



**FINANCIAL REPORT**

**FOR THE YEAR ENDED**

**30 APRIL 2017**

*Eden Fishermen's Recreation Club Limited*  
*ABN 43 000 071 125*  
*A Company Limited by Guarantee*



*Eden Fishermen's Recreation Club Limited (ABN 43 000 071 125)*

## **CONTENTS**

	<b>PAGE NO</b>
<b>Notice of Annual General Meeting .....</b>	<b>2 - 3</b>
<b>Chairman's Report.....</b>	<b>4</b>
<b>Chief Executive Officer's Report .....</b>	<b>5</b>
<b>APPENDIX A:</b>	
<b>Financial Statements .....</b>	<b>1 - 28</b>



Eden Fishermen's Recreation Club Limited (ABN 43 000 071 125)

### **NOTICE OF ANNUAL GENERAL MEETING**

The Annual General Meeting of the Eden Fishermen's Recreation Club Limited will be held at the Clubhouse, 217 Imlay Street, Eden on Sunday 27th August 2017 commencing at 10.00 am.

The business of the Annual General Meeting shall be as follows:

1. To confirm the minutes of the previous Annual General Meeting held on 28 August 2016.
2. To receive and consider the Directors' Report and Directors' Declaration.
3. To receive and consider the financial statements and the Independent Audit Report to the members.
4. To pass the following ordinary resolutions:

#### **FIRST RESOLUTION:**

*That pursuant to the Registered Clubs Act:*

- (a) *The Members hereby approve and agree to expenditure by the Club of a sum not exceeding \$15,000 until the next Annual General Meeting of the Club for the following activities of Directors:*
  - (i) *The reasonable cost of a meal and beverage for each Director immediately after a Board or Committee meeting where the meeting corresponds with a normal meal time.*
  - (ii) *Reasonable expenses incurred by Directors in relation to such duties including the entertainment of special guests to the Club and other promotional activities performed by Directors which activities and the expenses there from are approved by the Board before payment is made on production of receipts, invoices or other documentary evidence of such expenditure.*
  - (iii) *Reasonable expenditure on food and beverages for Directors and their spouses on one dinner per year and other functions where appropriate and required to represent the Club.*
- (b) *The Members acknowledge that the benefits in paragraph (a) above are not available to members generally but only for those who are Directors of the Club.*

#### **SECOND RESOLUTION:**

*That pursuant to the Registered Clubs Act:*

- (a) *The Members hereby approve and agree to expenditure by the Club of a sum not exceeding \$20,000 for the professional development and education of Directors until the next Annual General Meeting of the Club and being:*
  - (i) *The reasonable cost of Directors attending the Clubs NSW Annual General Meeting.*
  - (ii) *The reasonable cost of Directors attending seminars, lectures, trade displays and other similar events as may be determined by the Board from time to time.*
  - (iii) *The reasonable cost of Directors attending other Registered Clubs or similar types of business for the purpose of observing their facilities and methods of operation provided such attendances are approved by the Board as being necessary for the betterment of the Club.*
  - (iv) *Attendance at Functions with spouses where appropriate, and required to represent the Club.*
- (b) *The Members acknowledge that the benefits in paragraph (a) above are not available to Members generally but only to those who are Directors of the Club and those Members directly involved in the above activities.*



Eden Fishermen's Recreation Club Limited (ABN 43 000 071 125)

## NOTICE OF ANNUAL GENERAL MEETING (continued)

### **Explanatory notes to members**

*These notes are to be read in conjunction with the proposed Resolutions.*

1. *The purpose of the first Resolution is to meet the disclosure requirements of the Registered Clubs Act. It relates to expenditure shown in the Club's Annual Accounts in previous years approved by the members when the annual accounts have been adopted. The adoption of this Resolution by members will confirm and set an upper limit on the amount to be expended, and will meet the disclosure requirements of the Registered Clubs Act 1976 (NSW).*
2. *The purpose of the second Resolution is again to meet the disclosure requirements of the Registered Clubs Act. It relates to expenditure by the Club for the professional development and education of Directors, as well as ensuring the Directors keep up to date with current Club Industry development, and that the Club is represented by selected Directors at the various meetings of Associations of which the Club is a member. The adoption of this Resolution by members will confirm and set an upper limit to be expended and meet the disclosure requirements of the Registered Clubs Act 1976 (NSW).*
5. Change to By Laws  
To decrease the distance for a temporary member must live from the Club from 17km to 5km. (Reason: This rule was originally introduced when the Club purchased Pambula Beach Bowling Club).
6. General Business.
  - To receive and consider any motion/s put forward by the Members in accord with the Articles of Association and at the discretion of the Chairman.
  - To conduct any general business considered appropriate and at the discretion of the Chairman.
7. To elect three (3) directors, Mrs B Buckland, Mr A Chomatek and Daryl Spalding retire by rotation, in accordance with the Articles of Association.

Members should note that any questions concerning the financial statements require notice in writing to the Secretary seven days prior to the meeting.

By Order of the Board

A handwritten signature in black ink, appearing to read "Andrew Terry".

Andrew Terry  
Secretary  
EDEN, 29 June 2017



*Eden Fishermen's Recreation Club Limited (ABN 43 000 071 125)*

## **CHAIRMAN'S REPORT**

As Chairman I am pleased to present my report of the trading performance for the business for the financial year ending 30<sup>th</sup> April 2017.

Our financial report shows a loss of \$143,161, this is an increase on last years loss of \$119,914. The Board and management have recently held a strategic planning weekend and it is our intention to actively pursue the tourist trade with some vigour and some new and interesting ventures.

