

MURRUMBIDGEE COUNTRY CLUB
ANNUAL REPORT 2019 - 2020

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Notice of Annual General Meeting
MURRUMBIDGEE COUNTRY CLUB INC.

Notification is hereby given to all Members of the Murrumbidgee Country Club Inc. that the Annual General Meeting of the above Club is to be held on Tuesday 24th November 2020 at 7.00 pm to transact the following business:

1. To confirm the Minutes of the 2019 Annual General Meeting.
2. To receive the Directors Report.
3. To receive the Annual Financial Report
4. To receive the Auditors Report.
5. Appointment of Auditors 2020/2021
6. To declare the results of the election of the Board for the ensuing year.
7. To deal with any business of which due notice has been given
8. General Business

Members are invited to give notice of items to be considered as special business. Notice must be given in writing to the General Manager by 6pm Friday 20th November 2020.

By order of the Board

Ray Duncan
Secretary
30 September 2020

BOARD of DIRECTORS

President	Dean Hill
Vice President	Rod Drayton
Director Golf	Ross Oakman
Director Finance	Lynne O'Brien
Men's Captain	Mike Steele
Women's Captain	Doreen Culliver
Director House	Rod Philpot
Director	John McCullough
Director	Georgie Guthrie
General Manager	Ray Duncan
Administration Manager	Debbie Cooper
Bar Manager	Ian Callender
Course Superintendent	Cambell Griggs
Assistant Superintendent	Chris Patrick

PRESIDENTS REPORT

I think we can all agree that we are so looking forward to the end of 2020 and looking forward to 2021. It has been a tough year all round with the bush fires and COVID but as a club we have been lucky to stay operational for most of this year. It hasn't been all bad this year with the club turning over a good surplus due to the pandemic and the Federal Government's recovery funding to businesses. This has allowed us to maintain staff, golf course maintenance and the day-to-day running of the club throughout the majority of the year.

Through all of this we are still seeing great membership numbers continuing into 2021 with many new members joining our great club. Thank you all for your patience this year as we continue to monitor the pandemic and the guidelines directed to us by the Government to keep all of our members safe. Remember that we are all in this together and we need to be mindful of the age demographic of our membership when following the rules applied at our club.

Moving forward into the new season is looking up for MCC with programs like the land development, members cart shed, course improvements and club house renovations all coming together. The great work and patience of our development committee has provided the club with a new opportunity which involves discussions with one of the largest age care businesses in the country called The Knowles Group. These discussions are extremely positive and may soon see the club with actual movement in securing some residents on our nominated blocks of land over the coming years.

The 2nd members cart shed is also in the development stage with Development Authority Approval being sought and final designs being considered. The remaining spots in the shed will either be used by other members or used to store additional hire carts that will be managed by the new Professional next year. This program should be completed by February 2021.

Course improvements are continuing with the couching program, tree program and renovations to bunkers and tee blocks. Cam and his team have been busy over the past 12 months keep our course alive with the recent drought and bush fires causing severe damage to our fairways. Recent rain and couching will see our course thrive over the next 1-2 years and I look forward to seeing the improvements made around the course by the hard work done by the course staff.

Stage 1 of the club house renovations will bring a new look and feel to the club. The introduction of the new sports area with TAB, large screens, automatic front entrance and a brighter look will be a great addition to our club. I would like to thank all the volunteers from our membership who have pledged to assist with the stage 1 of the renovations. Giving up their time free of charge will be a massive achievement in us keeping the costs to a minimum for this first stage of renovations.

I say it every year, but I think it's definitely warranted to thank all the volunteers that work around our course every week to improve the look and playability of our golf course. They do an amazing job without asking for anything in return and we thank them all for what they do for this club. The new surrounds of the club house, putting greens and car park have made a massive difference to the first impressions of our club for visitors coming through our gates. Thank you again.

Finally, I would like to thank my board. This year has been tough, but we have all pulled together and achieved amazing things this year. To those board members who are finishing up at the end of the year, thank you for your service. To those who are staying on and to the new members of the board for 2021 I would like to say welcome and I look forward to working with you in 2021 as we know it will be a busy one.

Dean Hill
President – Murrumbidgee Country Club Ltd
president@murrumbidgeegolf.com.au

DIRECTOR OF FINANCE REPORT

In a year when the Club has been challenged by drought and then the COVID-19 pandemic, it is pleasing to report a surplus of \$151,578.

We started the year with a balanced budget after having set aside funds for the following priorities:

- Continuation of the fairway renovation program with funding of \$25k allocated to enable couching of the 1st, 5th, 8th, 10th and 18th fairways
- Implementation of the MiClub software (\$35k) which provides the Club with an integrated accounting, membership and trading system
- Upgrade of 4 of our 8 poker machines at a cost of \$24k in order to maximise our related revenue
- Renewal of our course machinery fleet with purchases of a new gator (\$15k); blower (\$11k) and spray unit (\$21k).

As a result of the continuing drought, in December we were advised that we were no longer permitted to pump water from the Murrumbidgee for irrigation purposes. This necessitated the purchase of potable water at a cost of \$4.94 per KL which, even with restricted watering of just the greens, surrounds, couches fairways and tees, amounted to around \$14,000 per week. This meant that the cost of purchasing water for the 11 weeks from mid-December through until the end of summer would be in excess of \$150,000.

In order to generate funds to support the purchase of water, the Board offered a number of “membership for life” packages at a cost of \$15,000 each. Nine members took up this offer, which, after GST, generated cash of \$124k. As it turned out, some early rain meant that only \$60k of this amount was required to pay for our potable water use. The remaining \$64k has been set aside as an emergency reserve for future use.

As with all businesses, COVID-19 posed additional challenges to our financial operations. The initial closure of all operations, and then ongoing restrictions on the operation of clubhouse functions led to significant reductions in our monthly trading income. We were able to offset the reduction in our trading income by:

- Reductions in related expenditure (bar purchases, cleaning contracts etc) over the period that the club house was closed
- Savings in salaries due to reduction in casual hours and permanent staff utilising accrued leave throughout the period
- Receipt of JobKeeper subsidies of \$90k along with some minor ACT government grants and a wage subsidy for the Club’s apprentice greenkeeper.

Our audited accounts report that we were in discussion with the Australian Taxation Office regarding entitlements under the Federal government’s *Boosting Cash Flows for Employers* package at the end of the financial year. Our eligibility has now been confirmed and we have received an amount of \$50k for the last financial year with an additional \$50k due this financial year. We will also receive an additional \$90k in JobKeeper payments this year.

Given the difficulties in predicting the ongoing impact of COVID-19, the Board has approved a balanced budget for the 2020-21 financial year without taking account of the anticipated COVID-19 grants. These grants will be held in reserve to offset ongoing reductions in our trading income throughout the pandemic. The approved budget funds all anticipated cost increases and allocates funding to priority activities including:

- Completion of the fairway improvement project with couching of the final fairways (\$30k)
- Implementation of an irrigation supply for the planned nursery area behind the 4th tee (\$10k)
- Club house refurbishment (\$30k)
- Purchase of Ventrac tractor plus accessories (\$80k)
- Lease of a new corer at \$8k pa over five years.

As it stands now, the ACT government's temporary measure to rebate water abstraction charges to golf clubs' lapses in December. As a result, we have needed to set aside an amount of \$10k for water abstraction charges this year. The full year impact of this in subsequent years will be in the order of \$30k. Clubs ACT, Golf NSW and ACT Monaro DGA are in ongoing discussion with the Government seeking relief from these charges.

Finally, I would like to acknowledge Ray, Cam and Debbie for their excellent financial management and discipline over an extremely challenging financial year. On behalf of all members, I would like to thank all of our employees for their support of the Club during COVID-19.

Development proposal update

As I reported last year, in November 2018, ACT government representatives advised that consideration of our March 2018 development proposal had been placed on hold pending outcomes of an ACT wide review into the treatment of concessional leases.

Following persistent inquiries, in April this year, we are advised by way of email that the outcome of the Government review would be recommendations that:

- any development on golf courses be restricted to uses which are integrated/ancillary to the primary use;
- the development must be owned and managed by the golf club and not sold off separately
- the development must be demonstrated to be in the public interest.

On the face of it, this would appear to restrict our ability to undertake residential development. However, we are waiting formal and final confirmation on this position from the ACT Government (some two and a half years after our application was lodged).

In the meantime, we have been approached by the Knowles Group regarding the possibility of development of a retirement village and residential aged care facility on these sites. The Knowles Group is a Melbourne based developer, builder and owner of aged care facilities. They are currently preparing a proposal for our consideration.

Lynne O'Brien
Director Finance

DIRECTOR GOLF REPORT

The couching of fairways continued with a further 5 fairways completed (1st, 5th, 8th, 10th & 18th hole) and early results were positive. The weather got hotter and drier, great growing conditions, and then we lost our access to the Pipeline and the dams dried up. The bottom dam (5th hole) was de-silted which increased capacity by approximately 30% and the rains came. The resultant silt will provide valuable topsoil for the turf nursery being constructed adjacent to the 4th green. This silt and other soil are currently stock-piled pending availability of enough topsoil to complete the project. Our providers of these earthworks, Delta Group, advised that several proposals have failed to come to fruition, but they are confident this situation will be resolved very soon and we should see a resumption of the works shortly thereafter.

