

# Riverwood Sports and Recreation Club Ltd

ACN 000 290 406

PO Box 111  
283-285 Belmore Rd  
Riverwood NSW 2210

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## Financial Statements

For the year ended

31 May 2017

## Presidents Report

Dear fellow members

Once again your club has had an exceptional financial year with a profit before tax of \$443,674 (\$422,335 After tax) Another pleasing result was our trading figures which produced a trading result of \$443,674 ((net profit after tax of \$422,345) To achieve results such as this in a small club is outstanding and there are reasons for this, not the least being the members support, for without your support the club could not exist. There is also good management and friendly staff interaction as well as stable financial management by the Board of Directors who oversee the running of and the future direction of your club and is paramount to the club's stability.

Earlier this year Vice President Mary Loutas moved from Riverwood to Woonona with husband George but with travelling and personal reasons decided to resign her position on the board. This resulted in a restructure pending the election with Kevin Parkes moving to Vice President and Marcus Roche to Treasurer. Member Ama Kopura exhibited a willingness to contribute to the clubs activities, assisting with raffles, football tipping and barrel draws as well as other voluntary duties and was appointed to the board unanimously pending the election.

Earlier in the year a social club was formed with a view to outings, tours etc. Known as the "Pelican Club" the first outing to our hotel was a great success with the next outing being a harbour cruise in 2 weeks time. These activities are subsidised by raffles mainly on karaoke nights and many thanks to those of you who support the Pelican Club.

Once again on behalf of the board I thank you. the members for your continued support of the club, our Thursday night raffles and entertainment, our Supersundays and our badge draw nights as well as our special events that we have during the year.

To those who lost loved ones during the year on behalf of the board I offer our sincere condolences.

Yours sincerely



R J Scott  
President

## TREASURER'S REPORT

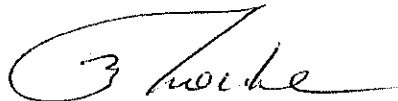
***Once again a very pleasing result a net trading profit of \$422,335.00 an impressive performance brought about by the members ongoing patronage and a diligent and proactive board of directors. I have only been appointed treasurer since the 6/06/17 I would like to thank my predecessor Mr Kevin Parkes for his inputs through the year by keeping a fugal eye on all expenditure.***

***The club will always be looking for new ways to keep trading profitably a reflection of that profitability is the performance of our investment portfolio which is doing very well for such a small club with approximately 700 members the trading results speak for themselves.***

***We hope the trend continues in future years I have no reason to doubt it won't having loyal patronage a dedicated president a board of directors that are committed and a secretary manager were nothing is too hard is a good combination for success .***

**Marcus Roche**

Marcus Roche (Treasurer)

A handwritten signature in black ink, appearing to read 'M Roche', written over a light blue horizontal line.

## **SECRETARY MANAGERS REPORT**

I am pleased to report this result, a trading profit of \$443,674 before tax, a very good result. I would like to thank the members for their patronage throughout the year and I hope to enjoy your company at the club in the coming years.

The Club will always be looking for new ways to keep trading profitably while still improving the amenities for the members at the club.

I would like to take this opportunity to thank the staff for their efforts and assistance during the year.

I would also like to thank the President and the Board of Directors for the assistance and support I get with the running of the club as this often goes unnoticed.

The board and management have a very good working relationship that is reflected in the trading figures and indeed throughout the club.

I am looking forward to the oncoming year as I think the future for our club is looking very good.

Yours faithfully,



Garry Parsons.  
Secretary Manager.

## Golf Club Report 2016/2017

It has been a steady year for the golf club and we have welcomed some new players and had some fall away. We currently have 20 members, with an average of 12 to 16 players attending the monthly games.

We remain in a positive financial position thanks to the support of the Mother Club and the support of our Wednesday and Thursday night raffles. We would like to thank all the members of the club who support these raffles as it assists us to reduce the costs associated with our monthly games.

This year, we bought new Club shirts which members of the Golf Club were able to purchase at a subsidised rate. This year we also had a week long golf trip to the Gold Coast, with 11 members attending.

I would like to thank Brad Behrend, our President for running the raffles every Wednesday and Thursday night and to Max for picking up the seafood trays each week.

For anyone interested in playing, there are still openings available. Please let me know so I can give you a calendar of upcoming events.

Looking forward to happy golfing ahead and thank you to all current golfers for keeping the club running.

### Winners 2016

Club Champion	Mick Green
Match Play	JJ
Doubles	Ben Lysle and Matt Lysle
Birdie comp	Mick Buck

Regards,

Mick Buck  
Handicapper

Riverwood Sports & Recreation Club Limited  
ABN 75 000 290 406  
Financial Statements  
For the Financial Year ended 31 May 2017

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**Riverwood Sports & Recreation Club Limited**  
ABN 75 000 290 406  
**Directors' Report**  
**for the Financial Year ended 31 May 2017**

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Your directors present this report on the Company for the financial year ended 31 May 2017.

