



NOTICE OF 2015 ANNUAL GENERAL MEETING

NOTICE is hereby given that the Annual General Meeting of the Forster Tuncurry Memorial Services Club Limited will be held on the club premises at 5.30 p.m. on Monday 26th October, 2015 for the following purposes:

1. Apologies
2. Confirmation of the Minutes of the Annual General Meeting held 26th October, 2014
3. To receive and adopt the 2015 Annual Report including the Financial Statements for the year ended 30th June, 2015
4. Notice of Ordinary Resolution:
To consider, and, if thought fit, to pass the following resolution with such amendment, if any, as shall be determined at the meeting, as an Ordinary Resolution:

Ordinary Resolution 1

That pursuant to the Registered Clubs Act 1976:

1. The members hereby approve and agree to reasonable expenditure by the Club until the next Annual General Meeting of the Club for the following activities of Directors:
 - (a) The reasonable cost of a meal and beverage for each Director immediately before or immediately after a Board or Committee Meeting on the day of that Meeting where the Meeting corresponds with a normal meal time;
 - (b) (i) Reasonable expenses incurred by Directors in relation to such other activities including entertainment of special guests to the Club;
(ii) Expenses involved in attendance at Intra-Club activities, sponsorship of sporting events deemed by the Directors to be of benefit to the Club and/or the community and other promotional activities performed by Directors;
(iii) Reasonable costs of Directors attending all functions and activities at the Club deemed by the Directors to be of benefit to the Club;
(iv) Reasonable costs for attendance at functions with spouses where appropriate, and required, to represent the Club; with the expenses of any of the aforementioned activities to be approved by the Board before payment is made on the production of receipts, invoices or other proper documentary evidence of such expenditure;
 - (c) Reasonable expenses for the provision of a Chairpersons Dinner once a year and on such other occasions as the Board might approve with the persons in attendance to comprise the Directors and their partners and persons chosen by the Chairperson who have supported the club during the relevant year and thereby promoted the success of the club;
 - (d) The payment of Directors and Officers insurance cover premiums;
 - (e) The Club to provide a uniform for Directors consisting of blazer, tie, trousers/skirt, shirt/blouse, sports jacket and cleaning expense of same;
 - (f) That each Director be entitled to a specified parking space in the car park;
 - (g) That each Director be entitled to be provided with external access to the internet.



2. The members acknowledge that the benefits in paragraph (1) are not available to the members generally but only to those who are Directors of the Club and those members directly involved in the above activities.

Explanatory Note

Pursuant to the requirements of the Registered Clubs Act 1976, the Club is required at each Annual General Meeting to have members approve reasonable expenditure by the Club in relation to duties performed by the Directors. To be passed, Ordinary Resolution 1 must receive a simple majority of votes in its favour from those members present at the meeting who are eligible to vote. The Board recommends Ordinary Resolution 1 to the meeting.

5. Notice of Ordinary Resolution:

To consider, and, if thought fit, to pass the following resolution with such amendment, if any, as shall be determined at the meeting, as an Ordinary Resolution:

Ordinary Resolution 2

That pursuant to the Registered Clubs Act 1976:

- (a) The members hereby approve and agree to reasonable expenditure by the Club for professional development and education of Directors until the next Annual General Meeting and being:
 - (i) The reasonable cost of directors attending the Club's NSW Annual General Meeting;
 - (ii) The reasonable costs of Directors attending seminars, lectures, trade displays, organised study tours, fact-finding tours and other similar events as may be determined by the Board from time to time;
 - (iii) The reasonable costs of Directors attending other clubs or similar types of business for the purpose of observing their facilities and methods of operation;
 - (iv) Attendance at functions with spouses where appropriate, and required, to represent the Club.
- (b) The members acknowledge that the benefits in paragraph (a) above are not available to members generally but only to those who are Directors of the Club and those members directly involved in the above activities.

Explanatory Note

Pursuant to the requirements of the Registered Clubs Act 1976, the Club is required at each Annual General Meeting to have members approve reasonable expenditure by the Club for Directors to attend seminars, lectures, trade displays and other similar events including Clubs NSW Annual General Meeting and to visit other clubs to enable the Club's governing body to keep abreast of current trends and developments which may have a significant bearing on the nature and way in which the Club conducts its business.

To be passed, Ordinary Resolution 2 must receive a simple majority of votes in its favour from those members present at the meeting who are eligible to vote. The Board recommends Ordinary Resolution 2 to the meeting.

6. Notice of Ordinary Resolution:

To consider, and, if thought fit, to pass the following resolution with such amendment, if any, as shall be determined at the meeting, as an Ordinary Resolution:



Ordinary Resolution 3

Approval of Honoraria for Directors for the year 2014/2015

That pursuant to the Registered Clubs Acts 1976: as amended, the members hereby approve and agree to the members of the Board during the period preceding the next Annual General Meeting receiving Honoraria for the positions named and for the sums referred to below in respect of services rendered to the Club and the members further acknowledge that the Honoraria are not available to members equally but only those members elected to the Board of Directors of the Club:

- i. \$10,000 to the President;
- ii. \$5,000 to the Vice Presidents;
- iii. \$4,000 to each Director.

Explanatory Note

Pursuant to the requirements of the Registered Clubs Act, 1976 the Club is required to have the Honoraria for Directors approved by the members at the Annual General Meeting. The purpose of this resolution is to comply with the requirements of the Registered Clubs Act. The level of Honoraria is the same amount paid last year.

To be passed, Ordinary Resolution 3 must receive a simple majority of votes in its favour from those members present at the meeting who are eligible to vote.

The Board recommends Ordinary Resolution 3 to the meeting.

7. Notice of Ordinary Resolution:

To consider, and, if thought fit, to pass the following resolution with such amendment, if any, as shall be determined at the meeting, as an Ordinary Resolution:

Ordinary Resolution 4

Approval of Honoraria for the Social Bowls Co-ordinator for the year 2015/2016

That pursuant to the Registered Clubs Act 1976, as amended, the members hereby approve and agree to the Social Bowls Co-ordinator receiving an Honoraria of \$7,000 per annum which is to be paid monthly in arrears commencing from July 2015 for services rendered to the Sports Club. If the Social Bowls Co-ordinator only holds this position for part of the year, then the Honoraria shall be paid on a pro-rata basis.

Explanatory Note

The Board has recently, with the agreement and support of the Tuncurry Forster Sports Men's Bowling Club taken complete control over social bowling events at the Sports Club. The Social Bowls Co-ordinator will administer social bowling events and will be remunerated by the Club Limited instead of the Sports Men's Bowling Club (as has been in the past). In order for this to occur the Club Limited is required pursuant to the requirements of the Registered Club Act, 1976 to have the Honoraria approved by the members at the Annual General Meeting.

To be passed, Ordinary Resolution 4 must receive a simple majority of votes in its favour from those members present at the meeting who are eligible to vote.

The Board recommends Ordinary Resolution 4 to the meeting.



PROCEDURAL MATTERS

1. Each of the resolutions must be passed as a whole and cannot be amended from motions from the floor of the meeting or divided into two or more separate motions.
2. Only Honorary Life Members and financial Ordinary members shall be eligible to vote on the resolutions.
3. Under the Registered Clubs Act members who are employees of the Club are not entitled to vote.
4. Proxy voting is prohibited by the Registered Clubs Act.
8. Any other business of which due notice has been given
9. Close

NOTICE TO MEMBERS

In recent years Corporation Law has changed requiring Companies Limited by Guarantee to distribute a Full Financial Report to those members who elect to receive one. That is, members are required to advise in writing that they wish to receive a Full Financial Report. You are required to formally advise the General Manager by Friday 18th September, 2015 so that your election will be recorded in the Club's Register of Members. If members do not advise in writing that they wish to receive a Full Financial Report by the due date then they will only receive a Notice of Annual General Meeting.

Member's who elected in writing to receive a copy of the Club's 2014 Annual Report will automatically receive a copy of the Club's 2015 Annual Report and any future reports. Otherwise, a copy of the 2014/2015 Full Financial Report will be available by download from the clubs website: www.clubforster.com.au from Friday 18th September, 2015.

Our Club welcomes this change, it is cheaper, more efficient and supports the Club's efforts to be more environmentally responsible.

Any Financial Member of the Club attending the Annual General Meeting who needs clarification of any matter appertaining to the Financial Statements, please give your question in writing to the General Manager no later than Wednesday 21st October, 2015 so that your query may be answered fully at the meeting.

Dated 31st August, 2015

By Direction of the Board

P. V. Clarke FCPA
Chief Executive Officer/Company Secretary



2015 AGM ENTERTAINMENT

JOEY FIMMANO

in concert

From the age of five Joey displayed an extraordinary musical talent which has now developed into an electrifying stage show.