We have had a fairly mild winter and as we move into Spring both our dams are at capacity. The onset of warmer weather and the completion of the annual tee and green renovations should see the course improve dramatically over the coming weeks. There has been plenty of adverse feedback about the condition of the fairways, once again the Board took the decision not to over sow the fairways with cool weather grass in order to reduce the competition for the couch. It should also be noted that when the decision was made COVID-19 had just hit and we were not even sure we could keep the course open. Fast-forward to today and we expect to have the first 8 couch fairways showing good coverage as we move into the hotter months and the remaining 6 holes (2nd, 6th, 7th, 14th, 15th & 16th) will be couching by the end of January 2021. The same methodology will be used however some of these holes already have large areas of couch in them from previous trials which is expected to provide a better-quality playing surface from the outset.

The removal of dead, dangerous and over-crowded trees on the course has continued throughout the year. Several holes have been fully completed and further removal of trees will be undertaken as time and projects permit.

Our team of volunteers has been tireless again this year under the guidance of our Course Superintendent. Some notable achievements are the continued maintenance and clearing of the gardens around the clubhouse and also those out on the course. Recent work on the 4th tee has dramatically improved the area and the team have commenced brickworks on several tees. The area around the main gates has also been cleared and the rockery work between the entry road and the main carpark has significantly lifted the area. As a direct result of member's feedback, the Hole of The Week was introduced. The response from members has been terrific and hopefully this continues.

Our most significant equipment purchase this year was the new Ventrak machine. This is a versatile machine which has a number of attachments including a short-surrounds mowing deck, a stump grinder and an Aera-Vater which is used to loosen up compacted areas. This machine has already made a significant contribution to this year's renovations and it is proving to be a valuable asset for the greens staff.

Ross Oakman
Director Golf

WOMEN'S CAPTAIN REPORT

Nothing could have prepared any of us for a year such as this. The effects of bushfires, drought and particularly Coronavirus has dominated our lives and influenced every aspect of our golfing program throughout this year. The positive for the women at Murrumbidgee is that apart from 8 or so days of a closed course, we have been extremely fortunate to be able to offer a modified golfing program to our members all through the months of turmoil, returning to our regular Women's Program Fixtures on 26 May 2020. How lucky compared to many others!

We are also fortunate that this past year has seen another very healthy increase in the number of women golfers with handicaps playing at Murrumbidgee, an increase of around 32% on 2017 numbers. Our Tuesday fields are hosting an average of between 58-68 golfers, and Saturday fields between 40-48. Much of this increase can be attributed to our successful Swing Fit programs, but we have also been successful in attracting a few women golfers from other clubs in the district. Given annual attrition has seen us lose members each year as well, these results are such a great positive for Women's golf at Murrumbidgee.

For the first time for many years, our 2019 Women's Club Championships were played in October as a standalone event. It was a very successful day and given the larger fields we are hosting this year, we can comfortably affirm it was a good decision to separate both the Men's and Women's events to enable both groups to support their membership without a restriction on numbers in the years ahead. Congratulations to all of last year's winners -

2019 Club Champion	Sue Harrison
Div 2 Champion	Lee Johnson
Div 3 Champion	Athalie Read
Veteran's Champion	Julie James

I'd also like to congratulate all Club Honour Board Winners for 2019 -

2019 Women's Singles Matchplay Champion	Di Watt
2019 Women's 4BBB Matchplay Champions	Heather Millar & Wendy Shepherd
2019 Women's Foursomes Champions	Sue Simms & Aki Ishikawa
2019 Women's Medal of Medals	Gwen Sillcock
2019 Mixed Matchplay Champions	Donna Chalmers & Des Desfontaines
2019 Mixed Foursomes Champions	Sue Simms & Daniel Simms

Our 2020 Women's Open scheduled for 17 May 2020 was cancelled due to COVID-19 restrictions. Despite the event not happening, I'd like to acknowledge the commitment of those sponsors of Women's events at Murrumbidgee - Addition Business Services, One Agency Sandy Morris, the MCC Pro Shop (Scott Lennox). For a number of years, the contributions from these sponsors have been very significant in helping to make our events special for our members and visitors alike. We very much appreciate this support and look forward to working with these sponsors again in 2021.

Murrumbidgee prepared five teams for the CSGA Pennant season in 2020, with new shirts and lots of competitive spirit. Our Bruce Cup team again setup as a composite team with Yowani. This was the third year of this joint venture which has always provided an opportunity for the few low markers in each of our clubs to compete at the highest level. Unfortunately, while some pennant teams got the opportunity to kick start the season with a game or two, COVID-19 soon brought everything to a halt with no opportunity for resurrection this year. We have now said goodbye to the joint venture with Yowani and will host a fully home-grown Bruce Cup team for the 2021 competition, along with the other four pennant grades.

With the recent re-rating of the Red course down to scratch 72 (par 73), slope 125, along with a number of adjustments recently applied to the red indexes by the women's match committee, we are confident these changes will help our women members enjoy much better results on other district courses and hopefully improve our competitiveness in the pennant arena.

Our club also introduced a new Software system in 2019 which has meant a lot of learning for the match committee managing finalisations for daily and weekly competitions. COVID-19 has hampered a quick, smooth transition, but we are all getting there and getting better at it.

The new alternative Purple course for the Women is progressing very well. The Course has now been rated by Golf NSW and waiting on indexing to be applied. For those who aren't aware, the course will utilise a range of current tee placements from the red, white, green and (old) yellow courses, selected specifically to ensure no unnecessary cost is incurred in set up. I'd especially like to thank the Director Golf for his encouragement and support with the development of the Purple course. His input has been very much appreciated.

In closing, I'd like to thank the Pro Shop staff, Scott Lennox, Max Miller and Jonathan Hickman for their invaluable cooperation and assistance. Thank you also Max for your efforts and support with Swingfit and Scott, your personal tuition with MiClub has been invaluable.

Thank you also to our General Manager Ray Duncan and Office Administrator Debbie Cooper, to our Course Superintendent Cambell Griggs and his staff and to our Bar Manager Ian Callender and the club bar staff. I have appreciated all of your support and help with getting through this term.

Lastly, I must thank each and every one of the Women's Match Committee of 2019-2020. Your resilience and steadfastness have helped enormously with getting the women of Murrumbidgee through this year's somewhat mixed-up program, with minimal disruption.

Thank you, Linda Philpot, Sue Simms, Val Cassidy, Gwen Higgins, Gwen Sillcock and Rhonda Lowe. I have truly appreciated your support and commitment to managing the women's golf program at Murrumbidgee this year.

Doreen Culliver
Women's Captain

MEN'S CAPTAIN REPORT

I would like to commence by thanking all the members of the Men's Match Committee who have greatly assisted me over the past 12 months. These men, most of who still work full time, have given up many hours to ensure our competitions run smoothly, through what has proven to be a very challenging period.

Apart from helping with organizing all competitions, they provide their time and effort without complaint, ensuring that competitions are finalized, and results posted on the club's noticeboard and in the press. This is an onerous task confirming scores entered are correct and cards signed by the player and their marker. This task has been further enhanced with the number of members now using the MiScore App.

So, to the Men's Match Committee, my thanks go to each and every one of you, having a new Captain has made your job so much more difficult. Thanks also goes to Ray and Debbie for giving me much needed administrative and personal support. To the Pro Shop, particularly Max and Jonathan many thanks for all you have done for me and the members, thanks also to Scott for his informed input into some of our decision making. To Cam and all of the grounds staff and volunteers you've done an amazing job under very difficult circumstances, much appreciated. It would be remiss of me not to mention Grounds and Greens, Ross Oakman and his team have developed a program that should see MCC continue to improve over the coming years in to an outstanding test of golf and a course that we can all be proud of. Our appreciation also to the Women's Match Committee.

Drought followed by bush fires then a Pandemic makes 2020 a time to forget it was once said life was not meant to be easy, but really, I think we've had enough. The pandemic particularly has caused enormous issues for the club and golf in general. Social distancing and all the other precautions we had to take meant we could not play golf as we have in the past. But thankfully we look like we are getting close to the other side where things will return to a different kind of normal.

The 2020 Men's Pennant season was stalled due to the issues of COVID. Restarted much to the displeasure of many. Unfortunately, MCC did not figure at the pointy end of the season. All we can say is better luck next time. I must pass on my thanks to the Team Managers/Captains for being the conduit to ensuring our teams performed at their utmost week in week out. I encourage all members to consider playing for MCC next season. There is little better than representing your club in a strong competition.

We are now moving into the Championship season. From mid-October through to early November we will see the Men's and Women's Championships held. Due to the outstanding work of Cam and his team the course looks set to be playing pretty much at its best. Other events such as the single match play, follow on from the championships. I hope we get a large field for our premier event and I wish everyone all the very best, play well let the spoils go to the victors.

In closing, this year has been a very steep learning curve for myself and the new members of the Match Committee. When working as a volunteer in an organization such as ours you find yourself having to deal with challenging personalities, conflicting priorities and more often than not conflicting personal views. Fortunately, we made it through 12 months without too much bloodshed. It would be hoped that moving forward these challenges big and small will fall by the wayside and allow the club to travel a better course in 2021.

