

Yarrawonga & Border Golf Club
ANNUAL
REPORT 2011



2011

BOARD OF DIRECTORS



BACK ROW L-R

DIRECTORS - Darrell Lynch, Don Presley, Neil Loveridge, Bill Hidson, Margaret Hauser, Brian Panther, Des Roome, Dario Prighel, CEO Robert Dick

FRONT ROW L-R

VICE PRESIDENT Nick Moratis, PRESIDENT Stuart Spinks, CAPTAIN Vin Slattery, VICE CAPTAIN Stephen Cooper, DIRECTOR Graeme Duffy. INSET: Neil Clark



ANNUAL GENERAL MEETING

NOTICE OF ANNUAL GENERAL MEETING AND ORDINARY AND SPECIAL RESOLUTIONS

NOTICE is hereby given of the Annual General Meeting of YARRAWONGA & BORDER GOLF CLUB LIMITED to be held on Thursday 27th October 2011 commencing at the hour of 8pm in the Willow Room at the premises of the Club, Gulai Road, Mulwala, New South Wales.

AGENDA

1. To confirm the Minutes of the Annual General Meeting of the Club held on the 28th of October 2010.
2. Election of Board Executive for ensuing year (President, Vice President, Captain, Vice Captain).
3. To receive and consider the report for the Board of Directors.
4. To receive and consider the Financial Statements (recording a net operating profit from ordinary activities of \$332,712 and Auditor's Report.

Note : The 2010/11 Annual Report is available on the Club's website – www.yarragolf.com.au.

(It would be appreciated if questions pertaining to the financial statements could be lodged in writing, with the Chief Executive Officer seven days prior to this meeting).

5. Announcement of election for Executive Board positions.

6. Ordinary Resolution

At that meeting the members will be asked to consider and if thought fit pass the following resolution which is proposed as an Ordinary Resolution pursuant to the Corporations Act.

ORDINARY RESOLUTION

To comply with the Registered Clubs Act 1976 Section 10

That approval is given to a budget provision of an annual sum (not exceeding \$30,000) to meet such of the following expenses of the Club that may be approved by the Board of Directors from time to time.

The reasonable cost of meal and beverage for each Director or Senior Management Officer at an appropriate time before or after a Board or Committee Meeting and which is incurred on the day of that meeting.

- (i) Reasonable expenses incurred by a Director either within the Club or elsewhere in relation to the duties of a Director including the entertainment of special guests of the Club in relation to Club business and such other promotional activities as may be approved by the Board.
- (ii) The reasonable cost (including the cost of meals, accommodation and travel) of selected Directors attending the Clubs NSW meetings, the meetings of other Associations of which the Club is a member, as well as educational industry meetings.

7. Special Resolutions

At that meeting the members will be asked to consider and if thought fit pass the following resolutions which are proposed as Special Resolutions pursuant to the Corporations Act.

FIRST SPECIAL RESOLUTION

[The First Special Resolution is to be read in conjunction with the notes to members below]

That the Constitution of Yarrowonga & Border Golf Club Limited be amended:

By renumbering Rule 56 to 56 (a) and adding :

“Rule 56 (b) Notwithstanding rule 56 (a) the Board shall, on an annual basis, be able to increase the subscriptions payable by all or some of the categories of membership subscriptions in percentage terms being equal to or less than the annual increase in the NSW Consumer Price Index as determined by the Australian Bureau of Statistics, rounded up to the nearest \$.”

SECOND SPECIAL RESOLUTION

[The Second Special Resolution is to be read in conjunction with the notes to members below]

That the Constitution of Yarrowonga & Border Golf Club Limited be amended as follows:

- (a) by **adding** the following words to the end of Rule 66, “within 7 days of changing their address”.
- (b) by **inserting** in the final paragraph in Rule 72 immediately after the words “the Board” the words “or the Chief Executive Officer independently from the Board”.
- (c) by **inserting** the following new Rules 82 (ca) and 82 (cb) immediately after Rule 82 (c):

“82 (ca) Without limiting Rule 82 (b), if a person has been refused admission to or turned out of the Club in accordance with Rule 82 (a) (i), the person must not re-enter or attempt to re-enter the Club within 24 hours of being refused admission or being turned out.

82(cb) Without limiting Rule 82 (b), if a person has been refused admission to or turned out of the Club in accordance with Rule 82(a)(i) the person must not:

- (a) remain in the vicinity of the Club;
- (b) re-enter the vicinity of the Club within 6 hours of being refused admission or being turned out.”