A brilliant pianist, vocalist and accordionist, Joey is a true showman with a versatility and energy that captures audiences wherever he performs. Today, celebrating over 30 years in showbusiness, you will find this dynamic entertainer performing all over Australia at all major theatres and venues, as well as being in popular demand on all major US cruise lines.

Joey has received rave reviews and standing ovations in theatres all across Australia, making him one of the most popular performers on the theatre circuit. There is no end to this young man's talent, he has appeared on numerous Australian TV shows including his winning appearances on Channel 10's Pot of Gold in the late 70s, along with Gordon Boyd's Showcase, ABC's Quest 78 and the ever popular National TV Show, Johnny Young's "Young Talent Time" in the late 70s.

There were also regular appearances on the John Mangos morning show and just recently performed on Channel 7's popular morning show 'Sunrise' with David Koch.

His new productions for 2015 'Piano Man', 'European Classics', 'European Delight' and 'Evening with the Stars' are a wonderful testament to Joey's talent, with instrumentals, singing, accordion and audience participation for an enjoyable and memorable evening of Joey's musical journey.

Joey Fimmano is definitely worth seeing and you will be experiencing the ultimate in Australian talent.





PRESIDENT'S REPORT

It's my pleasure to bring you my Annual Report for 2014-2015. What a terrific year it's been with a record Net Profit of \$1,175,955 representing an incredible \$1,143,623 turnaround on last year's Net Profit of \$32,332.

In the 8 years I have been on the Board this is the best trading I have witnessed. To highlight the significance of this trading achievement, Club Forster over the past 12 years has made an average nett loss in catering of around \$300,000 but in 2015 it has made an impressive record Net Profit of \$147,073. Well done to our Head Chef, Steve Curlew and his obliging staff.

Not to be outdone, our Sporties Tuncurry Breakers Restaurant has also had a great result of \$59,476. So, well done also to Head Chefs Dylan Gummer and Ian Robinson.

I recognise that these record breaking trading results just do not happen. It is the result of outstanding teamwork by our Staff, the dedication of our Board and our excellent Management team and I thank one and all.

We are in the middle of major refurbishment work at the Sporties Tuncurry which will include the mixed lounge out in the Rodney Bush BBQ area, also a new lounge, dance floor and stage, Tab facilities, more comfortable outdoor smoking area, both indoor toilet blocks will be fully renovated, carpet and furniture are first class and a new colourbond roof with 70KW solar panel system.

This should cost us around \$1.8 million and we hope to be able to pay this from the Club's accumulated funds. We expect to have the work completed by mid November 2015 so make sure you support the Sporties while this is taking place. Management are doing their best to ensure members are not too inconvenienced.

What a year of entertainment it has been. Club Forster is now regarded in the Entertainment industry as one of the "must do" venues for the bigger touring bands and productions. This result is due to the dedication and hard work of our Entertainment Manager, Eddie Youngblood and his technical staff. We have had major shows from the US, England and Ireland. I was lucky to see the South African "Drumstruck" show-for those of you who didn't see it, you missed a great show! I also saw the "INXS Tribute Show" and thought I might be too old for it but it was spectacular.



Now for the Sporties. There are not many Clubs in NSW that offer live entertainment 3 times a week every week of the year. We have been proudly presenting to you great bands on Friday, Saturday and Sunday so it will only get better with the new stage and lounge area with top class furniture.

I've spoken to our Entertainment Manager about 2015-2016 and he is hoping to see the return of many of our most popular shows and entertainers so don't forget to pick up our "What's On" magazine with details of what's coming up or go on line.

We are also looking at a new sound system for our Auditorium, and no, we haven't forgotten the new bus which is expected to arrive in coming months.

A more detailed account of the Club's trading performance and financial position is outlined in the Director's Report.

I am also delighted to announce our Club's Community support of \$131,662 to 30th June 2015 which is a major focus for the Board.

In closing I would like to remind all members that this year's Annual General Meeting will be held on Monday night, 26th October 2015 at 5.30 p.m. with doors opening at 4.45 p.m. The AGM will be followed by food, refreshments and first class entertainment by Joey Fimmano- a major award winning instrumentalist who you may have seen in one of our Tivoli shows.

I look forward to seeing many of you at the meeting.

CLAIRE FLETCHER
PRESIDENT



GENERAL MANAGER'S REPORT

It is a privilege to submit for your consideration my Annual Report on the activities of Club Forster and Sporties Tuncurry for the year ended 30th June 2015.

Club Forster and Sporties Tuncurry (the Group) has had an outstanding year in 2015 resulting in a consolidated Net Profit after tax of \$1,175,955 up \$1,143,623 when compared to \$32,332 last year. This is only the third occasion in the proud history of this Club, spanning 47 years, that it has reported a Net Profit in excess of \$1 million.

To place into perspective this outstanding result, I would like to reflect on recent advice received from ClubsNSW that approximately 400 Clubs have closed or amalgamated over the past 10 years. They also expect that over the next 10 years that the total number of NSW Clubs will be reduced by approximately 23 per cent from around 1300 to about 1000 which is very disturbing.

Thankfully, Board and Management have been able to successfully navigate our way out of the past contractionary period (2007-2012) and are now moving the Club's business into a period of significant expansion and growth. I refer you to the Director's Report Review of Operations for much greater financial performance details.

Some other notable highlights for the year were:

- Cash resources in the course of operations hit \$20.9 million
- Year end accumulated cash holdings was \$1.29 million
- Investment of \$1.62 million into plant, equipment etc.
- Repayment of \$1 million in borrowings
- Achieved Ebitdard (Earnings before interest, tax, depreciation, amortisation, rent and donations) of 15.71% which indicate the business financial health with a result in the range of 10%-15% as sound with sufficient cash resources to maintain operations and service our debt
- Finalised the Club's Strategic Business Plan 2016 Plus
- Completed planning process for Stage 2 Clubhouse extensions and renovations at Sporties Tuncurry
- Joint winner of the 2015 ClubsNSW Clubs and Community Award-Outstanding Regional Initiative for our efforts with the Curtis Landers Road to Recovery which collectively represents much success during 2014-2015.

The Board have maintained their long standing support of our local community by providing cash funding of \$131,662 to 55 Community, Sporting and local schools plus in excess of \$145,520 in kind support for the year ended 30th June 2015.

Board and Management acknowledge that our Clubs are owned by the Community for the Community and will continue to provide ongoing



funding that is spread as far as possible across as wide a variety of local projects and activities whilst providing the greatest tangible benefit to the social, sporting and cultural needs of the Great Lakes and surrounding communities.

Board and Management have recently endorsed and adopted its Strategic Business Plan 2016 Plus. Central to this business document is a continued positive financial outlook and success particularly during 2015/2016. Other objectives will be strengthening community and service positioning, quality product, continued contemporary improvements to Clubhouse facilities whilst providing a work environment that is safe and engaged.

This outstanding year has not just happened! Board, Management and staff have made it happen! I would like to take this opportunity to acknowledge and congratulate President Claire Fletcher and her Board colleagues for their achievements particularly during 2014/2015. Claire leads a robust, well-functioning Board that respect each other, trust each other, challenge each other and constructively make the tough decisions and never look back. The Board are to be congratulated for their strategic thinking, sound governance and direction. Well done one and all!

I would like to extend my sincere thanks to my Management team and staff for their terrific teamwork, enthusiasm and positive contribution to the overall success of both Clubs during times of much change and uncertainty. I would also like to thank you, the members, for your loyalty and support of our two great Clubs – Club Forster and Sporties Tuncurry.

I advise that the 2015 Annual Report is available for download from our website at www.clubforster.com.au and I ask any member who may have a question regarding my report or the financial accounts to put your question in writing at least 7 days before the AGM so that we can thoroughly research your questions and provide a detailed response.

I very much look forward to continuing to achieve our Club's vision of bringing enjoyment to the lives of our members and visitors through our professional and caring approach to service whilst balancing the needs of today with the opportunities of the future.

2015/2016 will be a year of completion and consolidation. Tuncurry extensions and renovations costing approximately \$1.8 million will be completed in early November 2015 whilst at Forster we will hopefully witness the realisation of a terrific large open sided roof structure to accommodate outdoor events, existing grassed and landscaped gardens and a new children's play area at the eastern end of the Club.

The Group is looking to the future with much anticipation and confidence with a bright and sustainable future ahead.

P. V. CLARKE FCPA
GENERAL MANAGER



ELECTED LIFE MEMBERS

Forster Tuncurry Memorial Services Club

1963	Smith, J. *
1965	Tomkins, T. *
1965	Breese, D. *
1965	O'Brien, R. J. *
1965	Willis, C. *
1967	Jeffery, A. *
1976	Fay, L. E. *
1980	Goodlad, T. A. *
1981	Piper, C. A. *
1989	Crawford, C. *
1990	Bakes, C. C.
1991	Gaal, D. W. *
1992	Haigh, A. R. *
1993	Sheather, H. J. *
1996	Brooks, J. G. *
1998	Fletcher, R. M. *
1999	Trudgett, S. S. *
2000	Smythe, E. W. *
2003	Rochester, J. H.
2004	Meyn, B. W. *
2008	Tisdale, E. W.
2012	Cavanagh, J. G.
2014	Kernick, G. P.