Over the last two financial reports I have spoken about joint venture development at the Country Club and how we have had little interest from interested parties.

I am pleased to report this year at the time of writing this report we have moved well down the track and have at this stage three interested parties and are in the process of holding information meetings for members and a General Meeting to release Core land to Non Core land at both sites to allow these negotiations to move forward.

At this meeting a new Constitution will also be presented for member's approval.

On the sporting front our representative teams have once again performed well in their various sports.

Men's Golf: Entered teams in Division One, Division Two and Senior Pennants, winning the Division Two Pennant and runner up in the Senior Pennant division.

Ladies Golf: The ladies golf Open Pennant team won both the Southern Zone and the Far South Coast Pennants.

Men's Bowls: Entered teams in Divisions Six and Seven.

Ladies Bowls: The lady bowlers entered teams in Divisions Three and Four with no success.

We should all thank the various committees of the sporting bodies for their dedication and hard work in conducting their respective sports for all of us to enjoy.

On a sporting note we welcome our new resident Golf Professional David Sherlock who commenced with us in July.

During the year John Hurst our CEO of some five years resigned and the Board thanks John for his dedication and hard work over that period of time and wish him well for the future.

With John's departure we welcome our new CEO Andrew Terry. Andrew comes to us with a long history in Club management and Club land development. I ask Members and staff to support Andrew in his endeavours to take the Club forward into the future.

To all staff at both Clubs thank you for your efforts during the year, I can assure you your efforts do not go unnoticed by the Board.

To my fellow Board members thank you once again for your diligence, time and effort and your support of me as Chairman, it makes the job so much easier.

Board members Betty Buckland, Daryl Spalding and Alex Chomatek are standing down this year under the Tri Annual rule and are seeking re-election at the upcoming Annual General Meeting.

In closing, as I did in previous years to you the Member's, thank you for your support as without the local support the business would continue to be in great jeopardy.

A handwritten signature in black ink, appearing to read "Colin W Clarke".

Colin W Clarke  
Chairman



*Eden Fishermen's Recreation Club Limited (ABN 43 000 071 125)*

## **CHIEF EXECUTIVES OFFICER'S REPORT**

The 2017 Annual accounts reflect both the past and present pressures and challenges which continue confront the Club and indeed the broader Club Industry.

The results (largely in line with recent years) once again demonstrate that there has been virtually no growth in the core revenue streams (Total Income rose by 2.6%) and that there remains increased cost pressures on the business, especially in the areas of wages, facility repairs and maintenance and utilities expenses in particular (Up 13.3 %).

The net loss of the year (\$ -143,161) represents a slight increase on the previous year, however the fact that the Clubs Board and management were able to contain the loss to these moderate levels without the need to increase debt and borrowings within the year is worthy of significant credit and has now paved the way forward for the club to embark on structural reforms which will hopefully address the issue of generating new growth within both the Recreation and Country Clubs throughout the 2017/18 year.

As the Members are fully aware, the Club experienced a change of management in March of this year with the retirement of John Hurst. John's skill and ability in maintaining a positive cash flow and restricting the club from incurring debt over the past several years has now placed the Board in a position to now adopt significant reforms in a revised strategic business plan which places significant focus on generating new revenue opportunities both in the area of local tourism and a renewed commitment to increasing sporting participation at the Eden Gardens Country Club.

The Management team have placed significant importance on restructuring our Member's promotion formats for the coming year in addition to making significant changes to the Club's catering operations which continue to operate at an unsustainable level of low patronage.

As these changes come into effect in the first half of the 2017/18 financial year, we are confident that we can regain significant new business at both sites and once again stimulate local membership activity so we generate greater throughput within our licensed venues.

This strategy will requires significant resources to be deployed in areas such as improved facilities and equipment, levels of re-skilling our staff, and upgraded technologies in our marketing and promotional areas and significant restructuring of the Club's catering activities which will come into effect later in 2017.

The Club is also actively reviewing our land diversity options with a revised strategy to identify best use and identify selective development options as we move forward. Although very early days, the Board has received positive responses from a range of prospective development companies and the Club will continue (with member support) to explore these interests throughout the course of 2017/18.

In closing, I would like to thank the warm welcome and support I have received from many of the Members since commencing with the Club earlier in the year and look forward to the many opportunities and challenges that lay ahead of us.

A handwritten signature in black ink, appearing to read "Andrew Terry".

Andrew Terry  
Chief Executive Officer

# Eden Fishermen's Recreation Club Limited

A.B.N 43 000 071 125

A Company Limited by Guarantee

## APPENDIX A

### Financial Statements

#### Contents

For the Year Ended 30 April 2017

	<b>Page</b>
<b>Financial Statements</b>	
Directors' Report	2
Auditors Independence Declaration under Section 307C of the Corporations Act 2001	5
Statement of Profit or Loss and Other Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Notes to the Financial Statements	10
Directors' Declaration	20
Independent Audit Report	21
Supplementary Information	23

# Eden Fishermen's Recreation Club Limited

A.B.N 43 000 071 125

## Directors' Report

30 April 2017

The directors present their report on Eden Fishermen's Recreation Club Limited for the financial year ended 30 April 2017.