- (d) by adding the words, “or any sub-club” at the end of Rule 82 (d) (iii) and by adding the words “or any Committee of a sub-club” at the end of Rules 82(d) (iv) and (v).
- (e) by adding the words “or the Liquor Act” to the end of Rule 125(e).
- (f) by deleting Rule 131(a) and replacing it with the following new Rule 131(a):

“(a) The Board shall not less than twenty one days before each Annual General Meeting and in any event within four (4) months of the end of the financial year of the Club report in accordance with Section 316A of the Act to those members who request that copies of the reports referred to in sub-rule 131 (b) below be sent to them.

8. Election of remaining Board positions for ensuing year
9. General Business

EXPLANATORY NOTES FOR ORDINARY RESOLUTION

Ordinary Resolution

Please note this resolution is required under the Registered Clubs Act and is procedural.

Expenses covered under the above resolution include the cost of Directors attending Clubs NSW conferences and Annual General Meeting and costs associated with Clubs NSW Directors Institute membership, meetings and seminars.

EXPLANATORY NOTES FOR SPECIAL RESOLUTIONS

Notes to Members on the First Special Resolution

One of the challenges facing the Board and Management of Yarrowonga & Border Golf Club in maintaining a profitable Club is to generate increases in revenue at a rate equal to or greater than costs are increasing. Increased revenue is generated by increasing selling prices of Y&BGC goods and services and by increasing patronage.

In 2009 and 2010, in light of the global financial crisis, the Board took the decision to make Y&BGC as attractive as possible to potential visitors by not increasing green fees or unit tariffs. In years prior to 2009 and in 2011 green fee and unit tariffs increased on average 5% annually.

Over recent years we have seen some dramatic increases in costs, most of which the Club has little control over. For example, in the last five years we have seen power costs increase from \$247,489 to \$401,591 (62%), wages increase from \$3,637,249 to \$4,356,314 and in 2011 with a change in the way council rates are calculated, an increase of \$40,000. These are just 3 examples of expense increases. Most other expenses increase over time.

The Board believes it is not unreasonable for member subscriptions to be adjusted by the increase in the CPI each year. Over the last 5 years annual CPI increases have been approximately 3%, the following table illustrates the affect a 3% CPI increase would have on full member subscriptions over a five year period.

2011 –	\$220
2012 –	\$227 (+\$7)
2013 –	\$234 (+\$7)
2014 -	\$242 (+\$8)
2015 -	\$250 (+\$8)
2016 -	\$258 (+\$8)

Whilst this increase (\$38 over 5 years) is relatively small it would result in an additional \$200,000 in revenue over the 5 years which would help the Club meet some of the increases in operating costs.

Any membership subscription increases over and above NSW CPI increases will need member approval as is currently the case.

The Board of the Club considers the proposed change to the Constitution to be in the best interests of the Club and its members and recommends that members vote in favour of the Special Resolution.

Notes to Members on the Second Special Resolution

1. The Second Special Resolution proposes to make a number of amendments to the Club's Constitution to bring the Constitution up to date with current legislation and good corporate practice.
2. Paragraph (a) will require members to notify the Club within 7 days of changing their address.
3. Paragraph (b) clarifies that the Secretary has the power independently of the Board to suspend a member who is the subject of disciplinary proceedings from when a notice of

charge is issued until the hearing of the charge. Currently, the secretary has the power however this change makes it clear that he can exercise the power independently of the Board.

4. Paragraph (c) of the Special Resolution updates the Constitution to include new provisions of the Registered Clubs Act which restrict persons from re-entering the club within 24 hours or remaining in its vicinity for 6 hours if they have been removed from the club because of being intoxicated or being violent, quarrelsome or disorderly.
5. Paragraph (d) of the Special Resolution amends the Constitution to clarify that a person who is suspended from membership is prohibited from being involved in the activities of any sub club or section of the Club, for example by being a member of a committee of any sub-club.
6. Paragraph (e) of the Special Resolution will include reference to the Liquor Act in the provisions dealing with vacancies on the Board.
7. Paragraph (f) of the Special Resolution will update the provisions dealing with financial reporting to members so that it reflects the provisions in the *Corporations Act*. Under recent amendments to the *Corporations Act* if members of the Club want copies of the Financial Report or the Directors Report and the Auditors Report on Financial report then they need to be in contact with the Club and request that a copy be sent to them. However the Club currently holds a list of members who have previously requested for copies of these reports to be sent to them and the Club will continue to do so until it either writes to members again asking if they want copies of the reports to be sent to them by post or by email or a member indicates they no longer require copies to be sent to them.