Forster Tuncurry Leagues & Sports Club

1982	Shannon, D. *
1982	Carruthers, J. *
1982	Manson, A. *
1982	Kneebone, W.
1982	Bush, R.
1988	Fazio, J. *
1988	Amato, P. *
1994	Whiteman, P.
1994	McAliece, M.

*Indicates members deceased



**FORSTER TUNCURRY MEMORIAL
SERVICES CLUB LIMITED
(A COMPANY LIMITED BY GUARANTEE)
A.B.N. 65 000 919 817**

DIRECTORS' REPORT

Your Directors present their report on the Company for the financial year ended 30th June, 2015.

DIRECTORS

The names of Directors in office at anytime during or since the end of the year are:

Claire E. Fletcher, Colin P. Cross, Darcy W. Cheetham, John H. Rochester, John H. Tyson, James G. Cavanagh, Kenneth J. Jackson, James Simons, Gail E. Stewart (Appointed 23/06/15), Garry Cuthbert (Appointed 26/10/14; Resigned 15/05/15) and Michael P. Sadler (Retired 26/10/14).

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 activity of the Company during the year was that of conducting a licensed club. There has been no significant change in the nature of these activities during the year.

SHORT TERM OBJECTIVES

The Club's objectives are focused on the key areas of providing strong corporate governance, excellent recreational and leisure facilities and services and the promotion of the social welfare of its members and local community. This is achieved by continuing to provide Board of Directors, management and staff with appropriate training, excellence in customer service and modern facilities. The Club operates a structured community support program with a heavy focus on local projects and activities that provide the greatest tangible benefit to the social needs of the Great Lakes Community.

LONG TERM OBJECTIVES

The Club continues its long term strategy of responsible financial investment in building infrastructure and operations whilst exploring other revenue opportunities to ensure the Club's ongoing financial viability and sustainability.

STRATEGIES FOR ACHIEVING OBJECTIVES

The Club undertakes a number of strategies to achieve the above objectives:

- Commitment to sound Corporate Governance;
- The Board's Strategic Plan is monitored and reviewed on a regular basis;
- High level of financial support for local community and sporting organisations in accordance with the Club's Charter;
- Capital investment in all facilities to ensure they continue to meet member needs and expectations;
- Growth in revenues through an expansion of our business offerings.



MEASUREMENT OF PERFORMANCE

The Club measures financial and operational performance using the following key indicators:

- Trading performance to budget;
- EBITDA and EBITDARD performance to industry standards;
- Cashflow;
- Department measures such as gross profit and wage percentages;
- Assessing Return on Investment regarding all expenditure;
- Members' feedback;
- Patronage into the premises;
- Mystery Shopper reviews;
- Market research.

OPERATING RESULTS

The profit for the year was \$1175955 [2014: Profit \$32332] after income tax expense of \$37781 [2014: (\$44805)] in respect to the current, prior and deferred years. Depreciation and amortisation charged for the year was \$1497400 [2014: \$1391209].

REVIEW OF OPERATIONS

The year in review has been a period of record success across the Group. Revenues reached \$19295060 up \$1206573 or 6.67% on the \$18088487 achieved last year. The revenue for the 2015 year did include a one off item being a donation of \$155500 from Mid Coast Water. This figure is the fair value of the recycled water assets installed on the Clubs land by Mid Coast Water and officially handed over to the Club during 2015 year.

Beverage sales (excluding Bottle Shop) were \$3431929 slightly up \$14038 or 0.41% when compared to \$3417891 last year. Forster sales were marginally up \$11073 or 0.50% from \$2194813 in 2014 to \$2205886 this year. Tuncurry sales were also slightly up \$2965 or 0.24% from \$1223078 in 2014 to \$1226043 this year. This year's sales results are further reinforced by an increase in gross profit up \$13247 from \$2065971 in 2014 to \$2079218 this year. The Gross Profit margin of 60.58% is slightly up on last year of 60.45%. The contribution from trading has increased by \$2643 or 0.25% from \$1039539 in 2014 to \$1042182 this year.

Poker Machine Revenue reached \$9971657 up \$887869 or 9.77% when compared to last year. Contributions from trading reflects significant improvement of \$668091 or 12.06% from \$5539792 in 2014 to \$6207883 in 2015. Management recognises that further revenue growth opportunities still exists as Forster is still down \$213461 or 2.41% and Tuncurry \$71817 or 5.16% in net gaming revenue when compared to pre-smoking 2006/07 levels. Management will continue to endeavour to claw back this lost net gaming revenue through carefully planned entertainment, continued improvements to poker machine installations with particular attention to machine denomination mix and regularly assessing and improving where necessary our customer service, comforts and hence our patrons' gaming experience.

The Group's Catering department can be proud of their financial achievements this year with sales up by \$135491 or 3.82% from \$3547483 in 2014 to \$3682974 in 2015. The Gross Profit increased even more significantly up by \$160714 or 6.89%. The Gross Profit Margin compares



extremely favourably being up 1.95% on 67.68% compared to 65.73% last year. Contributions from trading have returned an outstanding Net Profit of \$206549 compared to a Net Loss of \$31512 last year, a trading improvement of \$238061 or 755% which is terrific news.

The Board's decision during 2013/2014 to relocate Club Forster's Brasserie to its ground floor in conjunction with a new café, bar and lounge has been most conclusive. In fact, over the last twenty four months trading has significantly improved by \$350755 when comparing the Net Loss of \$203683 in 2013 to a Net Profit of \$147073 in 2015. The Board are forecasting similar trading performance during 2015/2016.

Tuncurry Catering again exceeded all Key Performance targets during 2015 returning a net profit of \$59476 compared to \$42562 last year.

Pleasing trading results were witnessed from both Keno and TAB. Keno trading returned consolidated commissions of \$200668 down \$403 or 0.20% on last year. Contribution from trading was up \$7799 or 9.40% from \$82897 in 2014 to \$90696 in 2015. Tab commissions received were \$65017 down \$1092 or 1.65% on last year. Contribution from trading was a net loss of \$90430 an improvement of \$1271 or 1.39% when compared to \$91701 last year.

Total salary and wages (including other employee benefits) paid was \$5497763 up \$65037 or 1.20% on last year. This result is satisfactory after consideration is made for the 3% minimum wage increase handed down by Fair Work Australia in July, 2014 which equates to around \$160,000.

A review of the Club's cash flow performance indicates a positive movement of cash from operations of \$2807557 together with accumulated cash reserves of \$893895 enabled the Club to fund net plant, equipment and capital improvements of \$1398040, repay borrowings of \$1005180 whilst increasing cash reserves by \$404337 to \$1298232 as at 30th June 2015.

MEMBERS GUARANTEE

In accordance with the Constitution of the Company every member of the Company undertakes to contribute an amount limited to \$2 per member in the event of the winding up of the Company during the time that he/she is a member or within one year thereafter. At the date of this report there are 12068 members (2014: 11923 members).



DIRECTORS' MEETINGS

The number of Directors' meetings (including special meetings and meetings of committees of Directors) and number of meetings attended by each of the Directors of the Company during the financial year are:

Director	Directors' Meetings Board Meetings		Directors' Meetings Special Meetings	
	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended
Claire E. Fletcher	12	12	5	5
Colin P. Cross	12	10	5	3
Darcy W. Cheetham	12	12	5	5
John H. Rochester	12	11	5	5
John H. Tyson	12	11	5	5
James G. Cavanagh	12	11	5	5
Kenneth J. Jackson	12	11	5	5
James Simons	12	12	5	5
Gail E. Stewart	-	-	-	-
Garry Cuthbert	8	6	2	2
Michael P. Sadler	3	3	1	1

The Directors also attended various sub committee meetings comprising Directors and management throughout the year.

During the year Directors were granted a leave of absence for the following periods:

James G. Cavanagh – 3rd to 16th November 2014

Kenneth J. Jackson – 7th to 23rd November 2014

Colin P. Cross – 19th to 31st March 2015

The board consists of nine members having an attendance record of 92.52% at regular board meetings, 95.34% at special meetings and an overall attendance of 93.33%.