#### **Directors**

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

Mr Robert Scott  
Mr Kevin Parkes  
Mrs Mary Loutas  
Mr James McAllister  
Mr Marcus Roche  
Mr Robert Stock  
Ms Gina Taylor  
Mrs Catherine Thompson  
Mr Charlie Micallef  
Ms Ama Kopura

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

#### **Principle Activities**

The principle activity of the company during the financial year was to provide services of a Licensed Sporting Club to its members.

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

#### **Operating Results**

The net profit of the company amounted to \$523,721 (2016: \$505,069) after the payment of \$21,339 (2016: \$34,115) of Income Tax.

#### **Objectives**

##### **Short Term**

The Club's short-term objectives are:

- To promote a socially friendly environment within a small community based club.
- To maintain a commitment to member activities including loyalty rewards, live entertainment, quality raffles and badge draws.
- To support charities, particularly in the area of childhood cancer and disabilities.
- To maintain quality and prompt services for our members and guests.

##### **Long Term**

The Club's long-term objectives are:

- To maintain sound financial responsibility and cash flow with an acceptable return on investments with a view to purchasing the club premises and or the adjacent William Road premises.
  - To continue improving the premises and grow the business.
  - To adhere to a policy of competitive bar pricing, taking into consideration local market forces as well as Government and suppliers policies.
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**Riverwood Sports & Recreation Club Limited**  
ABN 75 000 290 406  
**Directors' Report**  
for the Financial Year ended 31 May 2017

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### Strategies

To achieve its stated objectives, the Club has adopted the following strategies:

- Ongoing review of operational procedures
- Growing the business
- Improving Operational procedures

### Key Performance Measures

Key performance measures used by the Club are:

- The financial situation and performance is reviewed monthly.
- The following criteria is examined:
  - Gross profit from trading
  - Divisional net profit
  - Cash flows from operations

### Information on Directors in Office at the date of this report

<b>Mr Robert Scott</b>	- President - Retired - President 2004-2017. Director 2001-2017. Member of Club since 1986.
<b>Mr Kevin Parkes</b>	- Vice President - Customs Broker - Director 2011-2017. Member of Club since 1980.
<b>Mr Marcus Roche</b>	- Treasurer - Business Proprietor - Director 2012-2017. Member of Club since 2004.
<b>Ms Gina Taylor</b>	- Director - Administration Officer - Director 2012-2017. Member of Club since 2002.
<b>Mrs Catherine Thompson</b>	- Director - Commercial Operations Officer - Director 2017. Member of Club since 2011.
<b>Mr Charlie Micallef</b>	- Director - Maintenance Engineer - Director 2017. Member of Club since 2010.
<b>Ms Ama Kopura</b>	- Director - Store Person - Director 2017. Member of Club since 2015.



Riverwood Sports & Recreation Club Limited  
ABN 75 000 290 406  
Directors' Report  
for the Financial Year ended 31 May 2017

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**Meetings of Directors**

During the financial year, 12 meetings of directors were held. Attendees by each director were as follows:

**Directors' Meetings**

	Eligible To Attend	Meetings Attended
Mr Robert Scott	12	11
Mrs Mary Loutas	12	11
Mr Kevin Parkes	12	11
Mr Marcus Roche	12	11
Ms Gina Taylor	12	12
Mrs Catherine Thompson	7	6
Mr Charlie Micallef	7	6

Directors who retired or resigned during the year:

	Eligible To Attend	Meetings Attended
Mr James McAllister	5	5
Mr Robert Stock	9	9

**Members Limited Liability**

The company is incorporated under the *Corporations Act 2001* and is an entity limited by guarantee. If the Company is wound up, the Articles of Association state that each member at the date of winding up, and each member who ceased to be a member within twelve months of the date of winding up, shall contribute a maximum of \$10 each towards meeting any outstanding obligations of the Company. At 31 May 2017, the number of members was 770 (2016: 670). At that date, the total amount that members of the Company are liable to contribute if the company is wound up is \$7,700 (2016: \$6,700).

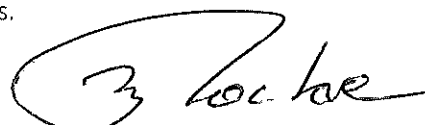
**Auditors Independence Declaration**

The auditor's independence declaration for the year ended 31 May 2017 has been received and can be found on page 5 of the financial report.

