran	7	9
	Life	1	1
	Full Playing	84	76
	Senior	26	23
	Intermediate 1 (18-24)	2	-
	Intermediate 2 (25-30)	-	1
	Intermediate 3 (31-35)	1	1
	Country	-	-
	Limited 5 Day	30	25
	Female Time Poor	1	1
	Junior 1 (12-17)	3	1
	Veteran	4	5
SUB TOTAL		657	596
HONORARY		4	4
SOCIAL		1458	1374
TOTAL		2119	1974

All questions relating to the Financial Statements should be in writing to the General Manager no later than 7 days prior to the Annual Meeting

Carnarvon Golf Club Ltd (ABN 57 000 854 544)

Notice of Annual General Meeting

Notice is hereby given that the 51st Annual General Meeting of Carnarvon Golf Club Ltd (ABN 57 000 854 544) shall be held on Wednesday 28th April 2021 commencing at 7.00pm in the Club's premises at Nottinghill Road, Lidcombe, NSW 2141

AGENDA

1. Confirmation of Minutes of the 50th Annual General Meeting of members held on 27th July 2020.
2. Consideration of the Annual Report of the Directors, Financial Statements, supportive accounts and Audit Report for the year ended 31st January 2021.
3. To appoint auditors for the ensuing year
4. To consider of the Ordinary Resolutions as set out below.
5. General Business

FIRST ORDINARY RESOLUTION: Directors' Benefits

The Club shall be entitled to budget, allocate and disburse such sums as may be considered reasonable expenditure for, to, or on behalf of Directors for their professional development, education, and the enhancement of their services to the Club.

Without limiting the generality of the expenditure and by way of guidance only, such expenditure should be directed to the following areas to a sum not exceeding \$15,000.

- (i) The reasonable costs of Directors attending the Registered Clubs Association (Clubs NSW) meetings and Annual General Meeting and the reasonable costs of Directors attending meetings of other Associations of which the Club is a member.
- (ii) The reasonable costs of Directors attending seminars, lectures, trade displays, organised study tours, fact finding tours, and other similar events as may be determined by the Board from time to time, provided however, that such expenditure shall not reflect the reimbursement of any expenses incurred by Directors during free time or extraneous activities at such fact finding tours.
- (iii) The reasonable costs of Directors attending other Clubs for the purpose of observing their facilities and methods of operation.
- (iv) The attendance of Directors at functions, with spouses or partners, where such attendances are required by the Club and such Directors and their spouses or partners are representing the Club.
- (v) The provision of Club uniforms as decided by the Board from time to time. Such uniforms shall at all times be in keeping with the image of the Club in the Community.
- (vi) The holding of an Annual Dinner for Directors, their spouses or partners and other such persons as deemed by the Board to be appropriate to the occasion.
- (vii) The provision of car parking spaces for 4 Directors, the President, the Captain, the General Manager, the Golf Professional, the Assistant Professional and the Patron.
- (viii) Reasonable light refreshments to be associated with each Board Meeting of the Club.
- (ix) The provision of a reserved golf booking time allocation for the President, Captain and Directors for each designated Club competition, when required.

The Members acknowledge that the benefits set out above are not available to Members generally, but only to those who are elected as Directors, the General Manager, and such other nominated Members as may be co-opted to be involved in such activities from time to time.

SECOND ORDINARY RESOLUTION: Benefits for other members as approved by the Board of Directors to a sum not exceeding \$20,000.

- (i) **Representative Teams:** Major Pennant, Eric Apperly Shield, Junior Pennant, Masters Pennant, Super Senior Pennant, Warren & Gibson Shield and Encourage Shield. The provision of team apparel, golf balls, and reasonable cost of meals and drinks for participating players and managers.
- (ii) **Major Pennant Team Only:** The provision of a bus for transportation of players and caddies when participating in tournaments and the reasonable cost of an end of season dinner for Major Pennant Team Members.
- (iii) **Lady Members:** The provision of the following:
 - Car parking spaces for the Ladies Captain, Ladies Vice-Captain and for two Ladies Committee members.
 - Reasonable light refreshments to be associated with each monthly Ladies Committee meeting
 - Team Shirts and golf balls for Members of Representative teams.
 - Reasonable cost of luncheons for selected "Grade Days".
 - The reasonable cost of the Ladies Committee attending an Annual Dinner at the Club in appreciation for services rendered.
 - The provision of a reserved golf booking time allocation for the Captain, Vice-Captain and Committee members for each designated Ladies competition, when required.
- (iv) **Handicapped Drivers:** The provision of reserved parking spaces for approved handicapped certified vehicles.
- (v) **Volunteers :** At the Board's discretion the provision of reasonable gratuities for members who volunteer their services for the benefit of the Club, including but not restricted to volunteer gardeners.

That pursuant to the Registered Clubs Act, the Members hereby approve and agree to the classes of Members as outlined above, during the twelve (12) months period preceding the 2021 Annual General Meeting, receiving the nominated benefits and the Members further acknowledge that the benefits outlined are not available to Members generally, but only to those Members who are in the specific class of Members to which the benefits apply.

REQUEST OF THE BOARD

Where members have questions related to the financial accounts it is requested they be submitted in writing seven days prior to the AGM in order to provide comprehensive answers.

Dated: 9th March 2021

Craig O'Brien

General Manager

By direction of the Board

Presidents Report

I take great pleasure in presenting the 51st Annual Report and Financial Statements to you, the Members of Carnarvon Golf Club.

In the year ending January 2020 the Club posted a loss, after depreciation, of \$218,700. This was much better than the previous year which was our worst year since the club started trading. The Board budgeted for a loss after depreciation of \$256,655 for the year ending 31st January 2021, however with the Covid19 pandemic starting from February 2020 our budget was unachievable. Thanks to the Federal Government and job keeper allowances, our Club has survived the loss of business created the Covid19 pandemic and achieved a net profit of \$84,469. Chair of finance Mark Abood will have more detail in his financial report.

Carnarvon Golf Club is in a good financial position starting this financial year and the Board has taken a conservative approach with the budget for the following 12 months, given the uncertainty of the Covid19 situation. Capital expenditure has been deferred for the next twelve months because of the uncertainty of the pandemic. The Board and our new General Manager, Craig O'Brien are confident that clubhouse operations will improve and exceed the budget that we have set.

The year 2020 was a time where our lives completely changed from being normal as we have been used to, to all our lives to having restrictions imposed on us that will probably continue for some years to come. The Club was hit extremely hard, when the NSW Government ordered all Clubs in NSW to close for an indefinite period in March 2020. We did not open our licensed Club for three months until June. The golf course thankfully, was only closed for one day, but had restrictions on numbers permitted on the course and social distancing was monitored around the course and in the golf shop during March, April, and part of May.

Covid19 caused the Annual General Meeting (AGM) to be postponed from 22 April 2020 until 27 July 2020. The elections for positions on the Board were also postponed and announced at the AGM. The Board put a plan in place to counter some of the effects on the Club and the Government lessened the burden on the Club with the job keeper program, which helped us to keep all our valued staff in their positions. The Board meetings were held via ZOOM, which was difficult to manage over the internet given the differing state of the telecommunications network in some districts. As soon as restrictions were relaxed the Board and Management opened the Club areas to comply with the level stated by the Government health requirements.

During the pandemic, the club experienced a rise in membership, not just in the social membership but in the golfing membership. Social membership for the year 2019 - 2020 was 1374 members which increased in 2020 - 2021 to 1458 members. Golfing membership in 2019 - 2020 was 596 in total. In the year 2020 - 2021 golfing membership increased to 657 members. It is pleasing to note that Intermediate membership has increased which equates to more younger members using the golfing facilities of the Club. We have also increased our junior membership to thirteen from six last year.