DIRECTORS QUALIFICATIONS, EXPERIENCE AND SPECIAL RESPONSIBILITIES

Claire E. Fletcher

	President (Current)	2 years
	Director (Current)	7 years
	Vice President (Past)	3 years
Qualifications	Retired Bank Clerk	
Experience	Supervisor Armaguard Currency Management	10 years
	Pay Clerk K-Mart Forster	
	ANZ Business Bank Teller	10 years
	Committee Member Tuncurry Forster Sports Women's Bowling Club	
	Past President Forster Women's Bowling Club	
Special Responsibilities	Poker Machine, Disciplinary, House & Building and Future Development Committees	
Other	Member of Club Directors Institute – Clubs NSW	
Training	Next Generation Gaming	
	Club of the Future	

Colin P. Cross

	Vice President (Current)	2 years
	Director (Current)	9 years
	Vice President (Past)	2 months
Qualifications	Retired Telstra Communications Officer	
Experience	Vice President Skipjacks Bowling Club	4 years
	Committee Cundletown Apex	3 years
Special Responsibilities	Poker Machines, Disciplinary & Future Development Committees	
	Training Director	
Other	Life Member Taree Race Club	
	Member of Club Directors Institute – Clubs NSW	
Training	Next Generation Gaming	
	Club of the Future	

Darcy W. Cheetham

	Vice President (Current)	1 year
	Director (Current)	2 years
	Director (Previous)	2 years
Qualifications	Business Proprietor	
Experience	Former President Nelson Sharks Junior Rugby League Football Club	
	Former Treasurer Nelson Sharks Junior Rugby League Football Club	
	Member Tuncurry Forster Sports Men's Bowling Club	
	Member Skipjacks Bowling Club	
Special Responsibilities	Disciplinary, Poker Machine and Future Development Committees	
Other	Member of Club Directors Institute – Clubs NSW	
Training	Next Generation Gaming	
	Leveraging Your Community Engagement	



DIRECTORS QUALIFICATIONS, EXPERIENCE AND SPECIAL RESPONSIBILITIES CONTINUED

John H. Rochester

	Director (Current)	23 years
	Past Vice President	6 years
	Past Training Committee	6 years
Qualifications	Retired Seafood Processor	
Experience	Past President Blue Water Fishing Club	3 years
	Past President Balmain Leagues Golf and Snooker Clubs	4 years
	Past Member Forster Tuncurry Lions Club	6 years
Special Responsibilities	Future Development Committee	
Other	Raffle Director (Current)	
	Life Member FTMSC	
Training	Member of Club Directors Institute – Clubs NSW	
	The Truth About Social Media for Clubs Leveraging Your Community Engagement	

John H. Tyson

	Director (Current)	9 years
Qualifications	Retired Club Employee	
Experience	Past Director Tuncurry Leagues & Sports Club	
	Past Member Lions Club	10 years
Special Responsibilities	House & Building and Future Development Committees	
Other	Greens Director (Current)	
Training	Member of Club Directors Institute – Clubs NSW	
	Club of the Future Leveraging Your Community Engagement	

James G. Cavanagh

	Director (Current)	8 years
	Past Director	5 years
Qualifications	Retired Senior District Officer Dept of Community Services	
Experience	Past President Tuncurry Forster Sports Men's Bowling Club	3 years
	Past State Returning Officer for State Electorate of South Coast and Southern Highlands	
	Past President Bowral Bowling Club	2 years
	Past President Bowral Lions Club	
Special Responsibilities	Future Development Committee	
Other	Member of Club Directors Institute – Clubs NSW	
Training	Nil	



DIRECTORS QUALIFICATIONS, EXPERIENCE AND SPECIAL RESPONSIBILITIES CONTINUED

Kenneth J. Jackson

	Director (Current)	5 years
Qualifications	Retired Boilermaker	
Experience	Senior Vice President and Director Alexandria Erskineville Bowling Club	3 years
	Current President Tuncurry Forster Sporty's Travelling Bowlers	4 years
	Committee Member Tuncurry Forster Sports Men's Bowling Club	3 years
Special Responsibilities	Poker Machine & Future Development Committees	
Other	Tournament Director	
Training	Member of Club Directors Institute – Clubs NSW	
	Next Generation Gaming	
	The Truth About Social Media for Clubs	

James Simons

	Director (Current)	3 years
Qualifications	Retired Tool Maker	
Experience	Secretary Club Forster Skipjacks Social Bowling Club Committee	3 years
	Secretary Tuncurry Forster Sports Men's Bowling Club	5 years
	Returning Officer Election Board of Directors FTMSC 2010	
Special Responsibilities	WH & S, Disciplinary & Future Development Committees	
Other	Member of Club Directors Institute – Clubs NSW	
Training	The Truth About Social Media for Clubs	
	Leveraging Your Community Engagement	

Gail E. Stewart

	Director (Current)	1 month
Qualifications	Semi-Retired Mortgage Business Partner	
Experience	Audit Department Administrator with Price Waterhouse Chartered Accountants	
	Australian Government Employee	
	Australian Royal Commission Employee	
	Past President Club Forster Social Golf Club	2 years
	Past Secretary/Treasurer Club Forster Social Golf Club	4 years
	Playing Member Forster Tuncurry Golf Club	
Special Responsibilities	Future Development Committee	
Other	Member of Club Directors Institute – Clubs NSW	
Training	Nil	



AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 21.

Signed at Forster this 31st Day of August, 2015 by Claire E. Fletcher and Colin P. Cross on behalf of the Board and in accordance with a Resolution passed by the Directors.

CLAIRE E. FLETCHER
DIRECTOR

COLIN P. CROSS
DIRECTOR



FORSTER TUNCURRY MEMORIAL
SERVICES CLUB LIMITED
(A COMPANY LIMITED BY GUARANTEE)
A.B.N. 65 000 919 817

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C
OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF FORSTER TUNCURRY
MEMORIAL SERVICES CLUB LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 30th June 2015, 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 contravention of any applicable code of professional conduct in relation to the audit.

HARRISON, MAIN & McARTHUR
ANDREW McARTHUR - CA
PARTNER
REGISTERED COMPANY AUDITOR

12-16 Wallis Street,
Forster NSW 2428

31st August, 2015



FORSTER TUNCURRY MEMORIAL
SERVICES CLUB LIMITED
(A COMPANY LIMITED BY GUARANTEE)
A.B.N. 65 000 919 817

INDEPENDENT AUDITORS' REPORT

To The Members
Forster Tuncurry Memorial Services Club Limited

REPORT ON THE FINANCIAL REPORT

We have audited the accompanying financial report of Forster Tuncurry Memorial Services Club Limited which, comprises the Statement of Financial Position as at 30th June 2015, the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, notes comprising a summary of significant Accounting Policies and other explanatory notes and the Directors Declaration as set out on pages 24 to 49.

Directors' Responsibility for the Financial Report

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

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with the relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial report that gives a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

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



Audit Opinion

In our opinion the financial report of Forster Tuncurry Memorial Services Club Limited is in accordance with the Corporations Act 2001, including:

- a. giving a true and fair view of the Company's financial position as at 30th June, 2015 and of its performance for the year ended on that date; and
- b. complying with Australian Accounting Standards - Reduced Disclosure Requirements (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

HARRISON, MAIN & McARTHUR
ANDREW McARTHUR - CA
PARTNER
REGISTERED COMPANY AUDITOR

12-16 Wallis Street,
Forster NSW 2428

31st August, 2015



FORSTER TUNCURRY MEMORIAL
SERVICES CLUB LIMITED
(A COMPANY LIMITED BY GUARANTEE)
A.B.N. 65 000 919 817

DIRECTORS' DECLARATION

The Directors of Forster Tuncurry Memorial Services Club Limited, declare that:

1. The financial statements and notes, as set out on pages 25 to 49 are in accordance with the Corporations Act 2001 and:
 - (a) comply with Australian Accounting Standards – Reduced Disclosure Requirements; and
 - (b) give a true and fair view of the financial position as at 30th June, 2015 and of the performance for the year ended on that date of the Company.
2. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed at Forster this 31st Day of August, 2015 by Claire E. Fletcher and Colin P. Cross on behalf of the Board and in accordance with a Resolution passed by the Directors.

CLAIRE E. FLETCHER
DIRECTOR

COLIN P. CROSS
DIRECTOR



**FORSTER TUNCURRY MEMORIAL
SERVICES CLUB LIMITED
(A COMPANY LIMITED BY GUARANTEE)
A.B.N. 65 000 919 817**

**STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30th JUNE, 2015**

	Note	2015 \$	2014 \$
Revenue	2	19295060	18088487
Profit/(Loss) on Disposal of Fixed Assets	3	178166	(1887)
Changes in Inventories of Finished Goods	3	(2880573)	(2890932)
Employee Benefits Expense	3	(5497763)	(5432726)
Depreciation & Amortisation Expense	3	(1497400)	(1391209)
Finance Costs	3	(199032)	(177262)
Other Expenses		(8184722)	(8206944)
Profit/(Loss) Before Income Tax		<u>1213736</u>	<u>(12473)</u>
Income Tax Expense	1(a),4	(37781)	44805
Profit/(Loss) for the Year		<u>1175955</u>	<u>32332</u>
Other Comprehensive Income After Income Tax:			
Net Gain On Revaluation of Non-Current Assets		-	-
Other Comprehensive Income for the Year, Net of Tax		<u>-</u>	<u>-</u>
Total Comprehensive Income for the Year		<u>1175955</u>	<u>32332</u>
Total Comprehensive Income Attributable to: Members of the Entity		<u>1175955</u>	<u>32332</u>

The Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the notes to and forming part of the accounts set out on page 29 to 49.