### 1. General information

#### Information on directors

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

Colin W Clarke

Qualifications	Retired
Date of Appointment	29/8/2005
Special responsibilities	Chairman

Alexander S Chomatek

Qualifications	Retired
Date of Appointment	24/08/2003
Special responsibilities	Vice Chairman

Elizabeth A Buckland

Qualifications	Retail Proprietor
Date of Appointment	27/07/1997
Special responsibilities	Director

Erica Hansen

Qualifications	Forester
Date of Appointment	30/01/2012
Special responsibilities	Deputy Vice Chairwoman

John Pickett

Qualifications	Semi-Retired
Date of Appointment	30/01/2012
Special responsibilities	Director

Paul Webster

Qualifications	Harbour Master
Date of Appointment	28/03/2013
Special responsibilities	Director

Daryl Spalding

Qualifications	Cleaning Contractor
Date of Appointment	24/08/2014
Special responsibilities	Director

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

# Eden Fishermen's Recreation Club Limited

A.B.N 43 000 071 125

## Directors' Report

30 April 2017

### Principal activities

The principal activity of Eden Fishermen's Recreation Club Limited during the financial year was that of a Registered Club and the maintenance of sporting and social activities.

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

### Short term objectives

The Company's short term objectives are to remain constant with the majority of emphasis remaining main stream revenue of gaming, beverage sales, the provision of quality catering and provisions of suitable sporting facilities.

### Long term objectives

The Board's major focus remains focused on ensuring that our core club business model remains an ongoing sustainable business. To deliver this objective, the Board identify the need for the business to be "Fit for Market" and as such much ensure we constantly regenerate and innovate our core services in food, beverage, gaming and social/sporting activities to attract both new members and retain existing members.

Our club needs to remain competitive and open to changes in consumer trends and behaviours, as such reinvestment in core facilities is seen as a major priority over the upcoming year.

### Strategy for achieving the objectives

To achieve these objectives, the Company adopts current licensed club industry practices and strategies to ensure that the short and long term objectives are met.

### How principal activities assisted in achieving the objectives

The principal activities assisted the Company in achieving its objectives by providing quality Club and sporting facilities in Eden for the benefit of members and guests.

### Performance measures

The following measures are used within the Company to monitor performance:

- On a monthly basis reports are generated that measure (amongst other things) members and visitor visitations, cashflow, short and long term debt, departmental trading, efficiencies in energy usage, EBITDARD, payroll movement and stock control. These are compared month to month, year to date actual and budget forecasts, which are then discussed at length between the Board and Management. Outside influences such as tourism, global, national and local economies are monitored and measured against the effect on relevant industry trading flow on to our small community of Eden.

### Significant changes in state of affairs

No significant changes in the Company's state of affairs occurred during the financial year.

### Members guarantee

Eden Fishermen's Recreation Club Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person who ceased to be a member in the year prior to the winding up is limited to \$2, subject to the provisions of the company's constitution. At 30 April 2017 the collective liability of members was \$5,636 (2016: \$5,876).

**Eden Fishermen's Recreation Club Limited**

A.B.N 43 000 071 125

**Directors' Report**

**30 April 2017**

**2. Review of operations for the year**

The results (largely in line with past recent years) once again demonstrate that there has been virtually no growth in the core revenue streams (Total Income rose by 2.6%) and that there remains increased cost pressures on the business, especially in the areas of wages, facility repairs and maintenance and utilities expenses in particular (Up 13.3 %).

**3. Other items**

**Future developments and results**

The Club has set three major goals for the upcoming year:

- 1) Address Club catering. For the upcoming year as management will attempt to implement strategies to increase patronage and revenues to a level to mitigate the significant losses currently being incurred. We anticipate these changes to come into affect in the second half of the year.
- 2) Club is also planning to make a major investment in gaming machine replacements to address the significant number of old EGM's which have limited growth and competitiveness within the Club's gaming installation.
- 3) The 3rd priority is to continue reforms within the Golf and bowls facilities and membership structures to stimulate increase sporting participation at the Country Club Site.

**Meetings of directors**

During the financial year, 14 meetings of directors (including special meetings of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Elizabeth A Buckland	14	14
Colin W Clarke	14	12
Alexander S Chomatek	14	13
Erica Hansen	14	12
John Pickett	14	14
Daryl Spalding	14	13
Paul Webster	14	11

**Auditor's independence declaration**

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 April 2017 has been received and can be found on page 5 of the financial report.

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

Director: .....

Colin W Clarke

Director: .....

Elizabeth A Buckland

EDEN  
Dated 29 June 2017



## Auditors Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Eden Fishermen's Recreation Club Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 April 2017, there have been:

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

**KOTHES**  
Chartered Accountants

A handwritten signature in black ink, appearing to read 'S.N. BYRNE', is written over a light blue horizontal line.

S.N. BYRNE  
Partner

EDEN  
29 June 2017

**Eden Fishermen's Recreation Club Limited**

A.B.N 43 000 071 125

**Statement of Profit or Loss and Other Comprehensive Income  
For the Year Ended 30 April 2017**

	Note	2017 \$	2016 \$
Income	4	5,103,772	5,047,895
Other income - Profit on disposal of fixed assets		48,520	25,960
Cost of sales		(945,342)	(977,411)
Employee benefits expense		(2,232,453)	(2,135,439)
Depreciation and amortisation expense		(460,133)	(433,802)
Advertising and promotional costs		(92,951)	(92,854)
Poker machine expenses		(316,932)	(305,228)
Asset operating expenses		(480,203)	(412,735)
Administrative expenses		(95,872)	(135,200)
Entertainment, raffles, bingo and other members benefits expenses		(278,844)	(289,090)
Site overhead other expenses		(17,423)	(31,935)
Insurance		(53,498)	(56,635)
Cleaning		(134,029)	(140,774)
Power, Light & Heating		(180,623)	(176,816)
Mortuary fund payments		(7,150)	(5,850)
<b>Profit before income tax</b>		<b>(143,161)</b>	<b>(119,914)</b>
Income tax expense	2(a)	-	-
<b>Profit from continuing operations</b>		<b>(143,161)</b>	<b>(119,914)</b>
<b>Other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>(143,161)</b>	<b>(119,914)</b>

The accompanying notes form part of these financial statements.