One thing has shone through all the gloom of this Covid19 pandemic. Carnarvon Golf Club have the most dedicated staff of any Club in NSW. During the shut-down of the Club staff carried out some overdue general maintenance inside the Club. The kitchen, which is operational most of the time and often does not have much time for ongoing maintenance, was painted from top to bottom. There was also repainting of the function room also done by the staff members.

In the Pro-shop, Michael Callaby and his staff member Gerry Hyde and former staff member Alex Wiffin, served the Club well under incredibly stressful conditions with changing competition days, varying numbers allowed on the course. I thank Michael and the Pro-shop staff for their efforts during this past year.

Functions were non-existent for the past year and this has had a huge effect on the catering budget and the returns from the dining area. Rufus Lama, our Head Chef, provided top class menus for Nottingham 65 during a turbulent year. I would like to thank Rufus and his kitchen staff, Mohan Tanang, Anil Shrestha, Ricki James for their service to the Club. I would also like to thank the bistro staff, Renee James (arguably the best half-way house person), Michael Choe, Jade Trevena, Sarah Boland and Jana Orrego Ruiz for providing great service to all customers throughout the year.

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Carnarvon clubhouse bar staff have soldiered on through the changes that have been presented to them during the year. Sam Cardiacos our cellarman/ bar supervisor and handyman, Megan Donnellan, Ryan Finlayson, Liam Bermingham and Hollie Brennan, I thank you all for your friendly service to our customers.

The Management of the Club changed early in December, with Mitch Nakic moving on to manage a larger RSL Club. Mitch had a tenure of four years in charge of the Club and delivered a Club renovation that has really enhanced the friendly atmosphere of the Club. I thank Mitch for the great job he did while he was in charge. Craig O'Brien took over from Mitch and although he has only been here since December, he has shown that some new ideas and a slightly different style of management can produce good results. The management group of the Club includes Heidi Manson Functions Manager, David Lai Financial Officer, Danielle Trevena Golf Administration and Marketing Manager and Melissa Nasko Bar Manager. I thank each of you for your diligence and patience throughout the year.

Shay Tasker is the Course Superintendent and he and his staff have provided our golfing members with a top-class golf course presented in exceptionally good condition. I thank Shay, Dale Mecozzi, Michael Atkins, Nathan Fairley, Alex Boughton, Kent Small, and our new apprentice Mason Bale for the great job they do to present the course in such condition.

Our ladies committee consists of Captain Una Bell, Vice-Captain Jude Kirby and committee members Lisa Kim, Julia Cramer, and Michelle Park. This committee oversees all the ladies' pennant teams, grade matches and ladies' events. I thank the ladies committee for all their work during the year.

The Board of Carnarvon was elected on 27th July 2020. Vice President Peter Richardson, Captain Chris Thomson, Vice-Captain John Kindred and Directors, Mark Abood, Catherine Tucker, Reg Armstrong, Gene Levette, Richard Lee, and myself as President. I thank the present and previous Board members for their diligence and commitment through the last twelve months.

Sponsors provide financial assistance to the Club and we would struggle without their support. I thank Ace Plumbing, Bresnahan's Butchers, Starr Partners, Yellow Tail Wines, Carlton United Breweries, Carnarvon Veterans, Carnarvon Bridge Club and One Realty for their continued support.

I make special mention and thank you to our Club Patron Nick Stoves. Nick has provided me with sound advice since leaving the Board and I will continue to seek his continued support and sound advice.

To those members who won Championships and major events over the past year, well done and congratulations. Those of you who are ill or recovering from illness, I wish you a speedy recovery. To those who have lost a loved one, family member or dear friend I offer my sincere condolences.

John Honeybrook

President

Finance Directors Report

The current year's operations resulted in a profit of \$84,469 (loss of \$218,700 in 2019/20). This was \$341,124 better than the budgeted loss of \$256,655 and \$303,169 better than the previous year. After adjusting for depreciation, the cash profit was \$517,397 (cash profit of \$240,907 in 2019/20) compared to the budget of \$180,995. This was \$276,491 better than last year.

These excellent results were mainly attributable to the financial assistance received from the Federal Government during the COVID 19 pandemic. Management's tight control over spending during the Covid period also contributed to the financial result.

Income for the year totalled \$3,178,473 comprising:

	\$
Catering revenue	489,437
Bar revenue	379,914
Subscriptions	749,200
Competition fees	549,360
Visitors green fees	207,038
Motorised cart hire fees	115,100
Poker Machine Revenue	523,456
Keno and TAB commission and raffle ticket sales	40,916
Other income	124,052

Expenditure totalled \$3,094,004. This included:

	\$
Catering expenses	526,183
Bar Expenses	294,092
Course expenses	1,276,243
Poker machine Expenses	132,444
Keno, TAB and raffle ticket expenses	84,461
Administration Expenses	807,289

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The **book profit** of \$84,469 arose from the following cost centre results:

	\$
Catering – net loss	(36,746)
Bar –net Profit	85,822
Golf Course -net profit	354,852
Poker Machine -net profit	391,012
Keno, TAB and raffle ticket – net loss	(16,837)
Other Income	113,655

Trading results	891,758
Less - Administration expenses	807,289

The pandemic had a significant impact on our revenue. In particular, Catering was down \$503,715 on last year with very few functions held since March 2020. Bar (down \$175,571) and Poker Machine (down \$248,518) were also greatly impacted. On the other hand, because of the Federal Government's job keeper payments to staff, wages was \$704,943 less than budget and \$650,667 less than last year. In addition, the federal Government provided \$100,000 to assist with cash flow requirements during the Covid period.

Golf Course operations were, in the main, largely unaffected by the pandemic. Except for 1 day, the course remained open during the year with additional competitions introduced to provide for increased course patronage during the pandemic. The net profit of \$354,852 was \$190,044 better than last year and \$275,732 higher than budget.

Golf Course income, \$1,631,096, was \$76,199 more than last year and \$28,596 above budget. Subscriptions and Competition fees fared better than budget and the previous year while Visitors Fees and Motorised Cart Hire were impacted by Covid restrictions at various times during the year and failed to achieve budget. Course Salaries, Wages and associated costs, \$400,262 were \$304,688 less than budget due to the job keeper payments to staff.

Capital Expenditure for the year comprised:

	\$
Purchased:	
Kitchen Equipment	22,458
Control Panel (18 th Dam)	18,297
Pump (18 th Dam)	6,301
Barrier Netting (2 nd and 3 rd Hole)	5,800
Computers and Printers	5,231
Other items (less than \$5,000)	6,488

	64,575

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Leased:

Spray Unit	51,744
TAB Unit	3,040

Total	119,359

Loans

The balance of outstanding loans at 31 January, 2021 was \$47,835 made up of :

	\$
Poker Machines	26,884
Air Conditioning	20,447
Sign-In Register	504

Lease Liability

The lease liability, relating to assets leased by the club, totalled \$1,000,663 at year-end comprising:

	\$
Course Land	869,524
Fairway Mowers	69,750
Spray Unit	46,777
Telephone System	7,819
Golf Carts	6,793

Cash Result:

Cash increased by \$247,850 during the year leaving a closing balance of \$464,504 at year end. The increase arose from the following:

	\$
Net profit from operations	84,469
Add back Depreciation	432,929
Changes in working capital	(187,769)
Capital Acquisitions (less disposals)	(34,562)
New loans/leases (less repayments)	(47,217)

Net decrease in cash	247,850

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Opening cash balance	216,654
Closing cash balance	464,504

The Club has a flexible loan facility with NAB as a back-up arrangement for cash flow purposes. The club borrowed and repaid \$200,000 under this facility during the year.