**FORSTER TUNCURRY MEMORIAL
SERVICES CLUB LIMITED**
(A COMPANY LIMITED BY GUARANTEE)
A.B.N. 65 000 919 817

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30th JUNE, 2015**

	Retained Earnings	Note	Asset Revaluation Reserve
	\$		\$
Balance at 1st July, 2013	11586226	(a)	645291
Retrospective Adjustment Upon Change in Accounting Policy	-		-
Transfers to and From Reserves	-		-
Transfers to and From Retained Profits	-		-
Total Other Comprehensive Income for the Year	-		-
Profit/(Loss) Attributable to the Company	32332		-
Balance at 30th June, 2014	11618558	(a)	645291
Balance at 1st July, 2014	11618558	(a)	645291
Retrospective Adjustment Upon Change in Accounting Policy	-		-
Transfers to and From Reserves	-		-
Transfers to and From Retained Profits	-		-
Total Other Comprehensive Income for the Year	-		-
Profit/(Loss) Attributable to the Company	1175955		-
Balance at 30th June, 2015	12794513	(a)	645291

a) **Asset Revaluation Reserve**

This asset revaluation reserve records revaluations of non-current assets. There were no movements in the reserve during the current year.

The Statement of Changes in Equity is to be read in conjunction with the notes to and forming part of the accounts set out on page 29 to 49.



**FORSTER TUNCURRY MEMORIAL
SERVICES CLUB LIMITED
(A COMPANY LIMITED BY GUARANTEE)
A.B.N. 65 000 919 817**

**STATEMENT OF FINANCIAL POSITION
AS AT 30th JUNE, 2015**

	Note	2015 \$	2014 \$
ASSETS			
CURRENT ASSETS			
Cash & Cash Equivalents	5	1298232	893895
Trade & Other Receivables	6	171024	137728
Inventories	7	206977	196511
Other Current Assets	8	90979	32203
TOTAL CURRENT ASSETS		<u>1767212</u>	<u>1260337</u>
NON-CURRENT ASSETS			
Deferred Tax Assets	13	-	-
Property, Plant & Equipment	9	17401096	17174485
Intangible Assets	10	13311	5620
TOTAL NON-CURRENT ASSETS		<u>17414407</u>	<u>17180105</u>
TOTAL ASSETS		<u>19181619</u>	<u>18440442</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade & Other Payables	11	1197727	748056
Borrowings	12	324418	425727
Current Tax Liabilities	13	-	-
Short Term Provisions	14	650637	587169
Other Liabilities	15	99722	94948
TOTAL CURRENT LIABILITIES		<u>2272504</u>	<u>1855900</u>
NON-CURRENT LIABILITIES			
Borrowings	12	3281702	4185573
Long Term Provisions	14	103925	88848
Other Liabilities	15	35399	35768
Deferred Tax Liabilities	13	48285	10504
TOTAL NON-CURRENT LIABILITIES		<u>3469311</u>	<u>4320693</u>
TOTAL LIABILITIES		<u>5741815</u>	<u>6176593</u>
NET ASSETS		<u>13439804</u>	<u>12263849</u>
EQUITY			
Reserves		645291	645291
Retained Profits		12794513	11618558
TOTAL EQUITY		<u>13439804</u>	<u>12263849</u>

The Statement of Financial Position is to be read in conjunction with the notes to and forming part of the accounts set out on page 29 to 49.



**FORSTER TUNCURRY MEMORIAL
SERVICES CLUB LIMITED**
(A COMPANY LIMITED BY GUARANTEE)
A.B.N. 65 000 919 817

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30th JUNE, 2015**

	2015	2014
Note	\$	\$
CASH FLOW FROM OPERATING ACTIVITIES		
Receipts from Customers	20949338	19927796
Interest Received	15413	10014
Payments to Suppliers and Employees	(17958162)	(18363954)
Finance Costs	(199032)	(177262)
Net Cash Generated from Operating Activities	2807557	1396594
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from Sale of Property, Plant & Equipment	226833	-
Payment for Intangible Assets	-	-
Payment for Property, Plant & Equipment	(1624873)	(3406584)
Net Cash used in Investing Activities	(1398040)	(3406584)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Borrowings	-	2223344
Repayment of Borrowings	(1005180)	(304528)
Proceeds from Hire Purchase	-	-
Repayment Hire Purchase	-	-
Bond Received	-	-
Net Cash used in Financing Activities	(1005180)	1918816
Net Increase/(Decrease) in Cash Held	404337	(91174)
Cash and Cash Equivalents at 1st July 2014	893895	985069
Cash and Cash Equivalents at 30th June 2015	5 1298232	893895

The Statement of Cash Flows is to be read in conjunction with the notes to and forming part of the accounts set out on page 29 to 49.

**FORSTER TUNCURRY MEMORIAL
SERVICES CLUB LIMITED**
(A COMPANY LIMITED BY GUARANTEE)
A.B.N. 65 000 919 817



**NOTES TO THE FINANCIAL STATEMENTS FOR THE
YEAR ENDED 30th JUNE, 2015**

The financial report is for Forster Tuncurry Memorial Services Club Limited as an individual Company, incorporated and domiciled in Australia. Forster Tuncurry Memorial Services Club Limited is a Company limited by guarantee.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements 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 the financial statements are presented below and have been consistently applied unless otherwise stated.

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

The financial statements were authorised for issue on the 31st August 2015 by the Directors of the Company.

Accounting Policies

a) Income Tax

Due to the doctrine of mutuality the Club is taxed on net income from non-members and other external sources only and accordingly taxable income does not relate to net profit as disclosed in the accounts. Current year income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items and then adjusted for the appropriate percentage applicable to non-members to determine the taxable income.

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).



Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

b) Inventories

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



c) **Property, Plant & Equipment**

Property, plant and equipment are carried at cost or at fair value, less, where applicable, any accumulated depreciation and impairment losses. The carrying amount of property, plant and equipment is reviewed annually by the Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the fair value of the assets less cost to sell or the depreciable replacement cost of these assets.

The cost of fixed assets constructed within the Company includes the cost of materials, direct labour and borrowing costs. 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 Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Comprehensive Income during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including buildings and leasehold improvements but excluding freehold land, are depreciated on a straight line and/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 lives of the improvements.

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

Class of Fixed Asset	Depreciation Rate
Buildings	2.5% to 5%
Plant and Equipment	7.5% to 40%
Bowling Greens	4%
Car Parks etc	2% to 10%
Leased Improvements	4% to 5%

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

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the Statement of Comprehensive Income.

d) **Land for Sale**

Land held for development and sale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Borrowing costs and holding charges incurred after development is completed are expensed. Profits are brought to account on the signing of an unconditional contract of sale.



e) **Employee entitlements**

I. **Short Term Employee Benefits**

Provision is made for the Company's obligation for short term employee benefits. Short term employee benefits are benefits that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and annual leave. Short term employee benefits are measured at the (undiscounted) amount expected to be paid when the obligation is settled.

The Company's obligation for short term employee benefits is recognised as part of provisions in the Statement of Financial Position.

II. **Long Term Employee Benefits**

The Company classifies employees' long service leave and certain annual leave entitlements as long term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the Company's obligation for long term employee benefits, which are measured at the present value of the expected future payments to be made to employees including future wage and salary levels and on costs. The movement in this provision is recognised on the profit or loss under employee benefits expense.

The Company's obligation for long term employee benefits is recognised as part of non-current provisions in the Statement of Financial Position unless the Company cannot defer settlement for 12 months then they are classified as current provision.

Contributions are made by the Company to employee superannuation funds and charged as an expense when incurred.

f) **Revenue**

Revenue from the sale of goods is recognised upon delivery of goods to customers. Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established. Revenue from the rendering of a service is recognised upon the delivery of the service to the customer.

Revenue is recognised net of the amount of goods and services tax (GST)

g) **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. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payable in the Statement of Financial Position are shown inclusive of GST.

Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.



h) **Intangibles**

Computer software is recorded at cost. Software has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It is being written off over the useful life of the software to the Company.

Poker Machine entitlements are at cost less any impairment losses. Poker machine entitlements have an indefinite life and are assessed annually for impairment.

i) **Leases**

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

Finance lease are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

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.