PROCEDURAL MATTERS

1. To be passed the Ordinary Resolution must receive votes from 50% + 1 of those members who, being eligible to do so, vote in person at the meeting.
2. To be passed the Special Resolution must receive votes from 75% of those members who, being eligible to do so, vote in person at the meeting.
3. Only Life members and financial Full members shall be eligible to vote on the Ordinary and Special Resolutions.
4. Under the Registered Clubs Act members who are employees of the Club are not entitled to vote.
5. Proxy voting is prohibited by the Registered Clubs Act.
6. Amendments (other than minor typographical corrections which do not alter the substance or effect of the Resolutions) will not be permitted from the floor of the meeting.
7. If the Resolutions are passed they will take effect immediately.
8. The Board of the Club recommends the resolutions to members.

Dated:
25TH August, 2011
By direction of the Board

Robert Dick
Chief Executive Officer

MINUTES

OF ANNUAL GENERAL MEETING

Present: Messrs. S Spinks (Chairman), N Moraitis, G Duffy, V Slattery, S Cooper, N Loveridge, D Prighel, D Roome, B Panther, D Presley, N Clark, B Hidson and D Lynch and 210 members

In attendance: Mr Rob Dick (Chief Executive Officer), Mr Peter Savy (Operations Manager) and Mrs Bernadette Skinner (Minute Secretary)

Apologies: B & J Kruger, B & M O'Brien, J Doyle, G Edwards, D & J Capewell, J & B Macdermid, B & A Smale, K & P Holdsworth, A & V Hyslop, H & P Hollingsworth, K McColl, J & J Whinray, C Boston, R Wright, B Hilderbrand, B Nolan, B Neal, H & B Powell, B Lister, T Christie, J & J Fairweather, B & M Cook, M Shorten, B Cocks, B Soutter, B Slattery, J Brear, A Giblett, L & A Collins, F & G Duggan, I & R Sandow, P Barker, R Moore, R & N Byrne, D Head, M & K Bleckwehl, W Ridley, C Hayes, G Smith, I Holmes, Bob Mitchell and Bill Mitchell.

Moved by Mr D Caldwell, seconded by Mr N McNeill that the apologies for the Annual General Meeting be received. – Carried

Welcome: The Chairman thanked the members for attending and especially welcomed the Life Members.

The Chairman summarized the past year stating the Club had another good year, returning a net operating profit of \$455,000. He added that whilst it was not as good as the previous year's result, it was better than budget.

Highlights of the past year were:

- Construction of an addition to our clubhouse which is now complete in the form of our new function centre.
- Construction of more concrete cart paths on our Lakes course.
- Stage one of the air conditioning upgrade was completed and completion of the final stage is near.
- Abandonment of the project to acquire the Mulwala treated sewerage water for our courses due to too much Government red tape and instead purchased high security SA water rights. The club now owns NSW, Victorian and SA high security rights totalling 707 megalitres and has spent about \$90,000 on temporary water to see it through the last irrigation season.
- Conversion of the practice fairway to a driving range which has proven very popular with both members and visitors.

The Chairman made some comments on irrigation water which is an important issue. The water authority has advised the Club that from now on it would be debited for water pumped out of the lake into our lagoon system and again for water pumped out of our lagoon system onto our courses – that is, the Club will be debited twice for the same parcel of water. The situation appears to have been brought about by the actual wording of the legislation which did not take the Club's unique situation into account i.e. pumping

from one public waterway into another public waterway and from there onto the courses. The legislation says that all water pumped from any public waterway must be debited against the particular irrigator's account. The commissioner has observed the Club's situation first hand. He understood the anomaly and was sympathetic to the Club's circumstances. The current position is that there will probably have to be a change to the legislation and in the meantime there will be a moratorium on the double debiting. The Chairman advised he would keep the latest information flowing to members via the Members' Newsletter. Regardless of what occurs from here on in, the Club has sufficient water for its courses for the coming irrigation season.

The Chairman thanked all members of the ten sub-committees that report to the Board and each sporting section committee. All these members dedicate a significant amount of time and deserve thanks. He also took time to thank staff members of the Club for their contributions throughout the year.

The Chairman made reference to committees in this club run by members who are not Board members (eg bowls, ladies golf, croquet, nine holers just to name a few). These committees also comprise many volunteers who willingly give their time and they also deserve thanks and recognition.

The Customer Service Committee has once again had a great impact on the Club's success and the Chairman congratulated them on their efforts.

Finally, the Chairman summarized the last year. He stated that the Club has witnessed the improvements previously mentioned and recorded a good profit. The Club has plenty of good spirit and good numbers attending which all adds to the success the Club is experiencing. Club functions were well attended over the year in review. The Chairman concluded by reiterating "lets keep it going and keep our Club a good club to belong to and a good place to be at".