The improved cash position has placed the club in a good position for meeting any further negative financial impacts arising from the Covid 19 pandemic. The Board has set a conservative budget for 2021-22 anticipating a book loss of \$324,000 and a lower than normal cash profit of \$86,300. This is due to the continuation of the pandemic and the unknown impact it may have on our finances, particularly without any further government support and the continued negative impact on function revenue for the near future. After payment for essential capital works and repayment of leases and borrowings for the year, the Board is expecting a decrease in our cash reserves of around \$90,000. With this in mind all non-essential capital works have been deferred until next year. The Board and management are hopeful that operations will improve beyond our expectations leading to a much better financial result.

I thank all members of the Board for their support during the year. Appreciation goes to our former GM Mitch Nakic and current GM Craig O'Brien for their assistance and particularly to David Lai our finance officer for his dedication and advice throughout the year. I would also thank our President, John Honeybrook, Course Manager, Shay Tasker, and our professional Mike Callaby as well as their staff for the assistance provided to me during the past year.

Mark Abood
Chairman, Finance Committee

Captains Report

As everyone is aware 2020 was a trying year for Club operations. Thankfully golf only had one day of the course being closed due to a misinterpretation of COVID rules. Play resumed albeit with restricted playing conditions. Extra competitions were introduced to cater for members wanting to play competition golf. It is great that all restrictions have been lifted in regard to removal of **flags and RAKING of bunkers**.

As usual the course superintendent Shay Tasker and his limited staff continue to present the golf course in excellent condition every week through all weather conditions.

The dredging of the dam increased our water storage by approximately 30%. This project is still to be completed, unfortunately every time work is scheduled it rains.

Unfortunately there are no major works scheduled in the coming year. Although work will be carried out on some bunkers.

Congratulations to all Major Trophy Winners (both Ladies and Men) throughout the year. All names will appear in another section of the Annual Report.

Thank you to all the members, both Ladies and Men who made themselves available to represent Carnarvon in Pennant competitions this past year. Unfortunately our Men's Major Pennants didn't qualify into the final series. Continued success to the Ladies grade teams. Thanks also to the caddies and supporters for their involvement.

Over the past year, Carnarvon has had a considerable increase in membership in all categories especially in Intermediate and Junior Membership. The Junior Membership has increased to 13. It is hoped that these Juniors waste no time obtaining their HCP. So as to be able to compete in competitions and hopefully represent Carnarvon in the future.

Carnarvon was unable to hold the Junior Masters in 2020 due to COVID restrictions. Fortunately the event will take place this year on 12th April. This event has had increased numbers since it was first introduced five years ago. We are hoping for a successful event next month.

Thanks Mike Callaby for your professionalism when dealing with members and visitors. Also for your continued support to Carnarvon.

To Gerry Hyde and previous staff member Alex Wiffin, for running coaching clinics for boys and girls before the interruption by COVID. Arrangements are being made for the re-introduction of these clinics during the coming school holidays.

Thanks Una Bell for your continuing supervision of a small group of young people on Friday afternoons introducing them to the game of golf.

Although the numbers appear to be dwindling for our Thursday Veteran golf members, we value your continuing support both on the Course and also in the Club.

I would like to extend my thanks to Danielle Trevena for the work she does on the golfing side of her many duties, and also to David Lai and to our ex G.M. Mitch Nakic for their support. Welcome to our new General Manager Craig O'Brien. It is noticeable that he is already implementing new ideas which hopefully will restore our patronage and finances after the effect of COVID.

Thanks to Rufus and all his team also to all the Bar Staff and especially to Heidi, Mel, Megan, Renee for their assistance when Carnarvon has visiting teams. Sorry if I have left anyone's name out.

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To the volunteers who work on the course on Wednesdays, your work is a great assistance to the course staff and is very much appreciated.

To my fellow Directors and to the Ladies committee, thank you for your continued support.

To the golfing members and social members who are unwell at this time I wish you a speedy recovery and be able to enjoy the club facilities once again.

Condolences to those who have lost loved ones over the past year. I know they will be sadly missed

Yours in Golf
Chris Thomson
Captain

Veterans Report

The Veterans Golf Club is open to Carnarvon Golf Club members who are 55 years and older, hold, or have held an official handicap at Carnarvon Golf Club, and wish to play 11 holes of golf on Thursday morning. The tee is open from 0700 hours till 0830 hours unless we are notified of any one off corporate arrangement or course closed for any other reason. Members should report to the Club Professional between the above hours and pay \$8.00 entry fee and after which the rules of golf apply.

We would like to thank Michael Callaby and his staff for their support and the work completed each Thursday in maintaining our handicap system and starting the members each Thursday.

The Annual General Meeting was held on the 23rd July, 2020 and the following office bearers were elected:

President/Treasurer	Keith Speer
Captain	Lance Flecknoe
Vice-Captain	Kent Pidgeon

We have lost several of our stalwart members during the year to bad health and wish all our members who are unwell at the present time a speedy recovery.

The George Middleton Memorial Award to be run on game days where each player's card is numbered and goes into a draw which has a prize of \$20.00 jackpotting each week if not claimed.

Our Christmas in July and Christmas functions were well patronised and enjoyed by attendees. We wish to thank the staff of our parent Club, the Committee and catering operations for making these functions so successful. We also thank Shay and his staff for providing us with such a great course, "well done".

The Veterans' Golf Club is an integral part of Carnarvon Golf Club with an average of 33 members hitting off each week, barring rainy days and Corporate Days. We look forward to new members joining us and we are sure you will enjoy the Club and the camaraderie. In the last twelve months, we have had retired Veteran members attending on Thursday mornings to enjoy the company of their friends with coffee or lunch at the conclusion of our presentation. We enjoy their company very much and look forward to their continued support in the next twelve months. Due to Covid 19 restrictions limited games were played due the 2020/2021 competition year.

Members socialise with their friends with light refreshments before and after the presentation of prizes and awards.

SPONSORSHIP

We have been fortunate in obtaining sponsorship from Greg Okladnikov, the Dealer Principal, of Starr Partners Real Estate Agency at 146 South Parade Auburn. (Phone 02 9749-4949).

Greg donates \$30.00 a week as a raffle prize which amounted to a total of \$780.00 for the current year. Thankyou Greg for your support and hopefully our members will support you should they require real estate assistance.

We also thank Mick Callaby for his annual sponsorship of the George Middleton Award Memorial Award. It is greatly appreciated.

The Carnarvon Golf Club also donates one bottle of wine for every two bottles the Vets' buy at full price. This gesture is also greatly appreciated.

CHAMPIONSHIPS

The Veterans donate the trophies for the Veteran's Championship, whilst the main trophy is donated by the family of the Late Bob Ridge, who was one of our members, and last year won by Henry Kim. We also provide trophies for the Pegg-Lakeman Shield and the Jack Haliburton Cup.

The Len Plummer Memorial Trophy, played over two weeks, was won by Bob Underwood. This is a perpetual trophy kindly donated by the family of the late Len Plummer. Congratulations Bob.

SUMMARY OF INCOME AND EXPENDITURE

The following is a summary of the statistics created by the Veterans' Golf Club:

We had only 853 games during the year members and friends turn up to play golf or enjoy the camaraderie of their Carnarvon friends over 28 weeks during the year. Only three games were washed out or postponed because of heat. Some of the hardy players endured playing in extreme heat. Two other games lost at Christmas.

Income

Game fees paid	\$ 6,656.00	
Sponsorship- Starr Partners	\$ 1,170.00	
Sponsorship – Mick Callaby	\$ 60.00	
	\$ 7,886.00	Total

Expenses

Wine purchases at full price	\$ 1,136.00
Golf Ball – ball comp	\$ 1,353.00
Raffles Club Vouchers	\$ 2,120.00
Memorial Award –George Middleton	\$ 530.00
Starr Partners Award sponsorship	\$ 780.00
GST	\$ 178.82

OTHER EXPENDITURE

Christmas in July party and	
Christmas Party in December	\$ 2,617.20
Expenses	\$ 8,715.02
Net Income (Loss)	\$ 829.02

Balance carried forward from 31 st January, 2020	\$2,588.71
Funds Available for 2021/2022	\$1,759.69

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In closing I would like to thank Carnarvon Golf Club for their continued support and congratulate them on the standards set in the Club House and the course. We thank Mitch Nakic, our General Manager of Carnarvon Golf Club who has assisted the Vets to enjoy our time at the club. We welcome Craig O'Brien as our new General Manager and wish him a successful stay at Carnarvon Golf Club.