After the trials and tribulations that we have faced this year, I for one am looking forward to what the future holds.

Mick Steele
Men's Captain

DIRECTOR HOUSE REPORT

2020 has been significantly impacted by the global pandemic. While the latter half of 2019 saw clubhouse operations continue as planned, restrictions due to Covid 19 were enforced from March 2020 which initially limited golf activities and closed clubhouse operations. As restrictions were eased, my Committee and I continued to work constructively with the General Manager on matters relating to the clubhouse and providing services to members. Items of interest during the year include:

Vikas Kumar continued with the Club as Caterer during 2019/20. Vikas and his experienced team continued to offer a good variety of quality menu items and excellent service. Member feedback has been very positive. Dining options now include Wednesday and Friday with special functions to be planned for Saturday nights in anticipation of the further easing of restrictions. Daytime food services to members are being well received and there was an occasional BBQ on some weekends. Some food is available from the bar when the kitchen is closed. Winter patronage, within the limits prescribed, has been pleasing, with more family groups enjoying the club facilities. The Committee and Vikas hope that more members will take advantage of his dining options as spring and summer approach and patronage limits are further eased.

The Committee provided a BBQ for volunteers in appreciation of their involvement and support for the Club across many areas.

As required by the ACT Government, the General Manager developed a Covid Safe Plan in March 2020 which became the Club's blueprint for golf and clubhouse operations. This auditable plan enabled the clubhouse to operate and provide member services. Pleasingly, members and guests have abided by the requirements of the plan.

We continued to offer Friday Night Raffles which keeps on being supported largely by a core group of members and family groups. Attendance has been limited by the requirements of the Covid Safe Plan. Raffles include a number of meat vouchers, and envelopes with mystery club cash prizes. We appreciate the support of Jordo's Chop Shop and the Club for providing prizes. "Putt for Cash" remains a popular event and it also contributes funds to the Club. It is hoped that the further easing of restrictions and return to warmer weather will assist with the continued revival of Friday Nights.

Planning is underway for some changes within the clubhouse to provide a fresher look and improved functionality. We enjoy a great location and vista and it would be excellent to take advantage of this to get more people into a modern and more functional clubhouse.

Finally, I would like to thank the Board of Directors for their support in these challenging times. Special thanks to Heather McCullough, Lyn Bendle, and the General Manager, Ray Duncan, for being part of the House Committee and for their contributions throughout the year. With the help of all, and the willingness of Vikas to continue his excellent work as Caterer, we have been able to safely maintain clubhouse operations and the provision of services to members.

Rod Philpot
Director House

GENERAL MANAGER'S REPORT

A difficult year. **YES!** However, I would like to start by praising all members of Murrumbidgee Country Club for their assistance in complying with restrictions and working together whilst getting on with enjoying their golf in these difficult times. We seem to have got through the worst of the crisis that was the Covid-19 pandemic. It directly followed the bushfires that threatened Canberra and the severe drought conditions that forced us to purchase potable water, necessitating the rationing of water usage to mainly greens and tees over that crucial summer period. Overall, looking back at those challenges and what occurred in other region's such as the South Coast and Victoria I think we have been incredibly lucky.

With golf being our core business and able to continue through the crisis we were able to turn a good year financially into an even better one, with the help of various stimulus packages and the Job Keeper scheme. Please see "Dir. Finance" report for a comprehensive summary. At the beginning of the Covid crisis there were so many unknowns as to the survival of many businesses. My thanks go to all staff who assisted by taking leave, operating under different work conditions, and contributing to cutting the club's expenditures. Although the clubhouse was closed for around three months, we were able to retain all staff, who are all back at work.

Membership numbers held firm at the same levels from June 2019 to June 2020 and renewal rates were higher than normal, which represents well for our future.

As always, I would like to thank Debbie for her support and work ethic. Both are exceptional. Cam and his team are to be thoroughly congratulated for their performance in a year that raised so many challenges on the course with drought, limited water, threat of bushfires and pandemics. The course is well positioned coming into the growing season and we look forward to it being in great condition for the upcoming club championships. I look forward to seeing lots of couch coming through on the fairways by the end of summer as we will be ramping up the coaching program in late November when the soil temperature is optimal.

I would also like to thank Scott, Max & Jonathan in the Pro Shop as well as Ian & bar staff and Vikas & his team in the restaurant. These areas represent the "front-line" of our business and are always welcoming and helpful to all members and visitors. Furthermore, I would like to acknowledge Scott's contribution to MCC over 13 years and wish him well in the future from February 2021. This opens a new opportunity for the club, and I am excited about welcoming in a new era.

Dean, the MCC Board & various committee's once again make it easier for staff to do their jobs with their fantastic support, hard work and guidance. My thanks to all of you.

The volunteer groups have had a very productive year and we are in awe of your completed projects in 2020. Please consider giving this small group a hand if you have the time. There are a variety of tasks that can suit people of different capabilities.

On the golf course I am looking forward to the future and I am excited by the initiatives being conducted, in particular the coaching program and the nursery area that will eventually be built below the 4th green. Soil is currently being stockpiled awaiting more materials from Brent to enable him to complete that project. I sincerely thank Brent and would again like to publicly acknowledge the contribution he has made through the Delta Group over the last couple of years. The cost of both desilting the 5th dam and the providing and placing rocks to stop

erosion in the main dam have come at a massive cost and contribution by Brent and the Delta Group. These are two projects that just would not have been possible if funding was required by the club. And now we finally have decent water in the dam - how good do those rocks look!

Finally, I would like to acknowledge all of the club's sponsors with all hole sponsorships being filled again over the last couple of weeks with the recruitment of two new sponsors, Cre8ive Homes and Canberra Air Conditioning Services. A full directory of sponsors is featured on the inside covers of this report. Please consider their products and services when you are in the market for them.

Good health and good golfing in 2020-21.

Ray Duncan
General Manager

DIRECTORS BOARD MEETING ATTENDANCE

Dean Hill 11/12

Mike Steele 9/12

Rod Drayton 10/12

Rod Philpot 9/12

Ross Oakman 12/12

John McCullough 8/9

Lynne O'Brien 12/12

Peter Neill 3/3

Doreen Culliver 11/12

Des Desfontaines 3/3

Ray Duncan 10/12

In addition to the Board Meetings listed above directors were involved in numerous other Sub Committee Meetings.

FINANCIAL MEMBERS AS AT 30 JUNE 2020

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
7 day	580	576	544	593	612	670	627	580	541	458	375	300	331
6 day												97	91
5 day	227	223	205	226	222	199	191	167	153	135	141	158	146
Lifestyle	33	43	39	7									
U25	20	21	29	24	30	39	40	31	40	33	39	31	55
U18	13	18	13	21	31	35	23	25	21	28	45	37	28
Sub-Junior	7	8	7	18	20	20	17	15	23	32	31	37	28
Sponsors	17	21	20	19	16	19	24	25	24	32	27	29	31
Life	5	5	6	6	6	6	6	6	6	6	4	4	4
Staff & PGA	12	6	3	0	11	9	9	11	12	10	11	14	16
Member for Life	39	30	30	30	30	30	30	30	30	30	30	30	30
Social Playing	8												
Swingfit	1	4											
TOTAL PLAYING	962	955	896	944	978	1027	967	890	850	764	703	737	760
Absentee	3	5	4	10	17	3	4	5	3	8	9	9	11
Dormant	16	11	18	21	30	24	15	26	20	27	20	24	30
Social	92	102	92	137	136	127	117	113	106	106	92	72	67
TOTAL	1073	1073	1010	1112	1161	1181	1103	1034	979	905	824	842	868

2019 – 2020 HONOUR BOARD

CLUB CHAMPIONS

Men 2019		Women 2019	
A Grade	Steve Harrison	Div 1	Sue Harrison
B Grade	Brett Cunningham	Div 2	Lee Johnson
C Grade	Dean Howell	Div 3	Athalie Read
Junior	Rowan Harrison	Veteran	Julie James
Senior	Martin Batchelor		

MURRUMBIDGEE OPEN

Men 2020	Women 2020
Not Played	Not Played

FOURSOMES CHAMPIONS

Men 2019	Women 2019	Mixed 2019
Aaron Shearing Brett Shearing	Sue Simms Aki Ishikawa	Daniel Simms Sue Simms

MATCHPLAY CHAMPIONS

WOMEN 2019

Di Watt

MEN

A Grade 2019	B Grade 2019	C Grade 2019
Dat Huynh	Andrew Champion	Ross Tharle

4BBB MATCHPLAY

Men 2020	Women 2019	Mixed 2019
Matt Connor Derek Smith	Heather Millar Wendy Shepherd	Des Desfontaines Donna Chalmers

MEDAL OF MEDALS

Men 2019	Women 2019
James Carr	Gwen Sillcock

RON SKIPPER SHIELD 2019

Mark Tobin

MEMBER OF THE YEAR 2019

Heather Millar

MURRUMBIDGEE COUNTRY CLUB REPORT TO MEMBERS – 2020

Mission

To be a leading golf course in the ACT, offering:

- a challenging and attractive course for all golfers and
- a welcoming, active club for members and the community

The Murrumbidgee Country Club is in a positive position entering 2020-21. However, the difficulties experienced throughout the financial year cannot be understated. The club battled the threat of bushfires, severe drought where we had to purchase potable water (see Dir. Finance report for full explanation) & then the Covid-19 crisis hit which we are still managing.