In accordance AASB: 116 Property Plant and Equipment, any rectification clauses in operating leases will be recognised and measured in accordance with AASB 137: Provisions, Contingent Liabilities and Contingent Assets, only if the probable outflow is not remote and can be reliably measured.

j) **Impairment of Assets**

At the end of each reporting period, 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 asset, being the higher of the asset's fair value less costs to sell and value in use or the depreciable replacement cost, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Statement of Comprehensive Income.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an asset class, the Company estimates the recoverable amount of the cash generating unit to which the class of assets belong.



Where an impairment loss on a revalued asset is identified, this is debited against the revaluation reserve in respect to the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation reserve for that same class of asset.

Impairment testing is performed annually for intangible assets with indefinite lives.

k) **Financial Instruments**

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the Company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified 'at fair value through profit and loss' in which case transaction costs are expensed to profit or loss immediately.

Classification & Subsequent Measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amounts for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- i. The amount at which the financial asset or liability is measured at initial recognition;
- ii. Less principal repayments;
- iii. Plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method;
- iv. Less any reduction for impairment.

The effective interest rate method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

Loans & Receivables

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

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after reporting date, these are included in non-current assets.



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 Company's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held to Maturity Investments are included in non-current assets, except for those which are expected to mature within 12 months after reporting date, these are included in current assets.

Financial Liabilities

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

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the Company no longer has any significant continuing involvement in the risks and benefits associated with the asset.

Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in the profit and loss.

Impairment

At the end of each reporting period, the Company assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the Statement of Comprehensive Income.

l) Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

m) Comparative Figures

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

When the Company applies an accounting policy retrospectively, makes retrospective restatement or reclassifies items in its financial statements, a Statement of Financial Position as at the beginning of the earliest comparative period must be disclosed.



n) **Critical Accounting Estimates and Judgements**

The Directors evaluate estimates and judgements 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 with the Company.

Key Estimates – Impairment

The Company assesses impairment at each reporting date by evaluating conditions specific to the Company that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value in use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

o) **New and Revised Standards that are Effective for These Financial Statements**

A number of new and revised standards are effective for annual periods beginning on or after 1st January 2014. Information on these new Standards is presented below.

AASB 10 Consolidated Financial Statements

AASB 10 supersedes the consolidation requirements in AASB 127 *Consolidated and Separate Financial Statements (AASB 127)* and *AASB Interpretation 112 Consolidation - Special Purpose Entities*. AASB 10 revises the definition of control and provides extensive new guidance on its application.

To assist not-for-profit entities applying the AASB 10, the AASB issued AASB 2013-8 *Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities – Control and Structured Entities* on 31st October 2013. AASB 2013-8 added an appendix to AASB 10 to explain and illustrate how the principles in AASB 10 apply from the perspective of not-for-profit entities in the private and public sectors, particularly to address circumstances where a for-profit perspective does not readily translate to a not-for-profit perspective.

AASB 10 (and AASB 2013-8) became applicable to not-for-profit entities for annual reporting periods beginning on or after 1st January 2014. Management has reviewed its control assessments in accordance with AASB 10 and has concluded that there is no effect on the classification of any of the Companies Sub Clubs during the period or comparative periods covered by these financial statements.

AASB 2013-6 Amendments to AASB 136 arising from Reduced Disclosure Requirements

AASB 2013-6 makes amendments to AASB 136 *Impairment of Assets* to establish reduced disclosure requirements for entities preparing general purpose financial statements under Australian Accounting Standards – Reduced Disclosure Requirements arising from AASB 2013-3 *Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets*. AASB 2013-3 made narrow scope amendments to AASB 136, addressing disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal. AASB 2013-6 became applicable to annual reporting periods beginning on or after 1st January 2014.

The adoption of these amendments has not had a material impact on the Company.



NOTE 2 – REVENUE

	Note	2015 \$	2014 \$
Operating Revenue			
Turnover from Trading Activities		17484506	16450082
Non Operating Revenue			
Interest Received		15413	10014
Commission Received		511955	504291
Members Subscriptions		128040	124982
Bowls Shop & Greens Fees		38397	37271
Facility Hire, Sporting Board & Child Minding		46480	42915
Telephone Receipts		312	254
Bingo and Raffle Ticket Sales		699041	668886
Entertainment Ticket Sales		183008	239389
Advertising Sales		7618	5636
Donation – Mid Coast Water Assets		155500	-
Other Income		24790	4767
TOTAL REVENUE		19295060	18088487

NOTE 3 – PROFIT/(LOSS) FOR YEAR

	Note	2015 \$	2014 \$
a) Expenses			
Changes in Inventories of Finished Goods			
Bar – Forster		823351	831914
Bar – Tuncurry		529360	520006
Bottle shop – Forster		372889	354849
Catering – Forster		837716	864511
Catering – Tuncurry		317257	319652
		2880573	2890932
Depreciation and Amortisation			
Buildings, Improvements, Car Parks & Greens		506809	480709
Plant and Equipment		986796	890808
Intangible – Software		3795	19692
		1497400	1391209
Finance Costs			
Interest Paid		199032	177262
Employee Benefits			
Employee Entitlements		78544	65747
Employee Benefits		4770	4680
Staff Presentations		3808	1834
Fringe Benefits Tax		8656	8450
Salaries & Wages		5401985	5352015
		5497763	5432726
Bad and Doubtful Debts			
Trade Receivables		-	-
Rental Expense on Operating Leases			
Minimum Lease Payments		-	-



	Note	2015 \$	2014 \$
Employee Benefits			
Contributions to Defined Contribution Super Funds		495866	480611
b) Significant Revenue and Expenses			
Gain on Disposal of Non Current Assets		178166	-
Loss on Disposal of Non Current Assets		-	(1887)

NOTE 4 – INCOME TAX EXPENSE

The components of income tax expense comprise:

Current Tax		-	-
Deferred Tax	13	37781	(44805)
Recoupment of Prior Year Tax Losses		-	-
Under/(Over) Provision in Respect of Prior Years		-	-
		<u>37781</u>	<u>(44805)</u>

The prima facie tax on profit/(loss) for the Year is reconciled to the income tax as follows:

Prima Facie Tax Payable on the Profit/(Loss) for the Year at 30% (2014: 30%)	364121	(3742)
Add:		

Tax Effect of:

Under Provision for Income Tax in Prior Years	-	-
Non-deductible Depreciation & Amortisation	61484	103752
Fully Assessable Income	215609	209246
Non Member Expenditure	1200690	1200131
	<u>1841904</u>	<u>1509387</u>

Less:

Tax Effect of:

Recoupment of Prior Year Tax Losses	-	-
Fully Deductible Expenditure	323339	298269
Non Member Income	1518565	1211118
Movement in Deferred Accounts	(37781)	44805
Income Tax Attributable to the Company	<u>37781</u>	<u>(44805)</u>

NOTE 5 – CASH & CASH EQUIVALENTS

	Note	2015 \$	2014 \$
Cash on Hand		250000	220000
Cash at Bank		1048232	673895
	5(a), 21	<u>1298232</u>	<u>893895</u>



	Note	2015 \$	2014 \$
(a) Reconciliation of Cash			
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to Items in the Statement of Financial Position as follows:			
Cash and Cash Equivalents		1298232	893895
Bank Overdrafts	12	-	-
		<hr/>	<hr/>
		1298232	893895

NOTE 6 – TRADE & OTHER RECEIVABLES

Current

Trade Receivables		10727	10865
Provision for Impairment		-	-
		<hr/>	<hr/>
		10727	10865
Other Receivables		52963	43371
Accrued Income		44510	42191
GST Receivable		62824	41301
		<hr/>	<hr/>
	6(a)	171024	137728

(a) Financial assets classified as loans and receivables:

Trade & Other Receivables:			
- Current		171024	137728
- Non-Current		-	-
		<hr/>	<hr/>
	21	171024	137728

NOTE 7 - INVENTORIES

Finished Goods		206977	196511
		<hr/>	<hr/>

NOTE 8 - OTHER ASSETS

Prepayments		90979	32203
Deposit on Property, Plant & Equipment Purchases		-	-
		<hr/>	<hr/>
		90979	32203



NOTE 9 – PROPERTY, PLANT & EQUIPMENT

	Cost \$	Accum Dep'n \$	Accum Impair't Loss \$	Written Down Value \$
Year Ended 30th June, 2015				
Freehold Land	2138677	-	-	2138677
Buildings & Car Parks	20723990	10202148	-	10521842
Plant & Equipment	18200798	13660817	-	4539981
Motor Vehicles	227793	196067	-	31726
Bowling Greens	202849	162829	-	40020
Work in Progress Buildings	128850	-	-	128850
	<u>41622957</u>	<u>24221861</u>	<u>-</u>	<u>17401096</u>
	Cost \$	Accum Dep'n \$	Accum Impair't Loss \$	Written Down Value \$
Year Ended 30th June, 2014				
Freehold Land	2138677	-	-	2138677
Buildings & Car Parks	20594726	9704461	-	10890265
Plant & Equipment	17167319	13134262	-	4033057
Motor Vehicles	227793	190489	-	37304
Bowling Greens	180599	153707	-	26892
Work in Progress Buildings	48290	-	-	48290
	<u>40357404</u>	<u>23182919</u>	<u>-</u>	<u>17174485</u>

Movement in Carrying Amount of Property, Plant & Equipment

	2015 Property, Plant & Equipment \$	2014 Property, Plant & Equipment \$
Opening Written Down Value	17174485	15141307
Add: Additions	1768885	3406584
Less: Disposals	(48669)	(1889)
Less: Depreciation	(1493605)	(1371517)
Add: Revaluation Increment	-	-
Less: Revaluation Decrement	-	-
Closing Written Down Value	<u>17401096</u>	<u>17174485</u>

CORE ASSETS OF THE CLUB

The current Directors disclose under the provisions of the Registered Clubs Act that the core assets of the Club are the Clubhouse and car park at 19 Strand Street, Forster (except proposed Lot 1 of the sub division of Lot 1 DP247867 and Lot 1 DP 43068) and the defined licensed premises, bowling greens, tennis courts and car parks at 65 Beach Street, Tuncurry.