We also thank all the staff for their great contribution to our enjoyment of the Vets Thursday competition. Thank you, David, for looking after our accounts.

To those who have left the Vets Club due to ill health we miss your company and wish you well in your future endeavours.

We have also lost several members who passed away during the year. To their loved ones, we offer our deepest sympathy in your loss.

Lastly to Captain ,Lance, Vice President, Kent and our members I thank you for your support during the year and look forward to your continued company during the coming year.

Keith Speer

President, Carnarvon Veterans Golf Club

Ladies Captain Report

In May 2020 a new Ladies Match and General Committee was appointed - Una Bell (Captain), Jude Kirby (Vice-Captain), Lisa Kim, Michelle Park and Julia Cramer. I would like to thank outgoing members Barbara Lynch (Captain who I learned so much from) and Agnes Cho (who was the voice for many of our lady members). Almost one year on I am pleased to say that our current committee is working well and hopefully addressing members needs as they arise.

The Ladies Committee works closely with John Honeybrook (President), Chris Thomson (Captain), The Members of the Board and Danielle Trevena (Golf Administration & Marketing) to provide our Lady Golf members with a full and enjoyable golf programme. Their support is greatly appreciated and a special 'Thank You' goes to Danielle for being there for the Committee every day – always with a smile on her face.

I can't not mention Covid 19 but how lucky were we in 2020 to have almost uninterrupted golf – on 31/3/20 we all received an email advising that Golf Course & Clubhouse were closed. Then one day later, on April Fool's Day, we received another email advising that playing conditions had been amended to 2 players per group. From that day we have not looked back and a big thank you goes out to Mike and his team in the pro shop for making this happen. We were the envy of many clubs at this time and continue to be so with average fields now of 85-90 on a Wednesday.

In the last financial year we have had 23 new lady members and a big welcome goes out to those members.

We did manage a Presentation Night in 2020 and thanks to those winners who were able to attend to pick up their awards. Congratulations to all winners whose names appear later in this annual report.

We would like to extend thanks and good luck to the ladies who are representing Carnarvon in the following events in 2021:

- NSW Women's Grade 2
- Western District Shield I
- Northern District Silver/Bronze1/Bronze2 Pennant
- Southern Districts Bronze 11
- Northern Districts Bronze 1 Salver

We would also like to thank those members who make themselves available to caddy and to those who support the teams in both the Ladies and Men's competitions.

Thank you to all our management teams at Carnarvon who look after us so well - headed by Craig, Heidi, Rufus, Melissa, Danielle and David – you all make Carnarvon such a welcoming and friendly club.

Thanks also to Course Superintendent Shay Tasker, and his staff, who have battled the elements and Covid 19 to maintain our golf course for the enjoyment of our members and visitors.

To all members who through illness or injury were unable to play golf during this past year, we hope you will be back playing again soon.

Una Bell

Lady Captain

General Managers Report

Since taking on the role as General Manager at Carnarvon Golf Club on the 12th December 2020 the Club has experienced the highs and lows of trade with great growth in early and mid-December to the decline in trade towards the end of December into January 2021 as a direct result of locally acquired cases of COVID. With the strong direction of the Board, Senior Management and all staff and members we have emerged the other side strong, and eager to try new directions to trade for the Club in 2021.

Nottinghill 65 has emerged as a strong facet of our business with Rufus, Mohan, Anil, Renee and Ricki producing great food for all members and guests of our Club. The food team have experienced the up's and down's of an interrupted year with a two month closure, a massive reduction in function trade and yet they continued to produce high quality food which has set a high bench mark for the area. The food for the year overall was \$270,274 which was down from \$623,505 which as mentioned was a direct result of the loss of function trade. A solid GP% of 55.22% was achieved. All the senior team have been working hard behind the scenes to re-launch our functions in 2021 and now hitting March we are seeing a solid return to high level activity in this area. A lot of emphasis will go behind our food operations for 2021, knowing that food has become the spin of our business with strong promotions across the week and the opening of food on Sunday evenings. The return of Thursday Trivia has also had a positive impact on food trade.

The bars also had a varied year due directly to COVID, but again traded through strong with all staff and senior teams lending their support and knowledge to keeping costs in check, but also trying to provide a quality product in a trying environment. The bars ended up \$224,667 compared to year previous \$334,105. The bars GP% was a solid 59.14%. The full beverage team have continued to support the Club and find now that new ideas around promotions and new activity will continue to breathe life into the Club. It is important that we get the continued support from our members so that we can get back on an even footing in the upcoming months in beverage and we will continue strong commitment and relationships with our beverage partners in the industry.

Gaming throughout COVID and 2020 again were hit hard, with the closure and then to re-open, but have continued restrictions till January 2021 which only allowed trade of 15 of our 25 Gaming machines. The down turn in gaming has been widely felt across our whole industry. Gaming ended on \$523,455 compared to the previous year of \$771,974. The upcoming year we hope to turn these results around with extra activity in and around gaming, with the return of poker on a Wednesday and Friday night and the full year of trade with all machines in play.

The Golf course as per Industry standards, set high expectations of themselves and achieved all of them, Mike and Gerry in the Pro Shop worked long hours and always treated our members and guests with a positive and happy experience. We ended up on \$1,631,095 compared to the previous year of \$1,554,896. With subscriptions, competition participants, Men and our Lady players, social visitors and cart hire all experiencing growth across the year. This year of 2021 we look forward to great growth especially on our youth players.

The course is and remains in tip top condition, led by Shay with his team of Dale, Michael, Ken, Alex, Nathan, Mason and Conor have lead the way with the constant up keep, course maintenance, repairs and all is done with no fuss and a can do attitude. The Club continues a great tradition of a beautiful course which is well maintained by a great team.

Subsidiary incomes around Keno and Tab activates, also felt the impact of COVID with all departments recording a loss of income compared to the previous year as consistent with our industry.

It was important to our team to end last year strong and hit 2021 running, and we achieved this by bringing back early in January the raffles, full lunch & dinner services, Poker and Trivia, plus we have added A new "wing Promotion "across the weekends, "kids eat Free "on Saturday evenings and a "2 4 1 meal Promotion "on Sunday evenings. We continue the theme with a Kids Easter hunt on Easter Saturday and together with Cumberland RSL branch, we will celebrate ANZAC Day this year with a breakfast for our return and serving Soldiers and a game of 2 up.

Carnarvon Golf Club Limited
ABN: 57 000 854 544

I hope the experiences of 2020 will hold all the team in good stead for the upcoming challenges of 2021. We as a team will continue to work hard to keep the expenses in check and grow the business week to week, so that each month will return a positive result compared to that of our budgets, while keeping in mind we have a duty to create a positive experience to all those that come to our great Club.