The course and its surrounds are in good condition with good rainfall recorded since February. The ongoing fairway couching project continues and will be stepped up this year to include all holes excepting the par 3's. This will ultimately result in a improved playing surface and provide the additional benefit of a reduction in water usage and the associated utility costs by around 40%.

It was thought ongoing water security was achieved with the finalization of the pipeline to the Murrumbidgee River in 2015. However, the drought conditions we experienced last summer proved that in severe drought conditions we are not 100% safe due to extraction of water being reliant of river flows rates. On completion of the couching project these improvements will assist in placing the club in a stronger position when the next drought occurs with 40% less water required once we have fully converted to couch fairways. Management is also working closely with other golf clubs and the government to keep water abstraction charges to a minimum. The 50% discount of the WAC that we have received over the past 5 years is due to finish in December 2020. This was a levy that we received credits for the club's investment in water efficiencies between 2009 and 2014.

Membership numbers have stayed solid in 2019-20 and are healthy. This can however impact on the club's ability to raise revenue from green fee players during weekends as compared with other local golf clubs. The club manages to remain highly competitive with other local clubs in terms of annual subscription rates and is supported by the implementation of innovative membership categories that has been attracting "time poor" members.

The club benefits immensely from the cohort of active volunteers who contribute to all aspects of running and maintaining the Club.

The club has had a good year financially, including the budgeted profit receiving a boost as a result of the government Covid-19 support measures. This will also be the case in 2020-21 with the club receiving Job Keeper up to September 2020 and the full Cash Flow Boost (\$100k) being accounted for in the 2020-21 year. This was due to the delay in ATO recognizing us a qualifying entity after a mistake in our business registration 20 years ago.

We continue to manage the overall club and course expenses as close as possible to budget. This is not a long-term sustainable approach and hence a key focus remains in the pursuit of opportunities to improve our revenue streams whilst continuing to invest in the course and the facilities offered to members and the community. The main strategy is to pursue development opportunities given we have an excess of land that is not essential to the golf course.

ACHIEVEMENTS

Priority	Why is this a priority?	2019/20 targets	Results at September 2020
Progress the residential development proposal	To improve the long-term financial viability of the Club	Achieve rezoning on development land through finalising and submitting the planning report.	MCC has lodged a Planning Report to support a Territorial Plan Variation in April 2018. Consultation with local residents and members is ongoing as is negotiations with government. ACT Planning is currently undertaking a full review of deconcessionalised leases in the ACT. This has delayed project moving forward. We await their overdue findings and recommendations.
Reduce the club's water use	The club has a community responsibility to conserve water. Reduction in water usage will provide a commensurate reduction in utility charges. Assist in further drought proofing the course	A staged couching program on the fairways that will have the fairways involved reasonably established before each winter over next 2-3 years	The Greens and Grounds Committee has developed a plan to seed fairways with couch between 2018 -2021. In 2019-20 the 1 st , 5 th , 8 th , 10 th & 18 th were seeded. This was hampered by drought that severely limited the water available. This growing season will see the remaining holes – 2 nd , 6 th , 7 th , 14 th , 15 th and 16 th holes being seeded. Other parts of fairways that require repair or a boost will also be re-seeded this growing season.
Undertake course improvements	To improve the course for members and visitors	Continue tree management program. De-silt Dam at 5 th Hole	Tree plan has been implemented and good progress being made. By removing trees, we are making the golf course more playable and safer while remaining trees get opportunity to become healthier. There are plans to plant more trees around the property in areas that will not affect golf. During the drought the Delta Group assisted the club by de-silting the dam which resulted

		<p>Renovation of Main Practice Green Area</p> <p>Create turf nursery behind 4th green</p>	<p>in a 10mL (30%), increase in the dam's capacity.</p> <p>Project has been completed with a new concrete path and bay and for buggies. Worn grassed areas to continue to be re-established in the upcoming growing season.</p> <p>A turf nursely will be developed on the area to the left of the 4th green down towards the dam. We are awaiting all of the necessary materials being available through the Delta Group who will again assist in the project works. Other materials currently stockpiled in the area will also be utilized and area beautified.</p>
Undertake club house improvements	To improve facilities for members and the community. To increase patronage of clubhouse facilities	<p>To have stable catering option providing high quality food options for members.</p> <p>Update Poker Machine installation</p> <p>Proposed clubhouse renovation</p>	<p>Catering has been consistent but affected greatly by Covid-19 crisis and restrictions. Club to work with contract caterer to ensure high standard of service is maintained.</p> <p>Four of the eight machines were replaced in September 2019. All machines are now compliant with new bank notes and are attractive for members to enjoy.</p> <p>From October 2020 the club will undergo a face-lift with brick walls being replaced and Honour Boards being modernized. Technology will also replace some boards as well as the whiteboard used for championships. There will also be the addition of a new Sports Bar area that will include TAB facilities and the movement of the gaming machines. A floating wall will need to be installed. It is hoped these changes will stimulate bar, restaurant, and gaming trade.</p>

		<p>Manage Clubhouse through Covid-19 crisis</p>	<p>Clubhouse was closed for nearly 3 months because of the Covid-19 crisis and we are still subject to some restrictions. Covid-19 Safe Plan was implemented, and club is trading to best of its ability considering these restrictions.</p>
<p>Provide high quality golf course and club operations.</p>	<p>To deliver services to satisfaction of members to ensure the Club continues to be well managed</p>	<p>Manage finances in line with board approved budget</p> <p>Review and update Club’s operating processes and procedures. Special consideration given to operating procedures through Covid-19 pandemic.</p> <p>Attract new/additional sponsorships</p> <p>Manage “Rounds of Golf” through Covid-19 period and beyond.</p>	<p>A healthy profit of \$151k was posted. Budgets set were met while our profit was boosted by the Covid-19 related government subsidies and assistance.</p> <p>Continual review of service providers has resulted in controlling expenditure. Implemented a Covid-19 Safe Plan which successfully managed business through crisis to this point.</p> <p>Ongoing major sponsorship continues with ActewAGL Energy Shop, Village Building Co., Delta Group and Lion Breweries. All tee sponsorship signs are currently subscribed.</p> <p>Golf course only needed to close for one day. Procedures were successfully put in place to allow golf to continue at restricted levels. There are now only some minor restrictions in place. Golf rounds have also taken a positive boost from the Covid-19 crisis.</p>

Murrumbidgee Country Club Incorporated

ABN 39 467 335 688

Financial Statements

For the Year Ended 30 June 2020

Murrumbidgee Country Club Incorporated

ABN 39 467 335 688

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For the Year Ended 30 June 2020

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Murrumbidgee Country Club Incorporated

ABN 39 467 335 688

Board Report

For the Year Ended 30 June 2020

The directors submit the financial report of the Club for the financial year ended 30 June 2020.

1. General information

Directors

The names of the directors throughout the year and at the date of this report are:

Dean Hill (President)	Continuing
Rodney Drayton (Vice President)	Continuing
Lynne O'Brien (Director of Finance)	Continuing
Rod Philpot (Director of House)	Continuing
Ross Oakman (Director of Golf)	Continuing
Peter Neill (Director)	Resigned: 1 October 2019
Mike Steele (Men's Captain)	Continuing
Doreen Culliver (Women's Captain)	Continuing
Des Desfontaines (Men's Captain)	Resigned: 1 October 2019
John McCullough (Director)	Appointed: 1 October 2019

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

Principal activities

The principal activities of the Club during the financial year were:

- Promotion of the sport golf; and
- Encouragement of social interaction between participants of the sport.

Significant changes

The following significant changes in the nature of the principal activities occurred during the financial year:

COVID 19

COVID-19 was declared a global pandemic by the World Health Organisation on 11 March 2020. The impact of the virus has seen an unprecedented global response by governments, regulators and numerous industry sections. As a result of the pandemic, the Club was forced to close in late March 2020 under public health regulations associated with the coronavirus pandemic.

The Club reopened in April 2020, the Board and management of the Club receive regulatory updates and are conscious that the Club must comply with government operational guidelines as management gradually reopens the course, the use of Clubhouse facilities and the operations of the poker machines.

Murrumbidgee Country Club Incorporated

ABN 39 467 335 688

Board Report

For the Year Ended 30 June 2020

2. Operating results and review of operations for the year

Operating result

The profit of the Club for the financial year after providing for income tax amounted to \$ 151,578 (2019: Loss \$ (67,639)).

Signed in accordance with a resolution of the Directors:

Director: 
Lynne O'Brien (Director of Finance)

Director: 
Dean Hill (President)

Date: 4/9/20

Murrumbidgee Country Club Incorporated

ABN 39 467 335 688

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2020

		2020	2019
	Note	\$	\$
Revenue and other income	3	2,105,835	2,023,693
Cost of sales		(482,320)	(588,685)
Gross profit		1,623,515	1,435,008
Administrative expenses		(251,890)	(279,285)
Course expenditure		(287,019)	(299,531)
Employment costs		(625,552)	(661,837)
Finance costs		(17,965)	(16,600)
Other expenses		(289,511)	(245,394)
Profit/(Loss) before income tax		151,578	(67,639)
Income tax expense	2(b)	-	-
Profit/(Loss) for the year		151,578	(67,639)
Other comprehensive income for the year		-	-
Total comprehensive income for the year		151,578	(67,639)

The accompanying notes form part of these financial statements.