Minutes Received: Moved by Mr A Selby, seconded by Mr N Mathieson that the Minutes of the Annual General Meeting held on the 29th October, 2009 be received. – Carried

Business Arising: Nil

Minutes Confirmed: Moved by Mr P O'Brien, seconded by Mr N McNeill that the Minutes of the Annual General Meeting held on the 29th October, 2009 be confirmed. – Carried

Election of President:

President Mr Stuart Spinks vacated the chair for election of the position of President. Vice President, Mr Nick Moraitis assumed the chair and announced Mr Stuart Spinks was re-elected President unopposed. The Vice-President congratulated the President on his past year of leadership and declared him President for the ensuing year. Mr Spinks thanked the members for the opportunity to represent the members for the coming year.

Election of Executive:

The Chairman announced the following positions of the Executive:

Mr Nick Moraitis was re-elected Vice-President unopposed.

Mr Vin Slattery was elected Captain unopposed.

Mr Steve Cooper was elected Vice Captain unopposed.

Report of Directors and Financial Statements: Moved by Ms J Anwin, seconded by Mr B Forrester that the Directors Report, Statement by Directors, Financial Statements and Auditors Report be received. – Carried

Mr Duffy presented the Report of Directors and Financial Statements as presented in the Annual Report. He was happy to report the Club had a very successful 2009/10 financial year recording a profit from operating activities of \$455,392.

Mr Duffy went on to report that revenue was up on the 2008/9 financial year by \$94,537. Whilst the Club saw an increase in overall revenue, increasing costs and a downturn in poker machine revenue lead to a decline in profit compared to last financial year.

Some of the cost increases included \$90,000 for irrigation water, \$40,000 in electricity charges, \$40,000 in Shire rates and \$12,500 for an asset valuation required by the Club's bank. The continuing increases in such things as power and rates, together with wages which increased by \$106,000 provide on-going challenges, particularly when the Club experienced a significant downturn in revenue as it saw with poker machines.

The Club was debt free as at 30th June, 2010 and whilst a debt of up to \$2.5 million will be taken on over the coming months, the Board's strategy is to be debt free or close to it by mid 2012.

In addition to the Club's normal poker machine and plant & equipment replacement program, major capital projects undertaken in the financial year included:

- Commencement of the construction of the conference and function extension, which has now been completed and it is operating very well. This project also included re-carpeting and replacement of furniture in the Bistro;
- Progress in the replacement of the Clubhouse air-conditioning. This project will be completed very shortly at a total cost of \$800,000; and
- Construction of motorized cart paths on our golf courses.

Following the high demand for the three bedroom, three bathroom villas, the Board has approved construction of a further two villas at a cost of \$600,000. Two blocks of cabins have been disposed of as their popularity continues to decline.

The Club had made donations totaling \$76,302 to various community groups over the financial year. Some of the major donations were:

- \$21,000 to Yarrowonga/Mulwala Tourism
- \$11,000 to Yarrowonga Secondary College
- \$8,000 to Godfathers
- \$7,000 to Legacy
- \$5,000 to Friends in Common.

Looking forward, the Board has budgeted for a profit of \$309,721 for the 2010/11 financial year. This budgeted profit which is \$146,000 less than last year's profit is based on a number of issues:

- At the start of the 2009/10 financial year, given economic issues the country was experiencing, the Board decided to keep accommodation tariffs and green fees at the 2009 level until July, 2011.
- Whilst the Club will not have to spend funds on temporary water this year, it will incur an interest on borrowing expense of approximately \$85,000;
- Whilst the Club has planned for minimal increases in prices, costs of goods and services, together with wages continue to rise.

Despite these challenges, the Board is very confident our Club will continue to achieve financial success and we thank members for your continued support.

Mr Dave Caldwell requested an explanation on the strategy the Board used to turn around the catering result from a \$28,000 loss to an \$18,000 profit and will this strategy continue?

The CEO replied the result was a combination of contributing factors. There were some minor price increases and costs were kept under control. Catering revenue was excellent over the last financial year, which enabled the Club to make some inroads into the loss situation. He went on to say there is always a battle in the catering area to perform well financially due to the profit margin being so small. The CEO emphasized that in all Clubs and our Club is no exception, the catering facility is used to attract patrons through the door in the hope they will enjoy all of the Club's facilities. He concluded that the Club's new function room has been well received and it is hoped that it will be a strength for the Catering section.

Mr John Fairbairn praised the CDSE program and commended the Board. However, it was his concern that Yarrowonga/Mulwala Tourism still receives \$20,000 from the Club. In view of recent developments with the organization (i.e. now being run by Moira Shire) how will the Club get value for money from an organization that no longer appears effective.