Craig O'Brien
General Manager

Directors Report

for the year ended 31st January 2021

- 1) Your Directors submit their report on the Financial Statements of the Company for the financial year ended January 31st 2021.
- 2) The names of the Directors in office during the period of this report are as follows :

NAME	Qualifications and Responsibilities	Past & Present	Board Meetings		Other Meetings	
			Held	Attended	Held	Attended
CURRENT BOARD MEMBERS:						
John A. HONEYBROOK (Retired)	President	8 years	24	23	36	34
	Vice President	3 years				
	Director	11 years				
Member 30 years	Chairman Match					
	Board Member	22 years				
	Committee Member: Finance, Juniors, Greens & Match, AML/CTF, Strategic Committee					
Peter A. RICHARDSON (Finance Manager)	Vice President	1 year	24	23	36	33
	Director	7 years				
	Board Member	8 years				
Member 17 years	Chairman Strategic Committee	2 years				
	Committee Member: Finance, Greens & Match, Strategic Committee, AML/CTF					
Christopher F. THOMSON (Electrical Contractor)	Captain	13 years	24	23	36	34
	Director	13 years				
	Board Member	26 years				
Member 38 years	Chairman Greens					
	Committee Member: Finance, Juniors, Greens & Match					
John S. KINDRED (Retired)	Vice-Captain	1 year	24	13	36	19
	Match Chair	1 year				
	Board Member	1 year				
Member 29 years	Committee Member: Finance, Greens & Match, Strategic Committee					

Carnarvon Golf Club Limited
ABN: 57 000 854 544

Reginald C. ARMSTRONG (Company Director)	Director Vice President Board Member Committee Member: Finance, Greens & Match, Strategic Committee	6 years	24	24	36	36
Gene K. LEVETTE (Consultant)	Director Vice President Board Member Committee Member: Finance, Greens & Match, Strategic Committee	13 years	24	19	36	28
Catherine TUCKER (Retired Teacher)	Director Vice-Captain Board Member Ladies President Committee Member: Finance, Greens & Match, Strategic Committee	1 year	24	22	36	34
Mark P. ABOOD (Retired)	Director Board Member Chairman Finance Committee Member: Finance, Greens, Match, AML/CTF	3 years	24	22	36	33
Richard C. LEE (Restaurant Owner)	Director Board Member Committee Member: Finance, Greens, Match	1 year	24	12	36	18

NON-CURRENT BOARD MEMBERS:

Barry J. RYAN (Retired)	Director Vice President Board Member Committee Member: Finance, Greens, Match, AML/CTF	20 years	11	8	22	13
Nick J. STOVES (Retired)	Director President Vice President Board Member Committee Member: Finance, Greens, Match, AML/CTF	17 years	11	2	22	3

Carnarvon Golf Club Limited
ABN: 57 000 854 544

- 3) The principal activities of the company in the course of the financial year were the conduct, support and promotion of golf and the conduct of a Licensed Club at Lidcombe.
- 4) During the financial year there were no significant changes in the nature of the Company's activities.
- 5) The profit/loss of the Company for the financial year after abnormal items was \$84,469.
- 6) No Income Tax has been charged thereon (refer Note 1(d) to the accounts).
- 7) Since the end of the previous financial year, no amount has been paid or declared by way of dividend and the Directors do not recommend that any dividend be paid. Dividends to Members are not permitted by the Memorandum and Articles of Association.
- 8) During the financial year there were no significant changes in the state of affairs of the company.
- 9) A review of the operations of the Company are covered by the reports of the President, Captain, Chairman of Finance and General Manager and these should be read in conjunction with this report.
- 10) All Directors of the Company are non-executive. Since the end of the previous financial year, no Director has received, or become entitled to receive, a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the accounts or the fixed salary of a full time employee of the Company) by reason of a contract made by the Company with the Directors or with a firm of which he is a member, or with a company, in which he has a substantial financial interest.
- 11) The Auditor's Independence Declaration for the year ended 31 January, 2021 has been received and can be found on page 26.

Signed in accordance with a Resolution of the Directors.



J. Honeybrook
President



P. Richardson
Vice President

Dated 16th March 2021 at Lidcombe, NSW

Directors Declaration


In accordance with a resolution of the directors of Carnarvon Golf Club Limited, the directors of the company declare that:

1. The financial statements and notes, as set out on pages 29 to 49 are in accordance with the Corporations Act 2001 and:
 - (a) Comply with Australian Accounting Standards and
 - (b) Give a true and fair view of the financial position of the company as at 31st January, 2021 and of its performance for the year ended on that date.
2. In the Directors opinion there are reasonable grounds to believe 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.



J. Honeybrook
President



P. Richardson
Vice President

Dated 16th March 2021 at Lidcombe, NSW

Auditor's Independence Declaration
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF CARNARVON GOLF CLUB LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 31 January 2021 there have been no contraventions of:

- i. the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit, and
- ii. any applicable code of professional conduct in relation to the audit.

MAWBY COWPER MEARES & CO

Chartered Accountants



Stuart D. Meares
Partner

Dated this 16th day of March 2021

Independent Auditor's Report
TO THE MEMBERS OF CARNARVON GOLF CLUB LTD

Opinion

We have audited the accompanying financial report of *Carnarvon Golf Club Limited* which comprises the statement of financial position as at 31 January 2021, the statement of profit or 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 directors' declaration.

In our opinion, the financial report of *Carnarvon Golf Club Limited* is in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the company's financial position as 31 January 2021 and of its financial performance for the year then ended; and
- b) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Carnarvon Golf Club Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

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

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 and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Independent Auditor's Report (continued)

Auditor's Responsibility

Our objective is 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. 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 as to whether the financial report is free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report. As part of an audit we exercise professional judgement and maintain professional scepticism throughout the audit.

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 judgment, 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 entity'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 entity'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.

MAWBY COWPER MEARES & CO
Chartered Accountants



Stuart D. Meares
Partner

Dated this 16th day of March 2021

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31st January 2021

	Note	2021 \$	2020 \$
Sales	2	869,351	1,548,636
Cost of Sales	3	<u>(374,408)</u>	<u>(591,025)</u>
GROSS PROFIT		494,943	957,611
Other Revenue	2	2,185,069	2,363,032
Other Income	2	124,053	27,662
Administration Expenses		(807,289)	(1,066,389)
Golf Course Expenses		(1,276,243)	(1,390,088)
Trading Expenses		<u>(636,064)</u>	<u>(1,110,528)</u>
PROFIT / (LOSS) BEFORE INCOME TAX		84,469	(218,700)
Income Tax Expense	1	<u>-</u>	<u>-</u>
PROFIT / (LOSS) FOR THE YEAR	3	<u>84,469</u>	<u>(218,700)</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>84,469</u>	<u>(218,700)</u>
PROFIT ATTRIBUTABLE TO MEMBERS OF THE ENTITY		<u>84,469</u>	<u>(218,700)</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO MEMBERS OF THE ENTITY		<u>84,469</u>	<u>(218,700)</u>

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

As at 31st January 2021

	Note	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash	4	464,504	216,654
Trade and Other Receivables	5	23,476	43,247
Inventories	6	38,850	49,311
Other	7	57,885	80,179
Total Current Assets		584,715	389,391
NON CURRENT ASSETS			
Property, Plant & Equipment	8	4,743,220	5,141,586
Total Non Current Assets		4,743,220	5,141,586
TOTAL ASSETS		5,327,935	5,530,977
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	9	244,707	248,943
Borrowings	10	113,333	107,053
Provisions	11	336,773	369,228
Other	12	322,693	526,297
Total Current Liabilities		1,017,506	1,251,521
NON CURRENT LIABILITIES			
Borrowings	10	935,165	988,661
Total Non-Current Liabilities		935,165	998,661
TOTAL LIABILITIES		1,952,671	2,240,182
NET ASSETS		3,375,264	3,290,795
MEMBERS' FUNDS			
Accumulated Funds		3,375,264	3,290,795
TOTAL MEMBERS' FUNDS		3,375,264	3,290,795

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

for the year ended 31st January 2021

	Retained Earnings \$	Total \$
BALANCE AT 1 FEBRUARY 2019	<u>3,509,495</u>	<u>3,509,495</u>
Comprehensive Income		
Profit attributable to members of the entity	<u>(218,700)</u>	<u>(218,700)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>(218,700)</u>	<u>(218,700)</u>
 BALANCE AT 31 JANUARY 2020	 3,290,795	 3,290,795
Comprehensive Income		
Profit attributable to members of the entity	<u>84,469</u>	<u>84,469</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>84,469</u>	<u>84,469</u>
 BALANCE AT 31 JANUARY 2021	 <u><u>3,375,264</u></u>	 <u><u>3,375,264</u></u>