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



Robert Scott  
President



Marcus Roche  
Treasurer

09/08/2017  
Dated


Riverwood Sports & Recreation Club Limited  
ABN 75 000 290 406  
Auditor's Independence Declaration to the  
Directors of Riverwood Sports & Recreation Club Limited

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I declare that, to the best of my knowledge and belief, during the year ended 31 May 2017 there have been:

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

Delante Accountants and Business Advisers Pty Ltd  
Chartered Accountants



David G Aston  
Director

TAREN POINT NSW 2229

Dated 28/7/2017

Riverwood Sports & Recreation Club Limited  
 ABN 75 000 290 406  
 Statement of Financial Position  
 For the Financial Year ended 31 May 2017

	Note	2017 \$	2016 \$
<b>Current Assets</b>			
Cash Assets	5	867,825	773,292
Receivables	6	26,422	9,232
Inventories	7	38,360	33,513
Financial Assets	8	5,000	5,000
<b>Total Current Assets</b>		<u>937,607</u>	<u>821,037</u>
<b>Non-Current Assets</b>			
Financial Assets	8	373,540	-
Property, Plant & Equipment	9	389,980	448,377
Investment Property	10	2,845,000	2,743,614
<b>Total Non-Current Assets</b>		<u>3,608,520</u>	<u>3,191,991</u>
<b>Total Assets</b>		<u>4,546,127</u>	<u>4,013,028</u>
<b>Current Liabilities</b>			
Accounts Payable	11	116,928	106,998
Employee Entitlements	12	63,369	50,820
Income Tax Payable	13	15,078	24,555
<b>Total Current Liabilities</b>		<u>195,375</u>	<u>182,373</u>
<b>Non-Current Liabilities</b>			
Employee Entitlements	14	13,786	17,410
<b>Total Non-Current Liabilities</b>		<u>13,786</u>	<u>17,410</u>
<b>Total Liabilities</b>		<u>209,161</u>	<u>199,783</u>
<b>Net Assets</b>		<u>4,336,966</u>	<u>3,813,245</u>
<b>Equity</b>			
Retained profits		3,813,245	3,308,176
Profit attributable to the Company		523,721	505,069
<b>Total Equity</b>		<u>4,336,966</u>	<u>3,813,245</u>

Riverwood Sports & Recreation Club Limited  
 ABN 75 000 290 406  
 Statement of Comprehensive Income  
 For the Financial Year Ended 31 May 2017

	Note	2017 \$	2016 \$
Revenue from Ordinary Activities	2	7,221,339	6,446,927
Cost of Sales		(5,274,397)	(4,642,184)
Employee Benefit expense		(443,341)	(435,805)
Depreciation and Amortisation expense		(200,034)	(217,650)
Occupancy expenses		(186,803)	(93,141)
Other Expenses from Ordinary Activities		(673,090)	(712,157)
<b>Profit before income tax expense</b>		<b>443,674</b>	<b>345,990</b>
Income Tax Expense 1(a), 4		21,339	34,115
<b>Profit after income tax expense</b>		<b>422,335</b>	<b>311,875</b>
<b>Net Profit for the year</b>		<b>422,335</b>	<b>311,875</b>
Other Comprehensive Income			
Net fair value (loss)/gain on revaluation of Investment Properties		101,386	193,194
<b>Total Comprehensive Income for the year</b>		<b>523,721</b>	<b>505,069</b>

Riverwood Sports & Recreation Club Limited  
 ABN 75 000 290 406  
 Statement of Changes in Equity  
 For the Financial Year Ended 31 May 2017

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Statement of Changes in Equity

	Retained Earnings \$	Reserves \$	Total \$
Balance at 31 May 2015	3,308,176	-	3,308,176
Profit/(loss) attributable to the Company	505,069	-	505,069
Balance at 31 May 2016	<u>3,813,245</u>	<u>-</u>	<u>3,813,245</u>
Profit/(loss) attributable to the Company	523,721	-	523,721
Transfers to and from reserves	-	-	-
Balance at 31 May 2017	<u>4,336,966</u>	<u>-</u>	<u>4,336,966</u>

Riverwood Sports & Recreation Club Limited  
 ABN 75 000 290 406  
 Cash Flow Statement  
 For the Financial Year ended 31 May 2017

	Note	2017 \$	2016 \$
<b>Cash Flows from Operating Activities</b>			
Cash received from Trading		7,225,161	6,481,508
Grants Received		17,180	17,180
Membership Fees		2,914	2,832
Interest Received		6,684	8,440
Rental Income		110,238	98,790
Payment to Suppliers and Employees		(6,728,462)	(6,020,228)
Income Tax Paid		(30,816)	(25,487)
<b>Net cash generated from operating activities</b>		<u>602,899</u>	<u>563,035</u>
<b>Cash Flows from Investing Activities</b>			
Proceeds from Sale of Assets		11,320	-
Acquisition of Investment Property		-	(468,614)
Acquisition of Property, Plant and Equipment		(146,146)	(168,294)
Acquisition of Units in Unit Trust		(373,540)	-
<b>Net cash used in investing activities</b>		<u>(508,366)</u>	<u>(636,908)</u>
Net increase/ (decrease) in cash held		94,533	(73,873)
Cash at start of the financial year		<u>773,292</u>	<u>847,165</u>
Cash at close of the financial year		<u>867,825</u>	<u>773,292</u>