Murrumbidgee Country Club Incorporated

ABN 39 467 335 688

Statement of Financial Position

As At 30 June 2020

	Note	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	580,002	444,602
Trade and other receivables	5	88,214	70,927
Inventories	6	18,336	13,050
Other assets	7	35,928	33,242
TOTAL CURRENT ASSETS		<u>722,480</u>	<u>561,821</u>
NON-CURRENT ASSETS			
Property, plant and equipment	9	1,718,032	1,699,235
Right of use assets - course equipment	8	120,276	-
TOTAL NON-CURRENT ASSETS		<u>1,838,308</u>	<u>1,699,235</u>
TOTAL ASSETS		<u>2,560,788</u>	<u>2,261,056</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	268,475	216,017
Finance lease liabilities	12	60,132	38,015
Employee benefits	11	100,699	104,379
Contract liabilities	13	451,880	441,251
Lease liabilities - course equipment	8	47,505	-
TOTAL CURRENT LIABILITIES		<u>928,691</u>	<u>799,662</u>
NON-CURRENT LIABILITIES			
Finance lease liabilities	12	19,762	79,894
Employee benefits	11	14,709	8,795
Lease liabilities - course equipment	8	76,228	-
TOTAL NON-CURRENT LIABILITIES		<u>110,699</u>	<u>88,689</u>
TOTAL LIABILITIES		<u>1,039,390</u>	<u>888,351</u>
NET ASSETS		<u>1,521,398</u>	<u>1,372,705</u>
EQUITY			
Retained surplus		<u>1,521,398</u>	<u>1,372,705</u>
TOTAL EQUITY		<u>1,521,398</u>	<u>1,372,705</u>

The accompanying notes form part of these financial statements.

Murrumbidgee Country Club Incorporated

ABN 39 467 335 688

Statement of Changes in Equity

For the Year Ended 30 June 2020

2020

	Retained Earnings	Total
Note	\$	\$
Balance at 1 July 2019	1,372,705	1,372,705
Restatement due to adoption of AASB 16	(2,885)	(2,885)
Balance at 1 July 2019 restated	1,369,820	1,369,820
Profit for the year	151,578	151,578
Balance at June 30, 2020	<u>1,521,398</u>	<u>1,521,398</u>

2019

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2018	1,440,344	1,440,344
(Loss) for the year	(67,639)	(67,639)
Balance at June 30, 2019	<u>1,372,705</u>	<u>1,372,705</u>

The Club has initially applied AASB 15 and AASB 1058 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 111, AASB 118, AASB 1004 and related interpretations.

The Club has initially applied AASB 16 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 117 and related interpretations.

The accompanying notes form part of these financial statements.

Murrumbidgee Country Club Incorporated

ABN 39 467 335 688

Statement of Cash Flows For the Year Ended 30 June 2020

	2020	2019
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	2,289,442	2,260,672
Payments to suppliers and employees	(1,906,525)	(2,184,732)
Interest received	1,202	2,392
Interest paid	(7,327)	(8,316)
Net cash provided by operating activities	19 <u>376,792</u>	<u>70,016</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of plant and equipment	8,000	-
Purchase of property, plant and equipment	9 <u>(148,353)</u>	<u>(91,220)</u>
Net cash (used in) investing activities	<u>(140,353)</u>	<u>(91,220)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payment of lease liabilities	(56,955)	-
Repayment of finance lease commitments	<u>(44,084)</u>	<u>(38,951)</u>
Net cash (used in) financing activities	<u>(101,039)</u>	<u>(38,951)</u>
Net increase/(decrease) in cash and cash equivalents held	135,400	(60,155)
Cash and cash equivalents at beginning of year	<u>444,602</u>	<u>504,757</u>
Cash and cash equivalents at end of financial year	4 <u><u>580,002</u></u>	<u><u>444,602</u></u>

The accompanying notes form part of these financial statements.

Murrumbidgee Country Club Incorporated

ABN 39 467 335 688

Notes to the Financial Statements

For the Year Ended 30 June 2020

The financial statements cover Murrumbidgee Country Club Incorporated as an individual entity. Murrumbidgee Country Club Incorporated is a not-for-profit association incorporated in the Australian Capital Territory under the *Associations Incorporation Act (ACT) 1991*.

Comparatives are consistent with prior years, unless otherwise stated.

1 Change in Accounting Policy

Revenue from Contracts with Customers - Adoption of AASB 15

The Club has adopted AASB 15 *Revenue from Contracts with Customers* and AASB 1058 *Income of Not-for-Profit Entities* for the first time in the current year with a date of initial application of 1 July 2019.

The Club has applied AASB 15 and AASB 1058 using the cumulative effect method which means the comparative information has not been restated and continues to be reported under AASB 111, AASB 118, AASB 1004 and related interpretations. All adjustments on adoption of AASB 15 and AASB 1058 have been taken to retained earnings at 1 July 2019.

Transfer of control to a customer - over time or at a point in time

AASB 15 has specific criteria regarding whether control is transferred over time or at a point in time. The Club has reviewed its contracts and concluded that the criteria for recognition over time is not met in some circumstances. In such cases, revenue and related production costs will be recognised at the delivery of each performance obligation instead of over the contract using a single margin.

There is no material impact on these financial statements from applying AASB 15 and AASB 1058.

Leases - Adoption of AASB 16

The Club has adopted AASB 16 *Leases* using the modified retrospective (cumulative catch-up) method from 1 July 2019 and therefore the comparative information for the year ended 30 June 2019 has not been restated and has been prepared in accordance with AASB 117 *Leases* and associated Accounting Interpretations.

Impact of adoption of AASB 16

The impact of adopting AASB 16 is described below:

Club as a lessee

Under AASB 117, the Club assessed whether leases were operating or finance leases based on its assessment of whether the significant risks and rewards of ownership had been transferred to the Club or remained with the lessor. Under AASB 16, there is no differentiation between finance and operating leases for the lessee and therefore all leases which meet the definition of a lease are recognised on the statement of financial position (except for short-term leases and leases of low value assets).

The Club has elected to use the exception to lease accounting for short-term leases and leases of low value assets, and the lease expense relating to these leases are recognised in the statement of profit or loss on a straight line basis.

Notes to the Financial Statements

For the Year Ended 30 June 2020

1 Change in Accounting Policy

Leases - Adoption of AASB 16

Impact of adoption of AASB 16

Practical expedients used on transition

AASB 16 includes a number of practical expedients which can be used on transition, the Club has used the following expedients:

- contracts which had previously been assessed as not containing leases under AASB 117 were not re-assessed on transition to AASB 16;
- lease liabilities have been discounted using the Club's incremental borrowing rate at 1 July 2019;
- right-of-use assets at 1 July 2019 have been measured at an amount equal to the lease liability adjusted by the amount of any prepaid or accrued lease payments;
- a single discount rate was applied to all leases with similar characteristics;
- the right-of-use asset was adjusted by the existing onerous lease provision (where relevant) at 30 June 2019 rather than perform impairment testing of the right-of-use asset;
- excluded leases with an expiry date prior to 30 June 2020 from the statement of financial position and lease expenses for these leases have been recorded on a straight-line basis over the remaining term;
- for leases which were classified as finance leases under AASB 117, the carrying amount of the right-of-use asset and the lease liability at 1 July 2019 are the same value as the leased asset and liability on 30 June 2019.

Financial statement impact of adoption of AASB 16

The following is a reconciliation of the financial statement line items from AASB 117 to AASB 16 at 1 July 2019:

	Carrying amount as at 30 June 2019	Remeasurement	Carrying amount as at 1 July 2019
	\$	\$	\$
Right to use assets	-	173,236	173,236
Lease liabilities	-	(176,121)	(176,121)
Impact on Opening Retained Earnings	-	(2,885)	(2,885)

Notes to the Financial Statements

For the Year Ended 30 June 2020

2 Summary of Significant Accounting Policies

(a) Basis of Preparation

These general purpose financial statements have been prepared in accordance with the *Associations Incorporation Act (ACT) 1991* and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The Club is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in preparation of these financial statements are presented below and have consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual 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.

(b) Income Tax

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

(c) Inventories on Hand

Inventories held for sale are measured at the lower of cost or net realisable value. Costs of purchased inventory are determined after deducting rebates and discounts.

(d) Property, Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised in profit or loss. A formal assessment of recoverable amount is made when the impairment indicators are present (refer to Note 1(g) for details of impairment).

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

Land and buildings

Land and buildings are measured using the cost model.

Depreciation Rates

The depreciable amount of all fixed assets, including buildings and capitalised leased assets, are depreciated on a diminishing value basis over the asset's useful life commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Fixed asset class	Depreciation rate
Buildings	2.50%
Plant and Equipment	10.00% - 30.00%

Notes to the Financial Statements

For the Year Ended 30 June 2020

2 Summary of Significant Accounting Policies

(d) Property, Plant and Equipment

Depreciation Rates

Fixed asset class	Depreciation rate
Motor Vehicles	22.50%
Course Improvements	2.50%
Poker machines	30.00%

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.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise.