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS
for the year ended 31st January 2021

	Note	2021 \$	2020 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts in the course of operations		2,971,546	3,188,874
Cash payments in the course of operations		(3,106,185)	(3,688,517)
Interest received		258	178
Subscriptions & joining fees		<u>543,756</u>	<u>718,583</u>
Net cash provided by operating activities	15	<u>409,376</u>	<u>219,118</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant & equipment		(72,114)	(83,185)
Proceeds from disposal of fixed assets		9,550	7,250
Net cash used in investing activities		<u>(62,564)</u>	<u>(75,935)</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Net Increase in other borrowings		200,000	150,000
Repayment of borrowings		<u>(298,961)</u>	<u>(323,986)</u>
Net cash provided from/(used in) financing activities		<u>(98,961)</u>	<u>(173,986)</u>
Net increase/(decrease) in cash held		247,851	(30,803)
Cash at the beginning of the Financial Year		<u>216,654</u>	<u>247,457</u>
CASH AT THE END OF THE FINANCIAL YEAR	4	<u><u>464,504</u></u>	<u><u>216,654</u></u>

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st January 2021

1. Summary of Significant Accounting Policies

Basis of Preparation

The financial statements cover Carnarvon Golf Club Limited as an individual entity, incorporated and domiciled in Australia. Carnarvon Golf Club Limited is a company limited by guarantee.

The financial statements were authorised for issue by the directors of company on 16th March 2021.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Account Standards (including Australian Accounting Interpretations) and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. 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. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

a) Revenue

Revenue from the rendering of a service is recognized upon the delivery of the service to the customers.

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

b) Property, Plant & Equipment

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

c) Inventories

Inventories are measured at the lower of cost and current replacement cost.

d) Income Tax

The Club is considered to be exempt from Income Tax under Section 50-45 of the Income Tax Assessment Act 1997, being an organisation, not carried on for the purpose of profit or gain to its individual members, and which was established for the promotion and playing of a sporting activity in which humans are sole participants. Accordingly, no account for Income Tax has been included in this Financial Report.

e) Comparative Figures

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

f) 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 short-term borrowings in current liabilities on the statement of financial position.

g) Segment Information

The Company operated solely in Australia, and its principal activities are the conduct, support and promotion of golf.

h) Reference to Core and Non-Core Assets

The Registered Clubs Amendment Regulation 2007 requires that Clubs report to their members which property are considered core and non-core.

Core property of a registered club means any real property owned or occupied by the club that comprises:

- a) The defined premises of the club, or
- b) Any facility provided by the club for the use of its members and their guests.

Core Property Detailed:

Lots 1-3, DP 4223 Nottingham Road, Lidcombe. NSW 2141

Reserve Trust Number D50007, Nottingham Road, Lidcombe NSW 2141

i) 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. Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

j) Goods & 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 Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

k) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st January 2021

2. REVENUE AND OTHER INCOME

	2021	2020
	\$	\$
REVENUE		
SALES REVENUE		
Sales of Goods	869,351	1,548,636
OTHER REVENUE		
Subscriptions	749,200	696,980
Competition Fees	549,360	480,256
Visitors' Green Fees	207,038	235,554
Motorised Cart Hire Fees	115,100	130,441
Keno Commission Received	10,938	11,077
TAB Commission Received	1,185	3,214
Raffles Tickets Sales	28,792	33,536
Poker Machine Revenue	523,456	771,974
TOTAL OTHER REVENUE	2,185,069	2,363,032
TOTAL REVENUE	3,054,420	3,911,668
OTHER INCOME		
Promotion & Sponsorship	4,650	5,906
Interest Received	258	178
Other	119,145	21,578
TOTAL OTHER INCOME	124,053	27,662
TOTAL REVENUE & OTHER INCOME	3,178,473	3,939,330

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st January 2021

3. PROFIT FOR THE YEAR

Profit / (Loss) for the year from continuing operations includes the following specific expenses;

EXPENSES	2021 \$	2020 \$
Cost of Sales	374,408	591,025
Interest and Charges	57,291	64,031
Depreciation and Amortisation	432,929	459,607
Employee Benefits - Superannuation	108,691	140,711
 Auditors Remuneration		
Audit Services	12,000	11,500

4. CASH

Cash at Bank	107,434	21,468
Cash on Hand	56,474	44,830
Interest Bearing Deposits	300,596	150,356
	<u>464,504</u>	<u>216,654</u>

5. TRADE AND OTHER RECEIVABLES

Sundry Debtors	5,623	38,125
EFTPOS	17,853	5,122
	<u>23,476</u>	<u>43,247</u>

6. INVENTORIES

Bar Stock on Hand	28,359	33,252
Kitchen Stock on Hand	10,491	16,059
	<u>38,850</u>	<u>49,311</u>

7. OTHER CURRENT ASSETS

Prepayments	57,885	80,179
	<u>57,885</u>	<u>80,179</u>

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st January 2021

8. PROPERTY, PLANT & EQUIPMENT	2021 \$	2020 \$
Freehold Land at Cost	15,000	15,000
Landscaping at Cost	58,016	58,016
Clubhouse Building at Cost	5,123,593	5,140,012
Less Accumulated Depreciation	<u>(2,167,399)</u>	<u>(2,039,127)</u>
	3,029,210	3,173,901
Clubhouse Contents at Cost	693,713	697,307
Less Accumulated Depreciation	<u>(537,509)</u>	<u>(527,031)</u>
	156,204	170,276
Poker Machines at Cost	627,424	627,424
Less Accumulated Depreciation	<u>(476,062)</u>	<u>(410,099)</u>
	151,362	217,325
Course Equipment at Cost	1,089,148	1,187,289
Motorised Carts at Cost	149,856	149,856
Less Accumulated Depreciation	<u>(1,010,047)</u>	<u>(979,685)</u>
	228,957	357,460
Pump House, Dams & Irrigation Systems at Cost	567,555	606,538
Less Accumulated Depreciation	<u>(501,511)</u>	<u>(556,884)</u>
	66,044	49,654
Course Improvements at Cost	629,447	621,183
Less Accumulated Depreciation	<u>(463,368)</u>	<u>(448,213)</u>
	166,079	172,970
Right of Use Asset – Club House	20,016	16,977
Right of Use Asset – Course	1,131,578	1,079,834
Less Accumulated Depreciation	<u>(206,230)</u>	<u>(96,811)</u>
	945,364	1,000,000
Total Property, plant & equipment	<u>4,743,220</u>	<u>5,141,586</u>

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st January 2021

	2021 \$	2020 \$
9. TRADE AND OTHER PAYABLES		
Creditors, Accruals & Deposits	244,707	248,943
	<u>244,707</u>	<u>248,943</u>
10. BORROWINGS		
Current		
Lease Liability	82,188	69,986
Loan - Financial Institution	31,145	37,067
	<u>113,333</u>	<u>107,053</u>
Non Current		
Lease Liability	918,475	947,102
Loan - Financial Institution	16,690	41,559
	<u>935,165</u>	<u>988,661</u>
Total Borrowings	<u>1,048,498</u>	<u>1,095,714</u>
11. PROVISIONS		
Annual Leave	129,847	166,676
Long Service Leave	168,351	157,949
Leave Provision on Costs	38,575	44,603
	<u>336,773</u>	<u>369,228</u>
12. OTHER CURRENT LIABILITIES		
Subscriptions in Advance	197,115	402,559
Green Fee Deposits in Advance	15,045	15,600
Sundry Income In Advance	17,103	21,021
Members' House Vouchers	84,044	79,757
Loyalty Redeem & Bonus Point	9,386	7,360
	<u>322,693</u>	<u>526,297</u>

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st January 2021

13. CAPITAL EXPENDITURE

1) Clubhouse	2021
	\$
Lease Assets – TAB Unit	3,040
Kitchen Equipments	18,947
Under Bench Refrigerator	3,511
Computer	2,375
2nd hand Coffee machine	2,686
	<hr/>
	30,559
2) Course	
1 st Ladies Tee Resurface (Continues from Previous Year)	1,100
18 th Dam pumps & Control Panel	24,598
Barrier Nets	5,800
Computer & Printer	2,855
Pedestal Seating	1,364
Weather Station	1,339
	<hr/>
	37,056
TOTAL VALUE	<hr/> <hr/>
	67,615

14. MEMBERS GUARANTEE

The Club is a company limited by guarantee. In the event of the company being wound up, the Memorandum and Articles of Association provide that each member is required to contribute a maximum of \$5 towards meeting any outstanding obligations of the company. At 31st January, 2021 the number of members was 2119 (2020:1974).