# Eden Fishermen's Recreation Club Limited

A.B.N 43 000 071 125

## Statement of Financial Position

30 April 2017

	Note	2017 \$	2016 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	5	560,958	645,715
Trade and other receivables	6	66,044	72,557
Inventories	7	144,998	136,100
TOTAL CURRENT ASSETS		<u>772,000</u>	<u>854,372</u>
NON-CURRENT ASSETS			
Property, plant and equipment	8	2,343,825	2,405,331
TOTAL NON-CURRENT ASSETS		<u>2,343,825</u>	<u>2,405,331</u>
TOTAL ASSETS		<u>3,115,825</u>	<u>3,259,703</u>
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	9	365,733	375,991
Provisions	10	89,532	78,132
Employee Benefits	11	373,146	375,005
TOTAL CURRENT LIABILITIES		<u>828,411</u>	<u>829,128</u>
NON-CURRENT LIABILITIES			
Long-term provisions	10	168,600	168,600
TOTAL NON-CURRENT LIABILITIES		<u>168,600</u>	<u>168,600</u>
TOTAL LIABILITIES		<u>997,011</u>	<u>997,728</u>
NET ASSETS		<u>2,118,814</u>	<u>2,261,975</u>
<b>EQUITY</b>			
Retained earnings		<u>2,118,814</u>	<u>2,261,975</u>
TOTAL EQUITY		<u>2,118,814</u>	<u>2,261,975</u>

The accompanying notes form part of these financial statements.

**Eden Fishermen's Recreation Club Limited**

A.B.N 43 000 071 125

**Statement of Changes in Equity**

**For the Year Ended 30 April 2017**

**2017**

	<b>Retained Earnings</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
<b>Balance as at 1 May 2016</b>	<b>2,261,975</b>	<b>2,261,975</b>
Operating result attributable to members of the entity	<b>(143,161)</b>	<b>(143,161)</b>
<b>Balance at 30 April 2017</b>	<b>2,118,814</b>	<b>2,118,814</b>

**2016**

	<b>Retained Earnings</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
<b>Balance as at 1 May 2015</b>	2,381,889	2,381,889
Operating result attributable to members of the entity	(119,914)	(119,914)
<b>Balance at 30 April 2016</b>	<b>2,261,975</b>	<b>2,261,975</b>

The accompanying notes form part of these financial statements.

# Eden Fishermen's Recreation Club Limited

A.B.N 43 000 071 125

## Statement of Cash Flows For the Year Ended 30 April 2017

	2017	2016
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers	5,603,095	5,515,002
Payments to suppliers and employees	(5,342,028)	(5,212,783)
Interest received	4,283	3,527
Net cash provided by/(used in) operating activities	<u>265,350</u>	<u>305,746</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Proceeds from sale of plant and equipment	48,520	25,960
Purchases of plant and equipment	(398,627)	(398,089)
Net cash used by investing activities	<u>(350,107)</u>	<u>(372,129)</u>
Net increase/(decrease) in cash and cash equivalents held	(84,757)	(66,383)
Cash and cash equivalents at beginning of year	<u>645,715</u>	<u>712,098</u>
Cash and cash equivalents at end of financial year	5 <u><u>560,958</u></u>	<u><u>645,715</u></u>

The accompanying notes form part of these financial statements.

## Eden Fishermen's Recreation Club Limited

A.B.N 43 000 071 125

# Notes to the Financial Statements

## For the Year Ended 30 April 2017

The company was incorporated on 14 May 1948 (ACN 000 071 125) under the *Companies Act No 33, 1936 (NSW)*. It is registered with the Australian Business Register Australian Business Number 43 000 071 125 and is registered for Goods & Services Tax purposes. The registered office and principal place of business of the company is 217 Imlay Street, EDEN, NSW, 2546. The financial report was authorised for issue by the Directors on 29 June 2017.

Comparatives are consistent with prior years, unless otherwise stated.

The financial report covers Eden Fishermen's Recreation Club Limited as an individual entity. Eden Fishermen's Recreation Club Limited is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Eden Fishermen's Recreation Club Limited is Australian dollars.

### 1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Act 2001*.

### 2 Summary of Significant Accounting Policies

#### (a) Income Tax

The Company is a Not for Profit Entity with a main objective of providing quality sporting facilities in Eden NSW. The Board has reviewed its income tax status and have assessed the Company to be exempt from income tax under section 5045 of the *Income Tax Assessment Act, 1997 (Cth)*. Consequently, no provision for taxation has been made in the financial statements.

#### (b) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied. Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

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

#### Sale of goods

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

#### Interest revenue

Interest is recognised using the effective interest method.

#### Subscriptions

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the subscriptions financial year.

#### Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

## **Notes to the Financial Statements**

### **For the Year Ended 30 April 2017**

#### **2 Summary of Significant Accounting Policies**

##### **(c) Goods and Services Tax (GST)**

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payable are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position. Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

##### **(d) Cash and cash equivalents**

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

##### **(e) Inventories**

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first-in-first-out basis and is net of any rebates and discounts received. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

Inventories are measured at the lower of cost and net realisable value.

##### **(f) Property, Plant and Equipment**

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

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

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

##### **Land and buildings**

Land and buildings are measured using the cost model.

##### **Plant and equipment**

Plant and equipment are measured using the cost model.