NOTE 10 – INTANGIBLE ASSETS

	Cost \$	Accum Amort'n/ Impair't \$	Written Down Value \$
30th June, 2015			
Computer Software	356643	343332	13311
Poker Machine Entitlements	-	-	-
	<u>356643</u>	<u>343332</u>	<u>13311</u>



	Cost \$	Accum Amort'n/ Impair't \$	Written Down Value \$
30th June, 2014			
Computer Software	345157	339537	5620
Poker Machine Entitlements	-	-	-
	<u>345157</u>	<u>339537</u>	<u>5620</u>

Movement in Carrying Amount of Intangible Assets

	2015 \$	2014 \$
Opening Written Down Value	5620	25312
Add: Additions	11486	-
Less: Disposals	-	-
Less: Amortisation	(3795)	(19692)
Add: Revaluation Increment	-	-
Less: Revaluation Decrement	-	-
Closing Written Down Value	<u>13311</u>	<u>5620</u>

NOTE 11 – TRADE & OTHER PAYABLES

	Note	2015 \$	2014 \$
Current			
Trade Payables		677155	323143
Sundry Payables		151702	125276
Income in Advance		13543	18270
Accrued Expenses		220880	156525
GST Payable		134447	124842
	11(a)	<u>1197727</u>	<u>748056</u>

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

Trade & Other Payables			
- Current		1197727	748056
- Non-Current		-	-
		<u>1197727</u>	<u>748056</u>
Less Income In Advance		(13543)	(18270)
Financial Liabilities as Trade & Other Payables	21	<u>1184184</u>	<u>729786</u>

NOTE 12 – BORROWINGS

	Note	2015 \$	2014 \$
Current			
Market Rate Facility – CBA	12(b) & (d)	-	-
Finance Lease Liabilities	12(b) & 17	178203	279512
Loan – Department of Lands	12(b)	146215	146215
		<u>324418</u>	<u>425727</u>



	Note	2015 \$	2014 \$
Non-Current			
Market Rate Facility – CBA	12(b) & (d)	1799994	2500000
Finance Lease Liabilities	12(b) & 17	37224	215426
Loan – Department of Lands	12(b)	1444484	1470147
		<u>3281702</u>	<u>4185573</u>
Total Borrowings	21	<u>3606120</u>	<u>4611300</u>

a) Total current and non-current secured liabilities:

Market Rate Facility – CBA	1799994	2500000
Finance Lease Liabilities	215427	494938
Loan – Department of Lands	1590699	1616362
	<u>3606120</u>	<u>4611300</u>

b) The carrying amount of current and non-current assets pledged as security are:

Buildings and Plant & Equipment	17401096	17174485
Floating Charge:		
Cash & Cash Equivalents	1298232	893895
Trade & Other Receivables	171024	137728
Inventories	206977	196511
Other Current Assets	90979	32203
Intangible Assets	13311	5620
	<u>19181619</u>	<u>18440442</u>

c) Securities Given

i. The bank debt is secured by:

- First Registered Mortgage over Non Residential Property located at Beach Street Tuncurry and Strand Street Forster. First Registered Equitable Mortgage over the whole of Forster Tuncurry Memorial Services Club Ltd assets and undertakings including uncalled capital;

Covenants imposed by the bank are as follows:

- Annual audited financial statements provided within 120 days of end of financial year;
- Compliance certificates and management reports to be provided within 50 days of each half reporting period being the end of December and June;
- EBITDA for each reporting period to be not less than \$1150000 on a rolling twelve month basis;
- Net Gaming Takings on a rolling twelve month basis to be not less than \$5400000;
- Borrower to ensure number of gaming machines in use is 200.

d) Approved term of funding being interest only facility. The first market rate facility (\$2000000) is due to expire on the 20th February 2017 whilst the second (\$400000) is due to expire 1 year from the date of funding.

e) The Company currently has undrawn facilities as follows:



Facility	Facility Limit	Amount Drawn	Undrawn Facility
	\$	\$	\$
Bank Overdraft – Keno (CBA)	5000	-	5000
Bank Overdraft – Keno (CBA)	3000	-	3000
Bank Overdraft – Tab (CBA)	10000	-	10000
Market Rate Facility (CBA)	2400000	1799994	600006
Finance Lease Liabilities (Poker Machine Distributors)	215427	215427	-
Loan Department of Lands	1590699	1590699	-

The Club has also provided guarantees to TAB NSW of \$10000.

NOTE 13 – INCOME TAX

	Note	2015	2014		
		\$	\$		
Income Tax		-	-		
		<hr/>			
	Opening Balance	Charged To Income	Charged Directly To Equity	Changes In Tax Rate	Closing Balance
	\$	\$	\$	\$	\$
Deferred Tax Liability					
Property, Plant & Equipment	10421	37778	-	-	48199
Tax Allowance	83	3	-	-	86
Balance as at 30th June 2015	10504	37781	-	-	48285
		<hr/>			
	Opening Balance	Charged To Income	Charged Directly To Equity	Changes In Tax Rate	Closing Balance
	\$	\$	\$	\$	\$
Deferred Tax Liability					
Property, Plant & Equipment	55188	(44767)	-	-	10421
Tax Allowance	121	(38)	-	-	83
Balance as at 30th June 2014	55309	(44805)	-	-	10504

Deferred tax assets not brought to account, the benefits of which will only be realised if the conditions for deductibility set out in Note 1(a) occur:

Temporary Differences \$67631 (2014: \$60571)

Tax Losses: Operating Losses \$352497 (2014: \$389297)

NOTE 14 – PROVISIONS

	Annual & Sick Leave Prov'n	Long Service Leave Prov'n	Total
	\$	\$	\$
Opening Balance at 1st July 2014	364782	311235	676017
Additional provisions raised during year	275346	72683	348029
Amounts used	(224732)	(44752)	(269484)
Balance at 30th June 2015	415396	339166	754562



Analysis of Total Provisions

	Note	2015 \$	2014 \$
Current			
Annual Leave		374681	324067
Sick Leave		40715	40715
Long Service Leave		235241	222387
		<hr/>	<hr/>
		650637	587169
Non-Current			
Long Service Leave		103925	88848

Provision for Long Service Leave

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been included in Note 1(e) of the financial statements.

NOTE 15 – OTHER LIABILITIES

	Note	2015 \$	2014 \$
Current			
Subscriptions in Advance		99722	94948
Non-Current			
Subscriptions in Advance		35399	35768

NOTE 16 - CONTINGENT LIABILITIES

Contingent Liability - Mortality Benefits

A contingent liability exists for certain members whose membership entitles next of kin to mortality benefits upon the death of the member. The total contingent liability is estimated at \$37400 (2014: \$37400).

Contingent Asset – Development Fund

A contingent asset exists being the maintenance of a promotional fund by Carlton United Breweries under the current trading agreement. Under the agreement between the Club and Carlton United Breweries an amount is set aside based on the litres purchased by the Club to be used on promotional activity agreed to by both parties. The maintenance of the fund is contingent upon a valid trading agreement between the Club and Carlton United Breweries remaining in place. The balance of the fund at the 30th June 2015 is \$16414.

NOTE 17 – LEASING, CAPITAL & OTHER COMMITMENTS

Operating Lease Commitments

Paging System

The Club entered into an agreement in August 2014 for a four year period with Jtech Australia Pty Ltd, to lease a customer & club paging system for both Forster and Tuncurry catering. The amount payable under the agreement is \$841 per month excluding GST.