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st January 2021

15. STATEMENT OF CASH FLOWS

Reconciliation of Net Cash Provided by Operating Activities with Operating Profit after Tax

	2021	2020
	\$	\$
Operating profit after tax	84,469	(218,700)
Depreciation & amortisation	432,929	459,607
(Gain)/Loss on sale of equipment	75,246	(5,691)
(Increase)/decrease in sundry debtors	19,771	(33,623)
(Increase)/decrease in inventories	10,461	4,849
(Increase)/decrease in prepayments	22,294	23,350
increase/(decrease) in other Current Liabilities	(203,604)	5,473
increase/(decrease) in provisions	(32,455)	(6,165)
increase/(decrease) in creditors	265	(9,983)
Net cash provided by operating activities	409,376	219,118

16. RELATED PARTY TRANSACTIONS

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

During the year, Ace Plumbing Pty Ltd, a company controlled by Brendan Thomson, son of Chris Thomson a Director, provided services for \$1,672.

During the year, Smokey Brown Pest Management Services, a company controlled by Dusko Grabovica, Brother in law of Mitch Nakic, previous General Manager, provided services for \$3,210. Smokey Brown Pest Management Services was engaged by Carnarvon Golf Club three years prior to the previous General Manager, Mitch Nakic commencing.

During the year, Bekse International Ltd, a company controlled by Richard Lee, Director of Carnarvon Golf Club, provided services for \$4353. Bekse International Ltd was engaged by Carnarvon Golf Club ten years prior to Richard Lee being elected a Director.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st January 2021

17. FINANCIAL RISK MANAGEMENT

The club's financial instruments consists primarily of deposits with banks, accounts receivable and payable, loans to and from subsidiaries and leases.

The totals for each category of financial instruments, measured in accordance with AASB 9: Financial instruments as detailed in the accounting policies to these financial statements are as follows:

	Note	2021 \$	2020 \$
Financial Assets:			
Cash	4	464,504	216,654
Receivables	5	23,476	43,247
		<u>487,980</u>	<u>259,901</u>
Total Financial Assets			
Financial Liabilities:			
Trade and Sundry Creditors	9	244,707	248,943
Lease Liabilities	10	1,048,498	1,095,714
		<u>1,293,205</u>	<u>1,344,657</u>
Total Financial Liabilities			

Financial Risk Management Policies

The directors' overall risk management strategy seeks to assist the Club in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the Board of Directors on a regular basis.

The main purpose of non-derivative financial instruments is to raise finance for club operations. The club does not have any derivative instruments at 31 January 2021.

The Board of Directors discuss on a regular basis an analysis of the financial risk exposure and evaluate treasury Management strategies in the context of the most recent economic conditions and forecasts at its regular meetings. These include the credit risk policies and future cash flow requirements.

Specific Financial Risk Exposures and Management

The main risks the Club is exposed to through its financial instruments are credit risk, liquidity risk and market risk.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st January 2021

Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. The club does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the club.

There are no material amounts of collateral held as security at 31 January 2021.

The club does not have any material credit risk exposure to any one single debtor or group of debtors under financial instruments entered into by the club.

Credit risk is managed by the club and reviewed regularly by the Board Executive. It arises from exposures to customers as well as through deposits with financial institutions.

The club monitors the credit risk by actively assessing the rating quality and liquidity of counterparts:

- (i) Only banks and financial institutions with an 'A' rating are utilised
- (ii) Only accredited fund managers linked to 'A' rated financial institutions are used.
- (iii) The credit standing of counterparts is reviewed on a regular basis for liquidity and credit risk.

Liquidity Risk

The club manages liquidity by monitoring forecast cash flows and ensuring that adequate levels of investments are maintained.

Financial Instrument Composition and Maturity Analysis

The table below reflects the contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the balance sheet.

	Within Year		1 to 5 years		More than 5 years		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
Financial liabilities due for payment:								
Trade and Sundry Creditors	244,707	248,943	0	0	0	0	244,707	248,943
Lease Liabilities	113,333	107,053	263,744	270,608	671,421	718,053	1,048,498	1,095,714
	358,040	355,996	263,744	270,608	671,421	718,053	1,293,205	1,344,657
Financial assets - cash flows realisable:								
Cash	464,504	216,654	0	0	0	0	464,504	216,654
Receivables	23,476	43,247	0	0	0	0	23,476	43,247
	487,980	259,901	0	0	0	0	487,980	259,901
Net financial assets (liabilities)	129,940	(96,095)	(263,744)	(270,608)	(671,421)	(718,053)	(805,225)	(1,084,756)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st January 2021

Market Risk

Interest rate risk

Interest rate risk is managed with a mixture of fixed and floating rate debt. At 31 January 2021 approximately 100% of debt is fixed.

Foreign Currency Risk

The club is not exposed to fluctuations in foreign currencies

Price risk

The club is not exposed to any material commodity price risk

Sensitivity analysis

The Club has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on current year results and equity which could result from a change in this risk.

As at 31 January 2021, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant, would be as follows:

	2021	2020
Change in profit		
Increase in interest rate by 2%	8,021	3,297
Decrease in interest rate by 2%	(8,021)	(3,297)
Change in equity		
Increase in interest rate by 2%	8,021	3,297
Decrease in interest rate by 2%	(8,021)	(3,297)

This sensitivity analysis has been performed on the assumptions that all other variables remain unchanged.

Net fair value of financial assets and liabilities

The net fair value of all financial assets and financial liabilities approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form.

The aggregate net fair value and carrying amounts of financial assets and financial liabilities are disclosed in the Balance Sheet and in the notes to and forming part of the financial statements.

The Company as lessee

At inception of a contract, the Company assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Company where the Company is a lessee. However, all contracts that are classified as short-term leases (ie a lease with a remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Company uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- Fixed lease payments less any lease incentives;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- Lease payments under extension options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurements of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date, as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the Company anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

TRADING STATEMENTS
for the year ended 31st January 2021

	2021	2020
	\$	\$
BAR		
Sales	379,914	555,485
Less Cost of Sales		
Opening Stock	33,252	36,592
Purchases	150,353	218,040
Closing Stock	(28,359)	(33,252)
	<u>155,246</u>	<u>221,380</u>
GROSS PROFIT	<u>224,668</u>	<u>334,105</u>
% to Sales	59.14%	60.15%
 CATERING		
Sales	489,437	993,151
Less Cost of Sales		
Opening Stock	16,059	17,568
Purchases	213,594	368,136
Closing Stock	(10,491)	(16,059)
	<u>219,162</u>	<u>369,645</u>
GROSS PROFIT	<u>270,275</u>	<u>623,506</u>
% to Sales	55.22%	62.78%
 POKER MACHINES		
Net Revenue (after GST)	523,456	771,974
Less: Tax	-	-
GROSS PROFIT	<u>523,456</u>	<u>771,974</u>