##### **Depreciation**

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

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

## **Notes to the Financial Statements**

**For the Year Ended 30 April 2017**

### **2 Summary of Significant Accounting Policies**

#### **(f) Property, Plant and Equipment**

The estimated useful lives used for each class of depreciable asset are shown below:

<b>Fixed asset class</b>	<b>Useful life</b>
Buildings	20-40 years
Plant and Equipment	3 to 20 Years

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

#### **(g) Acquisition of Assets**

The purchase method of accounting is used to account for all acquisitions of assets regardless of what assets are acquired. Cost is measured as the fair value of assets given up as the date of acquisition plus costs directly attributable to the acquisition. Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is Company's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. As per the Company accounting policy, only property, plant & equipment assets with an acquisition cost above \$500.00 (excluding GST) are capitalised. All other fixed asset acquisitions with a cost below this are expensed in the period in which they relate to.

#### **(h) Leases**

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

#### **(i) Financial instruments**

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Company becomes party to the contractual provisions of the instrument. On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

##### *Impairment of financial assets*

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

#### **(j) Employee benefits**

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

## **Notes to the Financial Statements**

### **For the Year Ended 30 April 2017**

#### **2 Summary of Significant Accounting Policies**

##### **(k) 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 benefit will result and that outflow can be reliably measured.

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

##### **(l) Adoption of new and revised accounting standards**

During the current year, the following standards became mandatory and have been adopted retrospectively by the Company:

- AASB 2013-9 Amendments to Australian Accounting Standards - Part C financial instruments
- AASB 2014-8 Amendments to Australian Accounting Standards - Application of AASB 9
- AASB 2015-3 Amendments to Australian Accounting Standards arising from the withdrawal of AASB 1031

The adoption of these new Standards and Interpretations has not resulted in any changes to the Company's accounting policies that have affected the amounts reported for the current or prior years.

##### **(m) Members Mortuary Insurance and Accident Insurance Schemes**

The Company self-insures those members who have retained their eligibility for benefits by paying an additional membership subscription. An amount of \$650 is payable to the estate of eligible members who die from natural causes. The provision of \$168,600 in the accounts is based on actuarial advice and is the Directors estimate and takes into account the present, discounted, value of future expected payments.

##### **(n) Going concern**

The Eden Fishermen's Recreation Club has recorded an operating deficit for the fifth consecutive year. If Eden Fishermen's Recreation Club is unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different from those stated in the financial report.

#### **3 Critical Accounting Estimates and Judgments**

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

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

There are no areas that involve a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements other than those described below:

##### **Key estimates - provisions**

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

## Eden Fishermen's Recreation Club Limited

A.B.N 43 000 071 125

### Notes to the Financial Statements

For the Year Ended 30 April 2017

#### 4 Revenue and Other Income

##### Revenue from continuing operations

	2017	2016
	\$	\$
Operating Activities		
- Poker machine net trading	2,212,949	2,141,345
- Bar Sales	1,420,724	1,402,315
- Catering Sales	664,954	665,157
- Greens income	276,066	236,444
- Keno Commission	120,387	113,896
- TAB Commission	9,568	8,674
- Membership subscriptions & levies	145,144	140,618
- Entertainment receipts	148,464	207,771
- Other operating income	101,233	128,148
	<u>5,099,489</u>	<u>5,044,368</u>
Non-Operating Income		
- Interest revenue	4,283	3,527
<b>Total Revenue</b>	<u><b>5,103,772</b></u>	<u><b>5,047,895</b></u>

#### 5 Cash and cash equivalents

Cash at bank and on hand	<u>560,958</u>	<u>645,715</u>
--------------------------	----------------	----------------

The above figures are reconciled to cash at the end of the financial year as shown in the statement of cash flows.

#### 6 Trade and other receivables

CURRENT		
Trade receivables	9,672	23,310
Sundry Debtors	32,928	30,003
Prepayments	23,444	19,244
<b>Total current trade and other receivables</b>	<u><b>66,044</b></u>	<u><b>72,557</b></u>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances. The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

# Eden Fishermen's Recreation Club Limited

A.B.N 43 000 071 125

## Notes to the Financial Statements

For the Year Ended 30 April 2017

### 7 Inventories

	2017	2016
	\$	\$
CURRENT		
At cost:		
Golf course chemicals on hand	12,130	16,734
Bar stock	94,303	82,870
Catering stock	19,914	20,029
Pro shop stock	18,651	16,467
	<u>144,998</u>	<u>136,100</u>

### 8 Property, plant and equipment

#### LAND AND BUILDINGS - CORE ASSETS

Core Property - Freehold land - Recreation Club

At cost 645,194 645,944

Core Property - Freehold land - Golf Club

At cost 45,425 45,425

Total Land 690,619 691,369

#### Buildings

Core Property - Buildings - Recreation Club

At cost 2,477,836 1,976,182

Accumulated depreciation (2,165,923) (1,972,682)

311,913 3,500

Core Property - Buildings - Country Club

At cost 741,416 709,287

Accumulated depreciation (423,324) (417,100)

318,092 292,187

Core Property - Course Construction

At cost 71,241 71,241

Total land and buildings 1,008,711 1,058,297

#### Plant and equipment

At cost 5,119,921 5,353,621

Accumulated depreciation (4,167,961) (4,006,587)