(e) Leases

For comparative year

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

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

Leased assets are depreciated on a diminishing value basis over their estimated useful lives where it is likely that the club will obtain ownership of the asset or over the term of the lease.

For current year

At inception of a contract, the Club assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Club has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Club has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

Notes to the Financial Statements

For the Year Ended 30 June 2020

2 Summary of Significant Accounting Policies

(f) Financial instruments

Initial recognition and measurement

Financial instruments are recognised initially on the date that the Club becomes party to the contractual provisions of the instrument.

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

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Club classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)

Financial assets are not reclassified subsequent to their initial recognition unless the Club changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Club's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Notes to the Financial Statements

For the Year Ended 30 June 2020

2 Summary of Significant Accounting Policies

(f) Financial instruments

Financial assets

Fair value through other comprehensive income

Equity instruments

The Club has no strategic investments in listed and unlisted entities over which they do not have significant influence nor control.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Club considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Club's historical experience and informed credit assessment and including forward looking information.

The Club uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Club uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Club in full, without recourse to the Club to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Club in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Club has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

Notes to the Financial Statements

For the Year Ended 30 June 2020

2 Summary of Significant Accounting Policies

(f) Financial instruments

Financial assets

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Club renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost is determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The Club measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Club comprise trade payables and finance lease liabilities.

(g) Impairment of Assets

At the end of each reporting period, the club assesses whether there is any indication that an asset may be impaired. The assessment will consider both external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of that asset, being the higher of the asset's fair value less costs of disposal and its value in use, to the asset's carrying amount. For non-cash generating specialised assets measured using the cost basis, the recoverable amount is determined using current replacement cost in *AASB 13: Fair Value Measurement*. Any excess of the asset's carrying amount over its recoverable amount is immediately recognised in profit or loss

Notes to the Financial Statements

For the Year Ended 30 June 2020

2 Summary of Significant Accounting Policies

(h) Employee Provisions

Short-term employee benefits

Provision is made for the Club's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

Other long-term employee benefits

Provision is made for employees' long service and annual leave entitlements not expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to end of reporting period market yields on government bonds that have maturity dates approximating the terms of the obligations. Upon the remeasurements of obligations of other long term employee benefits, the net change in the obligation is recognised in profit or loss as part of employee benefit expense.

The Club's obligations for long term employee benefits are presented as non-current provisions in its statement of financial position, except where the Club does not have an unconditional right to defer settlement for at least 12 months after the reporting date, in which case the obligations are presented as current provisions.

(i) 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.

(j) Trade and other receivables

Trade and other receivables include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(g) for further discussion on the determination of impairment losses.

(k) Revenue and other income

For comparative year

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 Club 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.

Notes to the Financial Statements

For the Year Ended 30 June 2020

2 Summary of Significant Accounting Policies

(k) Revenue and other income

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

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.

Revenue from contracts with customers

For current year

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Club expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Club have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Club are:

Sale of goods

Revenue is recognised when control of goods has transferred to the customer.

Subscriptions

Revenue from the provision of annual membership subscriptions is recognised on a straight line basis over the financial year. Revenue from 'membership for life' subscriptions are recognised on a straight line basis over 12 years.

Interest revenue

Interest revenue is recognised using the effective interest method.

Notes to the Financial Statements

For the Year Ended 30 June 2020

2 Summary of Significant Accounting Policies

(l) 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 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.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(m) Comparative Figures

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

Where the Club has retrospectively applied an accounting policy, made a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period is presented in addition to the minimum comparative financial statements.

(n) 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 Club 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.

(o) Critical Accounting Estimates and Judgements

The board evaluate estimates and judgements incorporated into the financial statements based on the historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Club.

Key estimates - impairment of property, plant and equipment

The Club assesses impairment at the end of each reporting period by evaluating conditions specific to the Club that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Murrumbidgee Country Club Incorporated

ABN 39 467 335 688

Notes to the Financial Statements

For the Year Ended 30 June 2020

3 Revenue and Other Income

	2020	2019
	\$	\$
Sales revenue		
- Bar	382,187	421,214
- Catering	-	112,439
- Poker Machines	61,806	66,804
	<u>443,993</u>	<u>600,457</u>
Golf revenue		
- Competition	230,117	116,284
- Green fees	127,543	134,179
- Subscriptions	872,859	826,984
	<u>1,230,519</u>	<u>1,077,447</u>
Other revenue		
- Course maintenance, water and irrigation fund	199,671	181,913
- Fuel tax credits	9,581	9,172
- Government subsidies - JobKeeper	90,000	-
- Other income	74,069	108,484
- Other interest received	1,202	2,392
- Residential development income	3,286	-
- Sponsorship and Pro Am	53,514	43,828
	<u>431,323</u>	<u>345,789</u>
Total Revenue and Other Income	<u>2,105,835</u>	<u>2,023,693</u>

4 Cash and cash equivalents

	2020	2019
	\$	\$
Cash at bank and in hand	512,469	378,039
Short-term deposits	67,533	66,563
	<u>580,002</u>	<u>444,602</u>

Murrumbidgee Country Club Incorporated

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Notes to the Financial Statements

For the Year Ended 30 June 2020

5 Trade and other receivables

	2020	2019
	\$	\$
CURRENT		
Trade receivables	87,326	70,824
Fuel tax credits receivable	888	103
Total current trade and other receivables	88,214	70,927

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.

6 Inventories

	2020	2019
	\$	\$
CURRENT		
Inventories	18,336	13,050
	18,336	13,050

7 Other assets

	2020	2019
	\$	\$
CURRENT		
Prepayments	5,928	8,029
Accrued income	30,000	25,213
	35,928	33,242

Murrumbidgee Country Club Incorporated

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Notes to the Financial Statements

For the Year Ended 30 June 2020

8 Leases

Right-of-use assets

	Course Equipment	Total
	\$	\$
Year ended 30 June 2020		
At cost	173,236	173,236
Accumulated depreciation	(52,960)	(52,960)
Balance at end of year	<u>120,276</u>	<u>120,276</u>

Lease liabilities

	2020
	\$
CURRENT	
Lease liability	<u>47,505</u>
	<u>47,505</u>
NON-CURRENT	
Lease liability	<u>76,228</u>
	<u>76,228</u>

Murrumbidgee Country Club Incorporated

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Notes to the Financial Statements

For the Year Ended 30 June 2020

9 Property, Plant and Equipment

	2020	2019
	\$	\$
Buildings		
At cost	1,105,398	1,105,399
Accumulated depreciation	(664,495)	(647,316)
Total buildings	<u>440,903</u>	<u>458,083</u>
Plant and equipment		
At cost	901,504	790,186
Accumulated depreciation	(634,049)	(584,980)
Total plant and equipment	<u>267,455</u>	<u>205,206</u>
Motor vehicles		
At cost	80,750	80,750
Accumulated depreciation	(57,575)	(50,847)
Total motor vehicles	<u>23,175</u>	<u>29,903</u>
Leasehold Improvements		
At cost	1,342,206	1,336,161
Accumulated depreciation	(748,727)	(733,518)
Total leasehold improvements	<u>593,479</u>	<u>602,643</u>
Poker machines		
At cost	65,460	64,620
Accumulated depreciation	(41,626)	(63,353)
Total poker machines	<u>23,834</u>	<u>1,267</u>
Lease equipment		
At cost	63,719	63,719
Accumulated depreciation	(63,596)	(63,543)
Total lease equipment	<u>123</u>	<u>176</u>
Cart Shed		
At cost	59,535	59,535
Accumulated depreciation	(4,169)	(2,749)
Total Cart Shed	<u>55,366</u>	<u>56,786</u>
Course irrigation		
At cost	1,422,002	1,422,002
Accumulated depreciation	(1,108,305)	(1,076,831)
Total Course irrigation	<u>313,697</u>	<u>345,171</u>
Total property, plant and equipment	<u>1,718,032</u>	<u>1,699,235</u>

Murrumbidgee Country Club Incorporated

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Notes to the Financial Statements

For the Year Ended 30 June 2020

9 Property, Plant and Equipment

(a) Land and Building Valuation

The valuation of the Club's buildings, course and ground improvements was \$2,000,000 and was based on the estimated realisable (fair) value in an open market. The valuation was carried out on 8 June 2018 by Opteon.