Non-cancellable operating leases contracted for but not capitalised in the financial statements and other rental liabilities of the Club are as follows:

	Note	2015 \$	2014 \$
Payables – Minimum Lease Payments			
Not Later Than 12 months		10092	10092
Later Than 12 months but Not Later Than 2 years		10092	10092
Later Than 2 years but Not Later Than 5 years		1682	11774
Later Than 5 Years		-	-

Capital Commitments

There are the following material capital commitments at the 30th June 2015:

1. New E Cash CRT Machine at the Sporties \$35476.
2. Update of the airconditioning system in the gaming area at Club Forster \$80000.

Licence Commitments

A licence agreement with Great Lakes Council was entered into on the 6th April, 1999 for the term of 20 years. The Council has calculated the market rental of the land to be five annual instalments of \$12000 followed by 15 annual instalments of \$1 until termination of the licence.

Finance Lease Commitments

Poker Machine Licence Rental

The Club entered into agreements to rent in total twenty five poker machine game licences granted by Aristocrat Technologies Australia Pty Ltd, Ainsworth Game Technology, Shuffle Master Australasia and IGT Australia Pty Ltd for a period of three years.

	Note	2015 \$	2014 \$
Payables – Minimum Lease Payments			
Not Later Than 12 months		178203	279512
Later Than 12 months but Not Later Than 2 years		37224	178202
Later Than 2 years but Not Later Than 5 years		-	37224
Later Than 5 Years		-	-
Minimum Lease Payments		215427	494938
Less: Future Finance Charges		-	-
		215427	494938

Club Grants Commitment

As part of the Community Welfare, Community Development, Social Services and Employment Assistance Scheme the Club has committed to donate funds to various organisations that fall under either, Category 1, Category 2 or Category 3 as required by the NSW Office of Liquor, Gaming and Racing. The amount calculated is 2.25% of the total metered profit for the year ended 31st August 2015 at both Club Forster and the Sporties. At the 31st May 2015 the club had committed to donate approximately \$80000, with the majority of this commitment to be expended in the months of July and August 2015.



NOTE 18 - SUPERANNUATION COMMITMENT

The Company is committed to paying superannuation for all employees who fall within the ambit of the Superannuation Guarantee Legislation. Contributions are calculated as a percentage of employees' ordinary wages under the definition of ordinary time's earnings under the current Enterprise Agreement.

NOTE 19 – KEY MANAGEMENT PERSONNEL COMPENSATION

At the 30th June, 2015 the Company had fourteen current and two former key management personnel including Directors of the Company.

Compensation Paid to Key Management Personnel (Excluding Directors)

	Short Term Benefits \$	Terminat'n Benefits \$	Long Term Benefits \$	TOTAL \$
2015				
Total Compensation	644289	-	30000	674289
2014				
Total Compensation	640481	-	15911	656392

Compensation Paid to Key Management Personnel (Directors)

	Short Term Benefits \$	Terminat'n Benefits \$	Long Term Benefits \$	TOTAL \$
2015				
Total Compensation	44000	-	-	44000
2014				
Total Compensation	42581	-	-	42581

NOTE 20 – RELATED PARTY TRANSACTIONS

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

Transactions with related parties:-

a) Close Family Member of Key Management Personnel

A wife of one of the key management personnel, Mrs Wenjing Li was employed by the Club. Total compensation received during the year was \$7989.

b) Close Family Member of Key Management Personnel

A son of one of the key management personnel, Mr Andrew Clarke was employed by the Club. Total compensation received during the year was \$11608.

c) Close Family Member of Key Management Personnel

A daughter of one of the key management personnel, Miss Samantha Clarke was employed by the Club. Total compensation received during the year was \$211.

d) Close Family Member of Key Management Personnel

A daughter of one of the key management personnel, Ms Brooke Wilson was employed by the Club. Total compensation received during the year was \$18781.

e) Close Family Member of Key Management Personnel

A granddaughter of one of the key management personnel, Miss Elizabeth Jones was employed by the Club. Total compensation received during the year was \$1867.



f) **Transactions between the Club and an Entity Controlled by Key Management Personnel**

Warmula Pty Ltd trading as Foree Vending has an agreement to pay commission to the club for the placement of confectionery machines on the club premises. Warmula Pty Ltd is controlled by Mr Darcy Cheetham a current Director of the club. The total commission paid to the club for the year ended 30th June 2015 was \$8026 which included an amount outstanding at the 30th June 2015 of \$2100.

NOTE 21 – FINANCIAL RISK MANAGEMENT

The Company's financial instruments consist mainly of deposits with banks, accounts receivable and payable and borrowings from financial and non financial institutions.

The Company does not have any derivative instruments at the 30th June, 2015.

The totals 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:

		2015	2015	2014	2014
		Carrying	Net Fair	Carrying	Net Fair
		Value	Value	Value	Value
	Note	\$	\$	\$	\$
Financial Assets					
Cash & Cash Equivalents	5	1298232	1298232	893895	893895
Loans & Receivables	6	171024	171024	137728	137728
Total Financial Assets		1469256	1469256	1031623	1031623
Financial Liabilities					
Financial liabilities at amortised cost:					
Trade & Other Payables	11(a)	1184184	1184184	729786	729786
Borrowings	12	3606120	3606120	4611300	4611300
Total Financial Liabilities		4790304	4790304	5341086	5341086

Net Fair Values

Fair Value Estimation

The fair values of financial assets and financial liabilities are presented in the table at the beginning of Note 21 and can be compared to their carrying value as presented in the Statement of Financial Position. Fair value is determined in accordance with the accounting policy at Note 1(k) in the Financial Statements and Notes.

The fair values disclosed in the table at the beginning of Note 21 have been determined on the following methodologies:

- (i) Cash and cash equivalents, trade and other receivables and trade and other payables are short term instruments in nature whose carrying value is equivalent to fair value.
- (ii) Borrowings fair values are determined using discounted cash flow model incorporating current commercial borrowing rates. The fair values of fixed rate bank debt will not differ materially to their carrying value.

Financial Instruments Measured at fair Value

There are no financial instruments that need to be recognised at fair value in the Statement of Financial Position using the fair value hierarchy as outlined In AASB 7.



NOTE 22 – EVENTS AFTER THE REPORTING DATE

Events after the Reporting Date

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

1. The Club entering into a contract with Club Projects Newcastle Pty Ltd for the extension of the Clubhouse at Sporties Tuncurry on the 7th July 2015 which will provide a new lounge, dance floor, stage, TAB facilities, renovated toilets and outdoor smoking area. The expected cost of the extensions including interior fittings is \$1766000 and are expected to be completed in November 2015.

Future Developments

Apart from any matters outlined below, it is proposed to continue Company operations in a similar manner to the past financial year, with focus being on reduction of the Club's expenditure and the undertaking of improvements, wherever possible and within the constraints of available funds.

1. The Board have decided in the short to medium term to defer its investigation and assessment of the commercial options available for the proposed resort development in light of existing poor property sales outlook. The Board intends during the 2015/2016 year to activate this development application (DA) by addressing certain Great Lakes Council agreed DA conditions.
2. The Club lodged an application in 2006 to acquire the remaining parcel of land (Part Crown Reserve 96632) at Tuncurry owned by the Land and Property Management Authority (LMPA). This application has now been delayed due to a rezoning proposal currently being developed following the signing of a Native Title Agreement between the traditional owners, the Worimi and Biripi People of Forster Tuncurry and the NSW government in late 2010. The Club has since expressed interest with Urban Growth NSW to acquire this parcel of land.

The Club is unclear on when the determination for rezoning of the North Tuncurry Development Project will be completed.

3. During the 2015/2016 the Board intends to lodge a modified development application (DA) for the Forster Clubhouse site. The proposed scope of work at Forster includes the provision of a new open-sided steel framed roof structure over the area at the eastern end of the Club. This will provide shade to the existing area of turf and landscaping, which is to be used for outdoor events and is to be the location for a new children's play area. Work is expected to be completed prior to June 2016.
4. The Board are continuing to explore the financial feasibility of establishing a Wanderest park at Tuncurry. Wanderest is an inexpensive caravan park for travellers to stop, refresh and restock before the continuing on their travels.

The park is a secure area with facilities including powered and unpowered sites, water, hot showers, washing and drying facilities.



NOTE 23 – ENTITY DETAILS

The registered office of the company is:

Forster Tuncurry Memorial Services Club Ltd
Trading As Club Forster
19 Strand Street
Forster NSW 2428

The principal places of business are:

Forster Tuncurry Memorial Services Club Ltd
Trading As Club Forster
19 Strand Street
Forster NSW 2428

Forster Tuncurry Memorial Services Club Ltd
Trading As Sporties Tuncurry
65 Beach Street
Tuncurry NSW 2428

NOTE 24 - MEMBERS GUARANTEE

The Company is incorporated under the Corporations Act 2001 and is a Company limited by guarantee. In accordance with the Constitution of the Company every member of the Company undertakes to contribute an amount limited to \$2 per member in the event of the winding up of the Company during the time that he/she is a member or within one year thereafter. At the date of this report there are 12068 members (2014: 11923 members).



NOTES