Total plant and equipment 951,960 1,347,034

**Total property, plant and equipment** 2,343,825 2,405,331

# Eden Fishermen's Recreation Club Limited

A.B.N 43 000 071 125

## Notes to the Financial Statements

For the Year Ended 30 April 2017

### 8 Property, plant and equipment

#### (a) Movements in Carrying Amounts

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

	Freehold Land Rec Club \$	Freehold Land Golf Club \$	Buildings Rec Club \$	Buildings Golf Club \$	Course Construction \$
Opening balance	645,944	45,425	3,500	292,187	71,241
Additions	-	-	24,957	24,957	-
Transfers	(750)	-	441,456	25,420	-
Depreciation	-	-	(158,000)	(24,472)	-
<b>Balance at the end of the year</b>	<b>645,194</b>	<b>45,425</b>	<b>311,913</b>	<b>318,092</b>	<b>71,241</b>
				Plant and Equipment \$	Total \$
Opening balance				1,347,034	2,405,331
Additions				348,713	398,627
Transfers				(466,126)	-
Depreciation				(277,661)	(460,133)
<b>Balance at the end of the year</b>				<b>951,960</b>	<b>2,343,825</b>

Freehold land and Buildings at the Recreation Club and the Country Club were valued at the 30th April 2016 by independent valuers at fair value as follows:

Freehold Land at Recreation Club	1,970,000
Buildings at Recreation Club	3,550,000
Freehold Land at Country Club	2,045,000
Buildings at the Country Club	1,525,000

These values far exceed the book value that is carried in the financial statements.

The title to Land at the Golf Club was acquired from the Bega Valley Shire Council at nil value. It has been recognised in the accounts as the costs incurred during the acquisition.

Identifiers	Description	Title
Lots 1,2 & 3 DP 112641	1st hole, 2nd hole, 8th hole, 9th hole, practice fairway, bowling greens and clubhouse.	Freehold title and ownership held by Eden Fishermen's Recreation Club Ltd.
Lot 4 DP 112641	10th hole, 11th hole and 12th hole	Leased from the Bega Valley Shire Council on a 45 year lease, which commenced on the 1 August 1983.
Lot 214, 218 & 219 DP 729204, and Lot 94 DP 750205	Remainder of Club lands	Leased from the State of New South Wales on a 25 year lease, which commenced on the 3 August 2001.

## Eden Fishermen's Recreation Club Limited

A.B.N 43 000 071 125

### Notes to the Financial Statements

For the Year Ended 30 April 2017

#### 9 Trade and Other Payables

	2017	2016
	\$	\$
Current		
Trade payables	180,739	202,690
GST clearing account	27,638	27,342
Accrued charges	122,970	103,213
Sundry creditors	6,990	16,327
Member subscriptions in advance	24,478	23,509
Poker machine tax rebate in advance	2,918	2,910
	<u>365,733</u>	<u>375,991</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying amounts are considered to be a reasonable approximation of fair value.

#### 10 Provisions

##### CURRENT

Provision for bonus points liability	26,076	14,690
Provision for poker machine jackpots	63,456	63,442
	<u>89,532</u>	<u>78,132</u>

##### NON-CURRENT

Provision for mortuary insurance claims	168,600	168,600
---	---------	---------

##### Provision for Poker Machine Jackpots

A provision is recognised for poker machine jackpots not paid as at 30 April 2017.

##### Provision for Bonus Points

A provision is recognised for member bonus points not paid as at 30 April 2017. It has been calculated by the Club's membership system.

#### 11 Employee Benefits

Current liabilities		
Long service leave	207,598	207,492
Provision for employee benefits	165,548	167,513
	<u>373,146</u>	<u>375,005</u>

## Eden Fishermen's Recreation Club Limited

A.B.N 43 000 071 125

### Notes to the Financial Statements

For the Year Ended 30 April 2017

#### 12 Leasing Commitments

##### (a) Operating leases

	2017	2016
	\$	\$
Minimum lease payments under non-cancellable operating leases:		
- not later than one year	2,892	2,892
- between one year and five years	5,302	8,194
	<u>8,194</u>	<u>11,086</u>

An operating lease is in place for a photocopier and has a term of 5 years.

#### 13 Financing Facilities

Unrestricted access was available at balance date to a bank overdraft, a business credit card and a business line of credit.

Bank overdraft	100,000	100,000
Line of Credit	250,000	250,000
Credit cards	20,000	20,000
	<u>370,000</u>	<u>370,000</u>

#### 14 Members' Guarantee

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$2 each towards meeting any outstandings and obligations of the Company. At 30 April 2017 the number of members was 2,818 (2016: 2,938).

#### 15 Contingencies

##### (a) Contingent Liabilities

As at 30 April 2017 the Company had 418 eligible members of the mortuary scheme. This represents a contingent liability of \$271,700 for the members of this scheme. \$168,600 is included in the financial statements (Note 10) to provide for the Directors estimate of the present, discounted, value of future expected payments.

#### 16 Key Management Personnel Disclosures

The Company is run by the Board of Directors. All major business decisions are made by the Board. The day to day business of the Company is run by the employees of the Company. As all major business decisions are made by the Board, no key management personnel disclosures are deemed appropriate.

## Eden Fishermen's Recreation Club Limited

A.B.N 43 000 071 125

# Notes to the Financial Statements

## For the Year Ended 30 April 2017

### 17 Related Parties

**(a) The Company's main related parties are as follows:**

Key management personnel - refer to Note 16.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

**(b) Transactions with related parties**

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. The directors did not receive any remuneration from the company during the year other than reimbursement of out-of-pocket expenses that have been fully substantiated.

### 18 Events Occurring After the Reporting Date

The financial report was authorised for issue on 29 June 2017 by the Board of Directors.

At a General Meeting of members on the 28<sup>th</sup> of June 2017 it was resolved to approve changes to Core Property as per the Registered Clubs Act at both Club sites.

In June 2017 the Club entered into negotiations with LDC Infrastructure Pty Ltd to assign the remaining Telstra lease of the mobile phone tower at the Recreation Club site.