Qualifications of the valuer are as follows:

Gregory Mason AAPI CPV (CPV P&M), API No: 69938 and Michael Rix AAPI CPV, API No: 67215

Murrumbidgee Country Club Incorporated

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Notes to the Financial Statements

For the Year Ended 30 June 2020

9 Property, Plant and Equipment

(b) Movements in carrying amounts of property, plant and equipment

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

	Buildings	Plant and Equipment	Motor Vehicles	Improvements	Poker machines	Lease equipment	Cart Shed	Course irrigation	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Year ended 30 June 2020									
Balance at the beginning of year	458,083	205,206	29,903	602,643	1,267	176	56,786	345,171	1,699,235
Additions	-	111,317	-	6,045	30,991	-	-	-	148,353
Disposals	-	-	-	-	(336)	-	-	-	(336)
Depreciation expense	(17,180)	(49,068)	(6,728)	(15,209)	(8,088)	(53)	(1,420)	(31,474)	(129,220)
Balance at the end of the year	440,903	267,455	23,175	593,479	23,834	123	55,366	313,697	1,718,032

	Buildings	Plant and Equipment	Motor Vehicles	Improvements	Poker machines	Lease equipment	Cart Shed	Course irrigation	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Year ended 30 June 2019									
Balance at the beginning of year	433,667	213,653	38,584	618,138	1,811	251	58,241	361,991	1,726,336
Additions	39,538	33,782	-	-	-	-	-	17,900	91,220
Depreciation expense	(15,122)	(42,229)	(8,681)	(15,495)	(544)	(75)	(1,455)	(34,720)	(118,321)
Balance at the end of the year	458,083	205,206	29,903	602,643	1,267	176	56,786	345,171	1,699,235

Murrumbidgee Country Club Incorporated

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Notes to the Financial Statements

For the Year Ended 30 June 2020

10 Trade and other payables

	2020	2019
	\$	\$
CURRENT		
Trade payables	49,859	41,533
Other payables	121,512	53,760
Cart shed deposit	43,168	55,501
GST payable	32,747	40,748
Residential development deposit	21,189	24,475
	<u>268,475</u>	<u>216,017</u>

Trade and other payables are non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

(a) Financial liabilities at amortised cost classified as trade and other payables

	2020	2019
Note	\$	\$
Trade and other payables	<u>268,476</u>	<u>216,017</u>
Less:		
GST payable	<u>(32,747)</u>	<u>(40,748)</u>
Financial liabilities as trade and other payables	<u>17</u> <u>235,729</u>	<u>175,269</u>

11 Employee benefits

	2020	2019
	\$	\$
CURRENT		
Annual leave entitlements	49,008	44,253
Long service leave	51,691	60,126
	<u>100,699</u>	<u>104,379</u>
NON-CURRENT		
Long service leave	14,709	8,795
	<u>14,709</u>	<u>8,795</u>

Murrumbidgee Country Club Incorporated

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Notes to the Financial Statements

For the Year Ended 30 June 2020

12 Finance lease liabilities

	2020	2019
	\$	\$
CURRENT		
Finance lease liabilities	60,132	38,015
Total current finance lease liabilities	60,132	38,015
NON-CURRENT		
Finance lease liabilities	19,762	79,894
Total non-current finance lease liabilities	19,762	79,894
Total finance lease liabilities	79,894	117,909

13 Other liabilities

	2020	2019
	\$	\$
CURRENT		
Sponsorship	9,255	16,100
Subscriptions	442,625	425,151
Total	451,880	441,251

14 Finance Leasing Commitments

Finance Leases

	2020	2019
	\$	\$
Minimum lease payments:		
- not later than one year	62,169	44,084
- between one year and five years	20,885	83,054
Minimum lease payments	83,054	127,138
Less: finance changes	(3,160)	(9,229)
Present value of minimum lease payments	79,894	117,909

Finance leases are in place for course machinery and vehicles and normally have a term between 1 and 5 years.

Murrumbidgee Country Club Incorporated

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Notes to the Financial Statements

For the Year Ended 30 June 2020

15 Events Occurring After the Reporting Date

COVID-19

The Club continues to monitor developments in the COVID-19 pandemic and the measures being implemented on the economy to control and slow the outbreak. Given the dynamic nature of the circumstances and the significant increase in economic uncertainty, the related impact on the Club's results of operations, cash flows and financial condition for the 2021 financial year cannot be reasonably estimated at this stage.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Club, the results of those operations or the state of affairs of the Club in future financial years.

16 Related Party Transactions

The totals of remuneration paid to the key management personnel of Murrumbidgee Country Club Incorporated during the year are as follows:

	2020	2019
	\$	\$
Short-term employee benefits	189,333	184,222
Post-employment benefits	17,668	17,241
	207,001	201,463

Notes to the Financial Statements

For the Year Ended 30 June 2020

17 Financial Risk Management

The main risks Murrumbidgee Country Club Incorporated is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk.

The Club's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable, and leases.

Financial Risk Management Policies

The Club's board is responsible for, among other issues, monitoring and managing financial risk exposures of the Club. The board members of the Club monitor transactions and review the effectiveness of controls relating to credit risk, liquidity risk and market risk. Discussions on monitoring and managing financial risk exposure are discussed during board meetings throughout the year.

The board's overall risk management strategy seeks to ensure that the Club meets its financial targets, while minimising potential adverse effects of cash flow shortfalls.

	Note	2020 \$	2019 \$
Financial assets			
Held at amortised cost:			
Cash and cash equivalents	4	580,002	444,602
Trade and other receivables	5	88,214	70,927
Total financial assets		668,216	515,529
Financial liabilities			
Financial liabilities at fair value:			
Trade and other payables	10	235,729	175,269
Finance lease liabilities	12	79,894	117,909
Lease liabilities	8	123,733	-
Total financial liabilities		439,356	293,178

Objectives, policies and processes

The Board has overall responsibility for the establishment of Murrumbidgee Country Club Incorporated's financial risk management framework. This includes the development of policies covering specific areas such as interest rate risk and credit risk.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Murrumbidgee Country Club Incorporated's activities.

The day-to-day risk management is carried out by Murrumbidgee Country Club Incorporated's finance function under policies and objectives which have been approved by the Board. The General Manager has been delegated the authority for designing and implementing processes which follow the objectives and policies. This includes monitoring the levels of exposure to interest rate and assessment of market forecasts for interest rate.

The Board receives monthly reports which provide details of the effectiveness of the processes and policies in place.

Mitigation strategies for specific risks faced are described below:

Notes to the Financial Statements

For the Year Ended 30 June 2020

17 Financial Risk Management

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 relating to interest rate risk. There have been no substantive changes in the types of risks the Club is exposed to, how these risks arise, or the board's objectives, policies and processes for managing or measuring the risks from the previous period.

(a) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to Murrumbidgee Country Club Incorporated and arises principally from Murrumbidgee Country Club Incorporated's receivables.

(b) Liquidity risk

Liquidity risk arises from the possibility that Murrumbidgee Country Club Incorporated might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Club manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financial activities which are monitored on a monthly basis;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions.

The tables below reflect an undiscounted contractual maturity analysis for non-derivative financial liabilities. The Club does not hold any derivative financial liabilities directly.

Cash flows realised from the financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle reflects the earliest contractual settlement dates.

Murrumbidgee Country Club Incorporated

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Notes to the Financial Statements

For the Year Ended 30 June 2020

17 Financial Risk Management

(b) Liquidity risk

Financial liability maturity analysis

Financial liabilities due for payment

Trade and other payables (excluding estimated annual leave)

Finance lease liabilities

Lease liabilities

Total contractual outflows

	Within 1 Year		1 to 5 Years		Total	
	2020	2019	2020	2019	2020	2019
	\$	\$	\$	\$	\$	\$
	235,729	175,269	-	-	235,729	175,269
	60,132	38,015	19,762	79,894	79,894	117,909
	47,505	-	76,228	-	123,733	-
	343,366	213,284	95,990	79,894	439,356	293,178

Financial assets - cash flows realisable

Cash and cash equivalents

Trade, term and loans receivables

Total anticipated inflows

	Within 1 Year		1 to 5 Years		Total	
	2020	2019	2020	2019	2020	2019
	\$	\$	\$	\$	\$	\$
	580,002	444,602	-	-	580,002	444,602
	88,214	70,927	-	-	88,214	70,927
	668,216	515,529	-	-	668,216	515,529

Murrumbidgee Country Club Incorporated

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Notes to the Financial Statements

For the Year Ended 30 June 2020

17 Financial Risk Management

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest.

(i) Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Club is exposed to earnings volatility on floating rate instruments.

Sensitivity analysis

The following table illustrates sensitivities to Murrumbidgee Country Club Incorporated's exposures to changes interest rates. The table indicates the impact on how profit and equity values reported at the end of the reporting year would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

	Net results	Equity
	+/- 2% in	+/- 2% in
	interest rates	interest rates
2020	11,600	11,600
2019	8,892	8,892

18 Contingencies

Contingent Assets

In the opinion of the Directors, the Club is entitled to receive \$62,500 Cash Flow Boost under the COVID-19 Stimulus Package. The amount should have been received on the lodgement of BAS for the quarter ending 31 March 2020 and 30 June 2020. The collection of the amount has been delayed due to the Australian Taxation Office's classification of the Club entity type. The Club is working with the Australian Taxation Office to correct the classification.