**Riverwood Sports & Recreation Club Limited**  
ABN 75 000 290 406  
Notes to and forming part of the Financial Statements  
For the Financial Year ended 31 May 2017

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**Note 1 – Summary of Significant Accounting Policies**

The financial statements cover Riverwood Sports & Recreation Club Limited as an individual entity. Riverwood Sports & Recreation Club Limited is a company limited by guarantee, incorporated and domiciled in Australia.

**Basis of Preparation**

Riverwood Sports & Recreation Club Limited applies the Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements and other applicable Australian Accounting Standards – Reduced Disclosure Requirements.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on 8 August 2017 by the directors of the company.

**Significant Accounting Policies**

**Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Club and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

*Sales revenue*

Sales revenue is recognised when the goods or services are provided.

*Interest income*

Interest income is recognised as it accrues.

*Commission revenue*

Commission revenue is recognised when control of a right to receive consideration for the provision of services has been attained.

*Gaming machine takings*

Gaming machine revenue is recognised when net takings in the gaming machines are counted.

**Riverwood Sports & Recreation Club Limited**  
ABN 75 000 290 406  
Notes to and forming part of the Financial Statements  
For the Financial Year ended 31 May 2017

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#### **Income Tax**

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or non-deductible items. It is calculated using tax rates that have been enacted or are substantively enacted by the financial report date.

The Company, operating as a registered club, is liable for income tax on income derived from non-members, interest, dividends, rental income, commissions and capital gains. The principle of mutuality is used to calculate non-member income.

#### **Inventories**

Inventories, consisting of bar stocks on hand, are valued at cost.

#### **Property, Plant and Equipment**

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

##### *Leasehold Improvements*

Leasehold improvements are measured on the cost basis less depreciation and impairment losses.

##### *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 its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present.

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date it is acquired.

##### *Depreciation*

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold lands, are depreciated on a straight line or diminishing value basis over their useful lives to the Company 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 life of the improvement.

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

Leasehold improvements	10%
Plant and equipment	9-40%
Gaming machines	40%



**Riverwood Sports & Recreation Club Limited**  
ABN 75 000 290 406  
Notes to and forming part of the Financial Statements  
For the Financial Year ended 31 May 2017

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The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting month.

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

#### **Investment Property**

Investment property, comprising residential home units, is held to generate long-term rental yields. All tenant leases are on an arm's length basis. Investment property is initially measured at cost and subsequently measured at fair value.

The fair value of an investment property is the amount for which the asset could be exchanged between knowledgeable, willing parties in an arm's length transaction. Fair value of investment properties is determined annually by the directors based on an assessment of value by the managing real estate agents. Fair values are determined by the agent using market information, including prices for similar properties in comparable locations.

Changes to fair values of investment properties are recognised in the statement of comprehensive income in the period in which they occur.

#### **Financial Instruments**

The company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments and accounts receivable and payable.

##### *Initial Recognition & Measurement*

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions to the instrument. Financial Instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

##### *Classification and Subsequent Measurement*

Financial instruments are subsequently measured at either fair value or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

##### *Fair Value*

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

##### *(i) Loans and Receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market value and are subsequently measured at amortised cost.

**Riverwood Sports & Recreation Club Limited**  
ABN 75 000 290 406  
Notes to and forming part of the Financial Statements  
For the Financial Year ended 31 May 2017

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(ii) *Held-to-Maturity Investments*

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the entity's intention to hold these investments to maturity. They are subsequently measured at cost.

(iii) *Available-for-sale investments*

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any remeasurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are not expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

(iv) *Financial Liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

### **Impairment of Assets**

At each reporting date, the company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the assets, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

### **Employee Benefits**

Provision is made for the company's liability for employee benefits arising from services rendered by employees at the end of the reporting period. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at their nominal amount. Other employee benefits payable later than one year has been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the company to employee superannuation funds and are charged as expenses when incurred.

**Riverwood Sports & Recreation Club Limited**  
ABN 75 000 290 406  
Notes to and forming part of the Financial Statements  
For the Financial Year ended 31 May 2017

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#### **Cash**

For the purposes of the Statement of Cash Flows, cash includes cash on hand and at call deposits with banks or financial institutions, investments in money market instruments maturing within less than three months and net of bank overdraft.

#### **Trade and other payables**

Liabilities for trade creditors and other amounts payable are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Club.

#### **Leases**

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

#### **Comparative figures**

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

#### **Critical accounting estimates and judgements**

The directors evaluate estimates and judgments incorporated into the financial report based on 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 group.