The Clubs Catering contract arrangement for Eden Gardens Country Club changed hands on 30th May 2017 with new caterer's taking over a two year lease. It is anticipated that this change of operator will have a positive impact upon Country Club revenue over and beyond historical levels.

The Eden Gardens Golf shop will go back to a commission based contract Golf professional arrangement as at June 28th 2017 and this is expected to reduce Club payroll expenses in addition to generating increased greens fees throughout the year.

Major restructuring of the Receptions Club's catering facility is planned for later in the year with significant investment in food equipment and bistro refurbishment works planned. It is anticipated that once complete this will generate a 30% increase in weekly customer numbers being served and lift total catering revenues by a similar margin.

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

### 19 Intangible Assets - Gaming Machine Entitlements

The Club operates 91 poker machines and holds a corresponding 91 Gaming Machine Entitlements, 61 at the Recreation Club and 30 at the Country Club. At this time, it is not the intention of the Company to trade in or sell these entitlements and therefore no future benefit will arise. No assessment has accordingly been made in their intrinsic worth or fair value.

**Eden Fishermen's Recreation Club Limited**

A.B.N 43 000 071 125

**Directors' Declaration**

The directors of the Company declare that:

- 1. The financial statements and notes, as set out on pages 6 to 19, are in accordance with the *Corporations Act 2001* and:
  - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
  - b. give a true and fair view of the financial position as at 30 April 2017 and of the performance for the year ended on that date of the Company.
- 2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



Director: .....

Colin W Clarke



Director: .....

Elizabeth A Buckland

EDEN  
Dated 29 June 2017



# Independent Audit Report to the members of Eden Fishermen's Recreation Club Limited

## Report on the Audit of the Financial Report

### Opinion

We have audited the financial report of Eden Fishermen's Recreation Club Limited (the Company), which comprises the statement of financial position as at 30 April 2017, 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 accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Company's financial position as at 30 April 2017 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

### Material Uncertainty Regarding Continuation as a Going Concern

We draw attention to Note 2(n) to the financial statements which describes the uncertainty related to Material Uncertainty Regarding Continuation as a Going Concern which indicates that the company would have to significantly restructure its current operations to meet all of its commitments and to continue as a going concern should there continue to be operating deficits.

### Other Information

The directors are responsible for the other information. Other Information may comprise information included in the Company's annual report for the year ended 30 April 2017, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Directors 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 related 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.



DIRECTORS  
Simon Byrne  
Fiona Dunham  
John Hukins  
Peter Mann  
Gary Pearce  
Kevin Philistin  
Gary Skelton

BEGA  
MERIMBULA  
EDEN  
BOMBALA  
BERMAGUI  
COOMA  
JINDABYNE

T 02 6499 8300  
admin@kothes.com.au  
77 Main St, Merimbula NSW 2548  
PO Box 285 Merimbula NSW 2548  
www.kothes.com.au  
Kothes Chartered Accountants  
ABN 36 472 755 795

## Independent Audit Report to the members of Eden Fishermen's Recreation Club Limited (Continued)

### Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

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

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

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

**KOTHES**  
Chartered Accountants



S.N. BYRNE  
Partner

EDEN  
29 June 2017



## Supplementary Information For the Year Ended 30 April 2017

The additional financial data presented on the following pages is in accordance with the books and records of the Company which have been subjected to the auditing procedures applied in our statutory audit of the Company for the year ended 30 April 2017. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Eden Fishermen's Recreation Club Limited) in respect of such data, including any errors of omissions therein however caused.

**KOTHES**  
Chartered Accountants

A handwritten signature in black ink, appearing to read 'S.N. BYRNE', with a long horizontal flourish extending to the right.

S.N. BYRNE  
Partner

EDEN  
29 June 2017

**Eden Fishermen's Recreation Club Limited**

A.B.N 43 000 071 125

**For the Year Ended 30 April 2017**

**Results by Location**

<b>Income</b>	<b>Rec. Club</b>	<b>C-Club</b>	<b>TOTAL</b>
Bar	936,219	484,505	1,420,724
Poker Machines	1,826,684	386,265	2,212,949
Catering – Sales	664,954	--	664,954
Keno	76,334	44,053	120,387
TAB	9,568	--	9,568
Greens Income & Sports Levies	--	409,153	409,153
Other Revenue	249,892	116,685	366,577
<b>Total Sales</b>	<b>3,763,651</b>	<b>1,440,661</b>	<b>5,204,312</b>
<b>Less Direct Expenses</b>			
Cost of Goods Sold	666,522	278,819	945,341
Direct Wages	1,450,561	758,825	2,209,386
Site Overhead	1,031,506	503,105	1,534,611
<b>Total Direct Expenses</b>	<b>3,148,589</b>	<b>1,540,749</b>	<b>4,689,338</b>
<b>Gross Profit / (Loss) from Trading</b>	<b>615,062</b>	<b>(100,088)</b>	<b>514,974</b>
Less Depreciation	334,653	125,480	460,133
<b>Site Contributions</b>	<b>280,409</b>	<b>(225,568)</b>	<b>54,841</b>
Add / (Less)			
Marketing & Promotional			(23,955)
Administration Expenses			(178,330)
Interest Received			4,283
<b>Operating Loss</b>			<b>(143,161)</b>