Murrumbidgee Country Club Incorporated

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Notes to the Financial Statements

For the Year Ended 30 June 2020

19 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

	2020	2019
	\$	\$
Profit/(Loss) for the year	151,578	(67,639)
Non-cash flows in profit:		
- depreciation	129,220	118,321
- depreciation right of use assets	52,961	-
- net (gain) on disposal of property, plant and equipment	(7,665)	-
- interest on hire purchase	6,069	8,284
- finance cost on lease liabilities	4,567	-
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(17,287)	(32,632)
- (increase)/decrease in other assets	(2,686)	(24,601)
- (increase)/decrease in inventories	(5,286)	1,278
- increase/(decrease) in income in advance	10,629	98,079
- increase/(decrease) in trade and other payables	52,459	(46,425)
- increase/(decrease) in provisions	2,233	15,351
Cashflows from operations	<u>376,792</u>	<u>70,016</u>

20 Auditor's Remuneration

	2020	2019
	\$	\$
Remuneration of the auditor Hardwickes Chartered Accountants, for:		
- Auditing or reviewing the financial report	15,250	15,250
	<u>15,250</u>	<u>15,250</u>

21 Club Details

The registered office and principal place of business of the Club is:

Murrumbidgee Country Club Incorporated
Kambah Pool Road
KAMBAH ACT 2902

Murrumbidgee Country Club Incorporated

ABN 39 467 335 688


Statement by Members of the Board

In the opinion of the Board the financial report as set out on pages 3 - 30:

1. Presents fairly the financial position of Murrumbidgee Country Club Incorporated as at 30 June 2020 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that Murrumbidgee Country Club Incorporated will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the board and is signed for and on behalf of the board by:

Director 
Lynne O'Brien (Director of Finance)

Director 
Dean Hill (President)

Date: 4/9/20

Independent Audit Report to the members of Murrumbidgee Country Club Incorporated

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Murrumbidgee Country Club Incorporated (the Club), which comprises the statement of financial position as at 30 June 2020, 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 statement by members of the board.

In our opinion, the accompanying financial report presents fairly, in all material respects, including:

- (i) giving a true and fair view of the Club's financial position as at 30 June 2020 and of its financial performance and its cash flows for the year ended; and
- (ii) complying with the Associations Incorporation Act (ACT) 1991.

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 Club in accordance with the auditor independence requirements of 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.

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial report in accordance with the Associations Incorporation Act (ACT) 1991, and for such internal control as management determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Club'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 management either intends to liquidate the Club or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Club's financial reporting process.

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 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.



Independent Audit Report to the members of Murrumbidgee Country Club Incorporated

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the 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 Club's internal control.
- Evaluate the appropriateness of the accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board.
- Conclude on the appropriateness of the board'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 Club'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 Club to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

Hardwickes

Hardwickes
Chartered Accountants

R Johnson

Robert Johnson FCA
Partner

Canberra

Date: 4/9/2020

COMPILATION REPORT

To Murrumbidgee Country Club Incorporated

We have compiled the accompanying special purpose financial statement of Murrumbidgee Country Club Incorporated, which comprises the income and expenditure statement for the year ended 30 June 2020. The specific purpose for which the special purpose financial statement has been prepared is for distribution to the members of the club. The income and expenditure statement has been prepared on an accruals basis of accounting.

The Responsibility of Directors'

The directors' of Murrumbidgee Country Club Incorporated are solely responsible for the information contained in the special purpose financial statement and have determined that the basis of accounting used is appropriate to meet their needs and for the purpose that the financial statements were prepared.

Our Responsibility

On the basis of the information provided by directors we have compiled the accompanying special purpose financial statement in accordance with the basis of accounting and APES 315 *Compilation of Financial Information*.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which directors provided, in compiling the financial statement. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

The special purpose financial statement was compiled exclusively for the benefit of the directors and members of the club. We do not accept responsibility to any other person for the contents of the special purpose financial statement.

Hardwickes
Chartered Accountants



Robert Johnson FCA
Partner

Canberra

Date: 4/9/20

**POKER MACHINE TRADING ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2020**

	2020	2019
	\$	\$
<hr/>		
REVENUE		
Poker machine takings	61,806	66,804
LESS EXPENSES		
Depreciation	8,088	544
Other costs	2,422	3,432
Tax	2,281	454
	<u>12,791</u>	<u>4,430</u>
PROFIT FROM TRADING	<u>49,015</u>	<u>62,374</u>

**BAR TRADING ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2020**

	2020	2019
	\$	\$
<hr/>		
REVENUE		
Sales	377,484	421,627
LESS EXPENSES		
Cost of goods sold	169,864	215,105
Bar maintenance and replacements	695	1,541
Depreciation	1,458	1,810
Liquor licence	4,590	7,477
Wages & superannuation	143,598	168,147
	<u>320,205</u>	<u>394,080</u>
PROFIT FROM TRADING	<u>57,279</u>	<u>27,547</u>

**CATERING ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2020**

	2020 \$	2019 \$
REVENUE		
Catering	-	112,439
Function income	4,960	940
Other income	-	1,646
	<u>4,960</u>	<u>115,025</u>
LESS EXPENSES		
Depreciation	1,500	1,741
Function expenses	5,610	7,253
Catering expenses	17,905	59,258
Wages and superannuation	-	72,958
	<u>25,015</u>	<u>141,210</u>
(LOSS)/ PROFIT FROM TRADING	<u>(20,055)</u>	<u>(26,185)</u>

**COMPETITION ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2020**

	2020 \$	2019 \$
REVENUE		
Competition fee admin charge	145,713	101,224
Course utilization charge	199,671	80,689
Competitions	67,635	99,238
Murrumbidgee Open	-	7,964
Murrumbidgee Championships	16,769	14,523
	<u>429,788</u>	<u>303,638</u>
LESS EXPENSES		
Competition starting	26,400	26,400
Other competition costs	103,718	91,393
Pennant expenses	6,918	2,127
	<u>137,036</u>	<u>119,920</u>
PROFIT/(LOSS) FROM TRADING	<u>292,752</u>	<u>183,718</u>

**DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2020**

	2020 \$	2019 \$
PROFIT FROM TRADING		
POKER MACHINE TRADING	49,015	62,374
BAR TRADING	57,279	27,547
CATERING ACCOUNT	(20,055)	(26,185)
COMPETITION ACCOUNT	292,752	183,718
TOTAL TRADING	<u>378,991</u>	<u>247,454</u>
OTHER INCOME		
Cart registration	8,075	7,508
Cart shed hire	12,333	12,269
Fuel tax credits	9,581	9,172
Grants/ donations	15,414	2,000
Green fees	127,543	134,179
House income	4,960	50,528
Interest received	1,202	2,392
Job keeper subsidy received	90,000	
Other	7,104	4,942
Pro Am	7,524	3,764
Raffle – Net profit	(1,081)	(385)
Residential development income	3,286	-
Sale of fixed assets	7,665	23,182
Sponsorship	48,686	40,065
Subscriptions	864,784	824,506
Mobile tower(s)	25,213	-
TOTAL INCOME	<u>1,611,280</u>	<u>1,361,576</u>
CLUBHOUSE EXPENDITURE		
Cleaning	20,747	26,029
Clubhouse sundry	6,160	7,179
Depreciation clubhouse	13,396	11,778
Electricity, gas and water	29,846	56,047
Repairs and maintenance	10,924	9,595
	<u>81,073</u>	<u>110,628</u>
COURSE EXPENDITURE		
Depreciation course equipment	84,947	85,255
Electricity	21,256	29,356
Fuel and oil	33,126	30,301
Leases	5,032	48,634
Miscellaneous / course maintenance	101,429	116,809
Portable water purchase	60,000	
Wages and superannuation - Course	408,133	400,277
Repairs and maintenance	311	327
Seed, soil and fertiliser	66,176	68,277
Volunteer costs	4,413	4,007
	<u>784,823</u>	<u>783,244</u>

**DETAILED INCOME AND EXPENDITURE STATEMENT (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2020**

	2020 \$	2019 \$
OTHER EXPENDITURE		
Advertising	5,062	10,566
Affiliation fees	41,780	40,387
Audit	15,250	15,250
Bank charges and interest	13,398	16,600
Consultancies	-	1,197
Depreciation - other	19,831	17,193
Depreciation – right of use assets	52,960	-
Finance cost – lease liabilities	4,567	-
Green fee commission	25,133	21,634
Insurance and workers compensation	48,847	43,200
Legal fees	936	1,994
Other	22,995	18,435
Printing, office and stationery	24,664	21,122
Rates and taxes	50,557	56,521
Residential development expense	3,286	600
Wages and superannuation - Admin	210,587	209,124
Security services	15,615	12,182
Sponsorship expense	4,502	13,742
Telephone	16,864	16,920
Waste removal	16,972	18,676
TOTAL OTHER EXPENDITURE	593,806	535,343
TOTAL EXPENDITURE	1,459,702	1,429,215
NET PROFIT/(LOSS)	151,578	(67,639)

Independent Audit Report to the members of Murrumbidgee Country Club Incorporated

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Murrumbidgee Country Club Incorporated (the Club), which comprises the statement of financial position as at 30 June 2020, 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 statement by members of the board.

In our opinion, the accompanying financial report presents fairly, in all material respects, including:

- (i) giving a true and fair view of the Club's financial position as at 30 June 2020 and of its financial performance and its cash flows for the year ended; and
- (ii) complying with the Associations Incorporation Act (ACT) 1991.

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 Club in accordance with the auditor independence requirements of 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.

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial report in accordance with the Associations Incorporation Act (ACT) 1991, and for such internal control as management determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Club'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 management either intends to liquidate the Club or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Club's financial reporting process.

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 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.