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

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

Receivable and payable 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 receivable or payable 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.

Riverwood Sports & Recreation Club Limited  
 ABN 75 000 290 406  
 Notes to and Forming Part of the Financial Statements  
 For the Financial Year ended 31 May 2017

	Note	2017 \$	2016 \$
<b>Note 2 – Revenue &amp; Other Income</b>			
Operating Revenue			
Bar Sales		643,184	621,189
Gaming Machine Revenue		6,340,289	5,613,475
Subscriptions		2,723	2,821
Other Sundry Income		124,187	120,486
State Government Grant		17,180	17,180
		7,127,563	6,375,151
Other Revenue			
Net Rental Income		76,809	63,570
Interest Received		6,685	8,440
Trust Distribution Received		10,282	-
		93,776	72,010
<b>Total Revenue</b>		<b>7,221,339</b>	<b>6,447,161</b>
 <b>Note 3 – Profit for the Year</b>			
Profit from ordinary activities before income tax has been determined after:			
Depreciation			
Plant and Equipment		34,371	29,679
Leasehold Amortisation		51,071	51,211
Furniture and Fittings		9,158	10,282
Gaming Machines		105,434	109,264
		200,034	200,436
Lease Rental Expenses – Operating Leases		80,633	79,684
Loss on Sales of Equipment		-	17,214
Amounts set aside to Provision for Employee Entitlements		8,925	15,175
Employment expenses		434,416	420,630

Riverwood Sports & Recreation Club Limited  
 ABN 75 000 290 406  
 Notes to and forming part of the Financial Statements  
 For the Financial Year ended 31 May 2017

	Note	2017 \$	2016 \$
<b>Note 4 – Income Tax</b>			
The components of tax expenses comprise:			
Current tax		21,893	34,115
Under/(over) provision in prior year		(554)	-
Income Tax Expense		21,339	34,115
The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:			
Prima facie tax payable on profit from Ordinary activities before income tax at 27.5% (2016: 28.5%)		122,010	104,246
Less:			
Tax effect of:			
Profit not subject to income tax due to the principle of mutuality		100,671	70,131
Income Tax Expense		21,339	34,115
<b>Note 5 – Cash Assets</b>			
On hand and at Bank		867,825	773,292
<b>Note 6 – Receivables</b>			
CURRENT			
Other accounts receivable		16,140	9,232
Trust distribution receivable		10,282	-
		26,422	9,232
<b>Note 7 – Inventories</b>			
Finished goods, at cost		38,360	33,513

Riverwood Sports & Recreation Club Limited  
 ABN 75 000 290 406  
 Notes to and forming part of the Financial Statements  
 For the Financial Year ended 31 May 2017

	Note	2017 \$	2016 \$
<b>Note 8– Financial Assets</b>			
<b>CURRENT</b>			
Held to maturity financial assets			
Fixed Term Deposits		5,000	5,000
		5,000	5,000
<b>NON-CURRENT</b>			
Available-for-sale financial assets			
Units held in unlisted Unit Trust		373,540	-
		373,540	-
Total Financial Assets		378,540	5,000

**Note 9 – Property Plant & Equipment**

Plant and Equipment

At Cost:	1,637,028	1,542,523
Less Accumulated depreciation	1,332,546	1,230,715
	304,482	311,808

Leasehold Improvements

At Cost:	401,916	401,916
Less Accumulated depreciation	316,418	265,347
	85,498	136,569

Total Property Plant & Equipment

389,980	448,377
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**Movements in Carrying Amounts**

2017

	Plant and Equipment \$	Leasehold Improvements \$	Total \$
Balance at the beginning of year	311,808	136,569	448,377
Additions	146,146	-	146,146
Disposals	(51,641)	-	(51,641)
Depreciation	(146,154)	(51,071)	(197,225)
Depreciation written back	44,323		44,323
Carrying amount at the end of year	304,482	85,498	389,980

Riverwood Sports & Recreation Club Limited  
 ABN 75 000 290 406  
 Notes to and forming part of the Financial Statements  
 For the Financial Year ended 31 May 2017

	Note	2017 \$	2016 \$
<b>Note 10 – Investment Property</b>			
Investment Properties at Fair Value			
18/14-18 Coleridge Street, Riverwood		675,000	645,000
16/38-46 Cairds Avenue, Bankstown		560,000	550,000
408/55 Raymond Street, Bankstown		620,000	590,000
53/22-28 Raymond Street, Bankstown		500,000	490,000
14/18-20 Campbell Street, Punchbowl, at cost		490,000	468,614
		<u>2,845,000</u>	<u>2,743,614</u>
Gross Rental Income		110,238	98,790
Direct Operating Expenses		33,429	35,220
Net Rental Income		<u>76,809</u>	<u>63,570</u>
 <b>Movements in Carrying Amounts</b>			
2017			
		<b>Investment Properties \$</b>	<b>Total \$</b>
Balance at the beginning of year		2,743,614	2,743,614
Additions		-	-
Disposals		-	-
Movements in Fair Value		101,386	101,386
Balance at the end of year		<u>2,845,000</u>	<u>2,845,000</u>