**Eden Fishermen's Recreation Club Limited**

A.B.N 43 000 071 125

**For the Year Ended 30 April 2017****Profit and Loss Account**

	2017	2016
	\$	\$
BAR GROSS PROFIT		
Bar Sales	1,420,724	1,402,315
LESS Cost of Goods Sold	(682,944)	(677,881)
	-----	-----
	737,780	724,434
	=====	=====
CATERING GROSS PROFIT		
Catering Sales	664,954	665,157
LESS Cost of Goods Sold	(218,487)	(259,866)
	-----	-----
	446,467	405,291
	=====	=====
GOLF SHOP GROSS PROFIT		
Golf Shop Sales	185,779	116,557
LESS Cost of Goods Sold	(43,910)	(39,664)
	-----	-----
	141,869	76,893
	=====	=====
OTHER OPERATING INCOME		
Poker Machines Net	2,212,949	2,141,345
Keno Commission	120,387	113,896
TAB Commission	9,568	8,674
Greens Income & Sports Levies	223,374	241,400
Rent Received	45,124	38,213
Entertainment Receipts	204,768	207,771
Commissions	--	233
Other Sundry Income	44,459	82,974
Memberships	23,706	25,803
Surplus from Sale of Fixed Assets	48,520	25,960
	-----	-----
	2,932,855	2,886,269
	-----	-----
TOTAL SALES	5,204,312	5,070,298
	=====	=====
TOTAL COST OF GOODS SOLD	945,341	977,411
	=====	=====
SITE LABOUR		
Wages and Salaries	1,890,452	1,819,805
Payroll & Employment Taxes	67,737	58,562
Workers Compensation Costs	50,937	47,159
Staff Expenses	30,330	31,154
Superannuation	169,930	162,540
	-----	-----
	2,209,386	2,119,220
	=====	=====

**Eden Fishermen's Recreation Club Limited**

A.B.N 43 000 071 125

**For the Year Ended 30 April 2017****Profit and Loss Account (continued)**

	2017	2016
	\$	\$
SITE OVERHEADS		
Direct Expenses		
Poker Machine Tax	257,273	245,578
Poker Machine Monitoring Cost	49,351	45,279
Poker Machine Promotions	10,309	14,370
Other Promotion & Advertising Costs	68,952	66,728
Club Entertainment	27,809	24,285
Raffle & Bingo Costs	216,622	228,183
Cash Discrepancies	3,006	1,499
Commissions Paid	--	14,876
Power Light & Heat	180,623	176,816
Insurance	56,341	57,339
Cleaning & Laundry	134,029	140,774
License Fees	3,166	1,825
Staff Training, Development & Other	1,720	2,420
Telephone	8,665	12,324
Security	2,585	1,411
Foxtel	16,841	16,660
	-----	-----
	1,037,292	1,050,367
	-----	-----
Asset Operating Expenses		
Repairs, Maintenance & Greens	186,643	174,544
Operating Supplies & Machine Rents	197,810	150,209
Motor Vehicle & Greens Equip. Expenses	42,972	39,080
Rates & Rents	47,610	47,616
	-----	-----
	475,035	411,449
	-----	-----
Members Benefits		
Free Food & Drink	15,036	11,661
Affiliation Fees	7,248	8,302
	-----	-----
	22,284	19,963
	-----	-----
TOTAL SITE OVERHEADS	1,534,611	1,481,779
	=====	=====
Gross Profit from trading	514,974	491,888
	=====	=====

**Eden Fishermen's Recreation Club Limited**

A.B.N 43 000 071 125

**For the Year Ended 30 April 2017****Profit and Loss Account (continued)**

	2017	2016
	\$	\$
DEPRECIATION & AMORTISATION		
Recreation Club – Buildings	158,000	158,063
Plant & Equipment	176,653	161,492
	-----	-----
	334,653	319,555
	-----	-----
Country Club – Buildings	25,389	25,399
Plant & Equipment	100,091	88,847
	-----	-----
	125,480	114,246
	-----	-----
Total Depreciation & Amortisation	460,133	433,801
	-----	-----
Profit from trading after Depreciation & Amortisation	54,841	58,087
	=====	=====
ADVERTISING & MARKETING EXPENSES		
Promotion & Marketing Costs	23,955	24,112
	=====	=====
ADMINISTRATION EXPENSES		
Wages		
Workers Compensation	--	296
Staff Expenses	3,746	2,669
Long Service Leave Provision	17,601	10,834
	-----	-----
	21,347	13,799
	=====	=====

**Eden Fishermen's Recreation Club Limited**

A.B.N 43 000 071 125

**For the Year Ended 30 April 2017****Profit and Loss Account (continued)**

	2017	2016
	\$	\$
ADMINISTRATION EXPENSES continued:		
Other		
Auditors Remuneration – Auditing	27,827	28,200
Auditors Remuneration - Other Services	40	25
Bank Fees	15,008	12,944
Computer Charges	14,811	7,952
Directors Expenses	7,502	13,147
Directors Expenses – Development & Education	11,369	7,636
Donations & Sponsorships	36,407	25,897
Insurance	2,424	2,566
Legal Fees	4,473	5,052
Other Expenses	562	--
Operating Supplies & Machine Rentals	3,083	3,016
Other Professional & Accounting Fees	6,012	2,066
Printing, Post & Stationery	5,513	14,024
Repairs & Maintenance	170	--
Staff Training	550	--
Subscriptions	7,620	7,314
Telephone & Communication Costs	6,462	7,928
	-----	-----
	149,833	137,767
	-----	-----
MEMBER AMENITIES		
Mortuary Payments	7,150	5,850
	-----	-----
TOTAL ADMINISTRATION EXPENSES	178,306	157,416
	=====	=====
OTHER INCOME		
Interest on Investments	4,283	3,527
	=====	=====
Operating (loss) before income tax	(143,161)	(119,914)
	=====	=====