DETAILED TRADING ACCOUNT

for the year ended 31st January 2021

	2021	2020
	\$	\$
GROSS TRADING PROFITS		
Bar	224,668	334,105
Catering	270,275	623,506
Poker Machines	523,456	771,974
Keno Commission	10,938	11,077
TAB Commission	1,185	3,214
Raffles	28,792	33,536
	<u>1,059,314</u>	<u>1,777,412</u>
EXPENSES		
Wages	288,220	610,661
Leave Provision on Costs	2,876	3,348
Superannuation	36,901	54,143
Payroll Tax	2,991	15,792
Workers Compensation Insurance	8,973	12,688
Staff Expenses	4,015	4,653
Interest & Bank Charges	-	3,146
Promotions & Prizes	67,254	104,551
Printing & Stationery	1,395	1,959
Replacements, Repairs & Maintenance	61,451	75,404
Stock Audit	252	261
Miscellaneous Expenses	9,916	13,160
Data Monitoring Services Charges	8,440	13,650
Sky Channel	5,894	11,371
Laundry & Gas	20,703	36,291
Depreciation	113,606	135,440
Rental Expenses	-	8,062
Liquor License Fee	-	5,948
Loss/(Gain) on Disposal	3,177	-
	<u>636,064</u>	<u>1,110,528</u>
NET TRADING PROFIT	<u>423,250</u>	<u>666,884</u>

TRANSFERRED TO DETAILED PROFIT AND LOSS ACCOUNT

DETAILED GOLF COURSE EXPENSES ACCOUNT

for the year ended 31st January 2021

	2021	2020
	\$	\$
Golf Course Expenses		
Wages	336,793	555,805
Leave Provision on Costs	10,111	9,125
Superannuation	42,483	43,152
Payroll Tax	1,102	9,780
Workers Compensation Insurance	9,773	9,218
Staff Expenses & Training	10,054	14,818
Fringe Benefits Tax	1,200	1,200
Supplies and Maintenance	228,601	181,241
Environmental Management	2,910	1,889
Occupational Health & Safety	3,768	1,977
Machinery Repairs	44,202	38,209
Petrol & Oil	14,539	20,350
Motorised Cart Expenses	20,847	22,774
Golf Printing & Stationery	4,197	4,348
Computer Expenses	14,831	14,575
Professional Retainer	30,000	30,000
Trophies	82,540	83,277
Ladies Trophies & Other Expenses	30,770	29,308
Green Fee Commission	20,704	23,544
Starting Commission	14,010	12,660
Miscellaneous	2,429	3,784
Golf Ball Damages	3,653	927
Interest & Bank Charges	47,008	49,440
Pennant Expenses	10,772	14,529
Affiliation & Golf Links Fees	33,721	33,096
Advertising & Promotion	3,466	4,897
Council Rates	614	604
Depreciation	179,076	181,252
Loss/(Gain) on Disposal	72,069	(5,691)
TOTAL COURSE EXPENSES	1,276,243	1,390,088

TRANSFERRED TO DETAILED PROFIT AND LOSS ACCOUNT

DETAILED ADMINISTRATION EXPENSES ACCOUNT

for the year ended 31st January 2021

	2021	2020
	\$	\$
Administration Expenses		
Wages	215,644	324,858
Leave Provision on Costs	6,668	6,175
Superannuation	29,307	43,416
Payroll Tax	(991)	6,728
Workers Compensation Insurance	5,571	6,393
Staff Training	1,047	1,595
Staff Expenses	1,042	1,373
Repairs & Maintenance	27,897	44,912
Security	12,028	12,054
Electricity	89,829	111,310
Cleaning & Supplies	78,187	87,426
Insurance	56,217	54,127
Printing & Stationery	8,261	9,485
Advertising & Promotions	21,844	96,838
Social & Entertainment	19,057	24,857
Audit Fees	12,000	11,500
Staff Uniform	656	418
Rates	9,700	11,900
Badge Draw	6,405	8,996
Miscellaneous Administration	6,218	738
Association Expenses	4,530	4,762
Motor Vehicle Expenses	1,352	1,636
Bank Charges	6,057	7,594
Interest Paid	4,226	3,851
Postage	6,926	5,365
Telephone	4,688	5,846
Directors Expenses	3,727	4,784
Legal Expenses	1,287	-
Donations	2,000	322
General Manager Expenses	1,791	1,077
Members Meeting/Amenities Expenses	5,635	4,539
Computer Expenses	17,396	18,349
Fringe Benefits Tax	840	250
Depreciation	140,247	142,915
TOTAL ADMINISTRATION EXPENSES	807,289	1,066,389

TRANSFERRED TO DETAILED PROFIT AND LOSS ACCOUNT

DETAILED PROFIT AND LOSS ACCOUNT

for the year ended 31st January 2021

	2021 \$	2020 \$
INCOME		
Subscriptions	749,200	696,980
Competition Fees	460,878	407,547
Ladies Competition Fees & Other Income	88,482	72,709
Visitors Green Fees	207,038	235,554
Motorised Cart Hire	115,100	130,441
Investment Income	258	178
Promotion & Sponsorship	4,650	5,906
Miscellaneous Income	119,145	21,578
Net Trading Profits	423,250	666,884
TOTAL INCOME	<u>2,168,001</u>	<u>2,237,777</u>
TOTAL COURSE EXPENSES	1,276,243	1,390,088
TOTAL ADMINISTRATION EXPENSES	807,289	1,066,389
TOTAL EXPENSES	<u>2,083,532</u>	<u>2,456,477</u>
NET OPERATING SURPLUS/(LOSS)	<u>84,469</u>	<u>(218,700)</u>

MAJOR EVENT WINNERS 2020

CLUB CHAMPION	:	Musteba Erden
A Reserve CHAMPION	:	Peter Muscat
B Grade CHAMPION	:	Tony Khoury
C Grade CHAMPION	:	Robert (Bob) Smith
Junior CHAMPION	:	Lachlan Weir
Veterans CHAMPION (Net)		Henry Kim
(Scr)	:	Graham Loughnan
FOURSOME CHAMPION	:	Sean Moylan & James Lind
MIXED FOURSOME CHAMPION	:	Sean Moylan & Lisa Kim
MATCH PLAY CHAMPION	:	Phil Ellison
'A' Reserve CHAMPION	:	Peter Muscat
B Grade CHAMPION	:	Kevin Park
C Grade CHAMPION	:	Sung Bok Lee
CARNARVON CUP	:	Jeremy Fuchs (Bonnie Doon)
PRESIDENTS CUP	:	Henry Kim
CAPTAINS TROPHY	:	Hank Kim
ROSANNA TROPHY	:	Robert Fisicaro
PEGG-LAKEMAN SHIELD	:	Dave Choi & Junior Kim
CARNARVON BOWL	:	Ernest Park & Victoria Park
GOLD MEDAL	:	Jason Choi

LADIES MAJOR EVENT WINNERS 2020

CLUB CHAMPION	:	Natalia Yeob
Division 2 CHAMPION	:	Hae Mi Mcnaught
Division 3 CHAMPION	:	Monika Chapman
Senior Champion	:	Natalia Yeob
Senior Net Champion	:	Kathy Kim
FOURSOME CHAMPIONS	:	Jenny Shim & Lisa Kim
CARNARVON CUP	:	not played
CARNARVON SALVER	:	not played
PREMIERSHIP CUP	:	Jennifer Jung
GOLD MEDAL	:	Fay Butcher
MOTHERS DAY CUP	:	Gina Goh
CAPTAINS TROPHY	:	Jane (O.K) Kim
ROSE BOWL	:	Lisa Kim

LADIES VETERAN EVENT WINNERS 2020

RENE BUXTON POINTS SALVER Div 1	:	Agnes Cho
Div 2	:	Sharon Honeybrook
RENE BUXTON NET SALVER Div 1	:	Agnes Cho
Div 2	:	Denise Lalor