Riverwood Sports & Recreation Club Limited  
 ABN 75 000 290 406  
 Notes to and forming part of the Financial Statements  
 For the Financial Year ended 31 May 2017

	Note	2017 \$	2016 \$
<b>Current Liabilities</b>			
<b>Note 11 – Accounts Payable</b>			
Accrued Charges		95,470	84,737
Trade Accounts Payable		18,741	12,851
Fees Received in Advance		780	589
GST Payable		1,937	8,821
		116,928	106,998
<b>Note 12 – Employee Entitlements</b>			
Annual and Long Service Leave		63,369	50,820
		63,369	50,820
<b>Note 13 - Taxation</b>			
Income Tax Payable		15,078	24,555
		15,078	24,555
<b>Non-Current Liabilities</b>			
<b>Note 14 – Employee Entitlements</b>			
Long Service Leave Entitlements		13,786	17,410
		13,786	17,410
<b>Note 15 – Capital &amp; Lease Commitments</b>			
Aggregate amount contracted for, but not provided for in the financial statements			
<b>(a) Lease of Premises</b>			
Due within 1 year		-	81,305
Due within 1-2 years		-	-
Due within 2-5 years		-	-
		-	81,305

The lease of the premises expired on 4 May 2017. The Club is currently in negotiations with the landlord to extend the lease for a 5 year period.



Riverwood Sports & Recreation Club Limited  
 ABN 75 000 290 406  
 Notes to and forming part of the Financial Statements  
 For the Financial Year ended 31 May 2017

	Note	2017 \$	2016 \$
<b>Note 16 – Key Management Personnel Compensation</b>			
<b>Total Compensation paid to Key Management Personnel</b>			
Key Management personnel include the Directors and Secretary Manager			
Key Management Personnel Compensation		136,833	136,860

**Note 17 – Other Related Party Transactions**

Related Parties

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

During part of the year the daughter of the Secretary Manager worked as a casual barperson on award rates as provided to other bar staff.

**Note 18 – Financial Risk Management**

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

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

Financial Assets

Cash	867,825	773,292
Receivables	26,422	9,232
Held-to-maturity investments	5,000	5,000
Available-for-sale assets	373,540	-
<b>Total Financial Assets</b>	<b>1,272,787</b>	<b>787,524</b>

Financial Liabilities at Cost

Trade and other payables	116,928	131,552
<b>Total Financial Liabilities</b>	<b>116,928</b>	<b>131,552</b>

**Note 19 – Events after the Reporting Period**

The directors are not aware of any significant events since the end of the reporting period.

**Riverwood Sports & Recreation Club Limited**  
ABN 75 000 290 406  
Notes to and forming part of the Financial Statements  
For the Financial Year ended 31 May 2017

	Note	2017 \$	2016 \$
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**Note 20 – Company Details**

The registered office of the company is:

Riverwood Sports & Recreation Club Limited, 283 Belmore Road, Riverwood 2210

The principal place of business is:

283 Belmore Road, Riverwood 2210

The principal activities of the company are Licensed Sport & Recreation Club.

**Note 21 – Disclosure Requirements under Section 41J of the Registered Clubs Act**

**Core and Non-Core Property**

Section 41J of the Act defines core property as meaning any real property owned or occupied by the Club that comprises of:

- (a) the defined premises of the club, or
- (b) any facility provided by the club for use of its members and their guests' or
- (c) any other property declared, by resolution passed by a majority of the members present at the general meeting of the ordinary members of the club, not to be core property of the Club.

Non-core property is defined as meaning any real property owned or occupied by the Club that is not core property.

The directors consider the Club's premises at 283 Belmore Road, Riverwood which are leased by & occupied by the Club to be core Property. Leasehold improvements carried out at this property are disclosed at a value of \$85,498 (2016: \$136,569) at Note 9.

The directors consider the Investment Properties owned by the Club to be non-core property. Investment Properties are disclosed at a value of \$2,845,000 (2016: \$2,743,614) at Note 10.


Riverwood Sports & Recreation Club Limited  
ABN 75 000 290 406  
Directors' Declaration  
For the Financial Year ended 31 May 2017

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The Directors of the Company declare that:

1. The financial statements and notes thereto are in accordance with the *Corporations Act 2001* and:
  - (a) comply with Australian Accounting Standards, and
  - (b) give a true and fair view of the financial position as at 31 May 2017 and of the performance for the year ended on that date of the Club.
2. In the directors' opinion, there are reasonable grounds to believe that the Club will be able to pay its debts as and when they become due and payable.

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

  
Robert Scott  
President

  
Marcus Roche  
Treasurer

09/08/2017  
Dated

Riverwood Sports & Recreation Club Limited  
ABN 75 000 290 406  
Independent Auditor's Report to the Members  
For the Financial Year ended 31 May 2017

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Audit Opinion

Opinion

We have audited the financial report of Riverwood Sports & Recreation Club Limited (the Company), which comprises the statement of financial position as at 31 May 2017, and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration by those charged with governance.

In our opinion, the accompanying financial report of the Company is prepared, in all material respects, in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the company's financial position as at 31 May 2017 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the 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 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. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Riverwood Sports & Recreation Club Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Information Other than the Financial Report and Auditor's Report Thereon

Those charged with governance are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 31 May 2017, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Riverwood Sports & Recreation Club Limited  
ABN 75 000 290 406  
Independent Auditor's Report to the Members  
For the Financial Year ended 31 May 2017

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#### Responsibilities of the Directors for the Financial Report

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

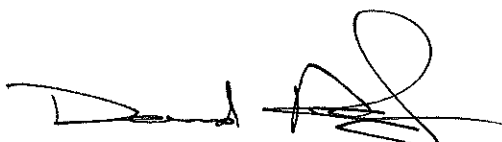
In preparing the financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company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

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

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

A further description of our responsibilities for the audit of the financial report is detailed in Appendix A to the Auditor's Report.

Delante Accountants and Business Advisers Pty Ltd  
Chartered Accountants



David G Aston  
Director

TAREN POINT NSW 2229

Dated

11/8/2017

**Riverwood Sports & Recreation Club Limited**  
ABN 75 000 290 406  
**Independent Auditor's Report to the Members**  
**For the Financial Year ended 31 May 2017**

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**APPENDIX A to the Auditor's Report**

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

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

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

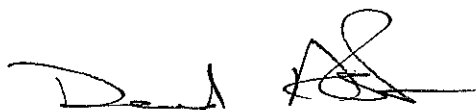
Riverwood Sports & Recreation Club Limited  
ABN 75 000 290 406  
Independent Auditor's Report to the Members  
For the Financial Year ended 31 May 2017

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Auditor's Disclaimer to the Members

The additional data presented in the Profit & Loss Statement and Trading accounts is in accordance with the books and records of Riverwood Sports & Recreation Club Limited (our client) which have been subjected to the auditing procedures applied in the statutory audit of the Company for the year ended 31 May 2017. It will be appreciated that the statutory audit did not cover all details of the financial data and no warranty of accuracy or reliability is given. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than our client) in respect of such data, including any errors or omissions therein however caused.

Delante Accountants and Business Advisers Pty Ltd  
Chartered Accountants



David G Aston  
Director

TAREN POINT NSW 2229

Dated

11/8/2017

Riverwood Sports & Recreation Club Limited  
 ABN 75 000 290 406  
 Detailed Profit and Loss Account  
 For the Financial Year ended 31 May 2017

	Note	2017	2016
		\$	\$
<b>Income</b>			
Membership Fees		2,723	2,821
Interest Received		6,685	8,440
Keno Commission		44,476	43,022
ATM Commission		11,640	10,708
TAB Commission		5,462	6,824
Net Rental Income		76,809	63,570
Sundry Income		4,508	401
Trust Distribution		10,282	-
Direct Profit on:			
Gaming Machine Trading		1,047,499	938,908
Bar Trading		54,278	54,083
Sports Council Trading		-	-
		1,264,362	1,128,777
 Less: Direct Costs of:			
Social Activities		157,292	143,406
Raffles and Euchre		20,878	18,272
Keno Expenses		4,452	2,730
Sports Council Trading		1,709	1,202
		184,331	165,610
<b>Gross Income</b>		<b>1,080,031</b>	<b>963,167</b>
 Less: Indirect Expenses			
Club House Expenses			
Cleaning & Laundry		38,468	41,326
Depreciation		31,509	25,315
Electricity & Gas		44,608	40,963
Leasehold Amortisation		51,071	51,211
Rent		80,633	79,684
R & M – Building		7,248	2,719
R & M – Furniture & Fittings		8,537	15,263
Waste Removal		7,310	6,514
		269,384	262,995



Riverwood Sports & Recreation Club Limited  
 ABN 75 000 290 406  
 Detailed Profit and Loss Account  
 For the Financial Year ended 31 May 2017

	Note	2017 \$	2016 \$
<b>Administration Expenses</b>			
Audit Fees		14,650	13,950
Accountancy Fees		14,775	12,650
Advertising		3,575	-
Bank Charges		1,793	2,061
Cash Loss		225	3,647
Computer Expenses		1,495	1,986
Consultancy Fees		3,960	3,600
Depreciation		9,158	10,282
Directors Honorarium		15,725	15,385
Donations		8,890	7,170
Employee Entitlement – Provision		8,925	15,175
General Expenses		14,897	4,529
Insurance		40,182	42,512
Rates & Land Tax		13,056	13,457
Salaries & Wages		113,487	110,936
Security Service		16,590	15,930
Sky Channel & TVN		20,370	19,884
Staff Amenities		144	267
Staff Training		2,350	2,930
Stamps, Printing & Stationery		704	1,407
Subscriptions and Licences		19,701	15,864
Superannuation		34,950	34,052
Telephone		7,371	6,508
		366,973	354,182
<b>Total Indirect Expenses</b>		<b>636,357</b>	<b>617,177</b>
<b>Net Income/(Loss) transferred</b>		<b>443,674</b>	<b>345,990</b>

Riverwood Sports & Recreation Club Limited  
 ABN 75 000 290 406  
 Detailed Trading Account  
 For the Financial Year ended 31 May 2017

	Note	2017 \$	2016 \$
<b>Bar Trading Account</b>			
<b>Sales</b>			
Beer – Bulk		398,439	385,284
Spirits		154,133	143,011
Bottles		71,635	72,405
Other		18,977	20,489
<b>Total Sales</b>		<b>643,184</b>	<b>621,189</b>
<b>Less: Cost of Sales</b>			
Opening Stock		33,179	24,844
Purchases		362,077	353,379
		395,256	378,223
Closing Stock		38,361	33,179
		356,895	345,044
<b>Gross Profit</b>		<b>286,289</b>	<b>276,145</b>
		<b>44.51%</b>	<b>44.45%</b>
<b>Add: Sundry Income</b>			
Cigarette Commission		370	450
Pool Table & Jukebox		739	986
		1,109	1,436
		287,398	277,581
<b>Less: Direct Bar Expenses</b>			
Depreciation		2,862	4,364
General Bar Expenses		5,446	5,574
Repairs & Replacements		10,327	6,479
Salaries & Wages		214,485	207,081
		233,120	223,498
<b>Direct Profit transferred</b>		<b>54,278</b>	<b>54,083</b>

Riverwood Sports & Recreation Club Limited  
 ABN 75 000 290 406  
 Detailed Trading Account  
 For the Financial Year ended 31 May 2017

	Note	2017 \$	2016 \$
<b>Gaming Machine Trading Account</b>			
Receipts		6,340,289	5,613,475
Less: Payouts		<u>4,920,541</u>	<u>4,294,682</u>
<b>Net Takings</b>		<b>1,419,748</b>	<b>1,318,793</b>
Add: State Government GST Grant		17,180	17,180
Profit on Disposal of Asset		<u>6,811</u>	<u>-</u>
		<u>23,991</u>	<u>17,180</u>
		<b>1,443,739</b>	<b>1,335,973</b>
<b>Less: Direct Expenses</b>			
Depreciation		105,434	109,264
Maintenance & Statistics		49,427	51,674
Salaries & Wages		71,494	68,560
Gaming Machine Promotion		5,545	19,245
Gaming Machine Duty		164,340	131,108
Loss on Disposal of Assets		<u>-</u>	<u>17,214</u>
		<u>396,240</u>	<u>397,065</u>
<b>Direct Profit transferred</b>		<b><u>1,047,499</u></b>	<b><u>938,908</u></b>
<b>Social Trading Account</b>			
<b>Direct Expenses</b>			
Entertainment		82,755	79,705
Complimentary Drinks		19,763	21,899
Fox Sports		21,804	19,712
Function Meals		201	630
Members Lucky Number		28,784	20,710
AGM & Members Expenses		<u>4,485</u>	<u>1,650</u>
		157,792	144,306
<b>Less: Receipts</b>			
Special Function Receipts		<u>500</u>	<u>900</u>
<b>Direct Costs transferred</b>		<b><u>157,292</u></b>	<b><u>143,406</u></b>

Riverwood Sports & Recreation Club Limited  
 ABN 75 000 290 406  
 Detailed Trading Account  
 For the Financial Year ended 31 May 2017

	Note	2017 \$	2016 \$
<b>Raffles &amp; Euchre</b>			
Euchre Costs		4,750	4,845
Euchre Receipts		<u>1,829</u>	<u>2,341</u>
		<b>2,921</b>	<b>2,504</b>
Raffle Costs		57,958	56,497
Super-draw		<u>7,850</u>	<u>7,850</u>
		65,808	64,347
Less: Raffle Receipts		<u>47,851</u>	<u>48,579</u>
		<u>17,957</u>	<u>15,768</u>
Direct Cost transferred		<u><b>20,878</b></u>	<u><b>18,272</b></u>