The CEO firstly clarified that the CDSE year differs from that of the financial year and coincides with the poker machine tax year (ending in August) which is set out in the Annual Report. The purpose of pointing this fact out, is the CDSE \$20,000 was donated in July last year which was given prior to the recent developments. The Club has recently made a donation to Yarrowonga/Mulwala Tourism for the amount of \$5,500 for this year. This donation was to demonstrate the Club's support to the new Yarrowonga/Mulwala Tourism Board, which is a separate operation to Moira Shire. This is a small group that directly promotes the town. This donation was a support gesture and further contributions will be assessed after it is known how the entity develops in the future.

Moved by Mr A Selby, seconded by Mr B Gorman that the Directors Report, Statement by Directors, Financial Statements and Auditors Report be confirmed. – Carried

Ordinary Resolution:

Moved by Mr G Duffy, seconded by Mr D Roome that to comply with the Registered Clubs Act 1976 Section 10 approval is given to a budget provision of an annual sum (not exceeding \$30,000) to meet such of the following expenses of the Club that may be approved by the Board of Directors from time to time.

- i. The reasonable cost of meal and beverage for each Director or Senior Management Officer at an appropriate time before or after a Board or Committee meeting and which is incurred on the day of that meeting.
- ii. Reasonable expenses incurred by a Director either within the club or elsewhere in relation to the duties of a Director including the entertainment of special guests of the Club in relation to Club business and such other promotional activities as may be approved by the Board.
- iii. The reasonable cost (including the cost of meals, accommodation and travel) of selected Directors attending the Clubs NSW meetings, the meetings of other Associations of which the Club is a member, as well as educational industry meetings.

The Chairman then requested members to cast their vote by a show of hands. – Motion was carried

Election of Non-Executive Directors:

There were ten vacancies with eleven candidates including two new candidates being Graeme Da Costa and Margaret Hauser.

The Chairman requested members to cast their votes for the election of non-executive directors.

General Business:

Correspondence from Mr Peter Reid – the CEO read a letter addressed to the meeting from Mr Reid.

(a) Mr Reid raised the issue of questions raised at Annual General Meetings and the opportunity for members to make comments at Annual General Meetings regarding management of the Club. It was his opinion that the Chairman of the Annual General Meetings of 2006, 2007, 2008 and 2009, the Chairman had ignored Rule 130 (a) & (b) of the Constitution. The Chairman replied that in revising agendas for these meetings, it was noted that questions from the floor were made available through agenda item 10 for 2006, agenda item 13 for 2007, agenda item 16 for 2008 and agenda items 8 & 15 for 2009. He stated that if he was remiss in not making this more clear at meetings that questions from the floor were welcome, he apologized for this and undertook to address the matter for the future.

Mr Reid replied to the Chairman’s comments and expressed his concern that as with other Clubs, they have structured their agendas to include questions. The Chairman stated that the Agenda is included in the Annual Report and that in the future this matter would be made more obvious.

(b) Mr Reid commented on the President’s statement that the Member’s Newsletter is a viable communication of member concerns given the circulation reaches only approximately 15% of members. The Chairman replied that he agreed the newsletter reaches approximately 800 members four times per year via hard copies, emails and internet downloads. He commented that 800 readers four times per year is surely much better information than 200 or so attendees at an Annual General Meeting once per

year. He suggested that if Mr Reid could suggest a workable, practical alternative he would only be too happy to listen.

Suspend Standing Orders:

Moved by Mr T Bradshaw, seconded by Mrs S Kissick – Carried

Resume Standing Orders:

Moved by Mrs P Cook, seconded by Mrs D Payne – Carried

Announcement of Non-Executive Directors:

The Chairman declared the following persons were elected as Directors of the Club unopposed:

Mr N Clark	Mr D Roome	Mr D Prighel
Mr B Panther	Mr D Lynch	Mr N Loveridge
Mr B Hidson	Mr D Presley	Mr G Duffy
Mrs M Hauser		

The Chairman offered his congratulations on their appointment and thanked Graeme Da Costa for his interest in nominating for the position.

Questions from the Floor:

Mr John Cook raised the issue that an observation was made that member’s draws were drawn some time prior to the announcement. The CEO replied that this procedure did take place at the end of subscription payment time to ensure that the member was in fact a financial member prior to announcement. Mr Cook expressed his concern that this could lead to corruption of the draw by staff members. The CEO assured that corruption would not be an issue and went to great lengths to explain the draw procedure.

Conclusion:

The Chairman thanked the members for their attendance and support and declared the meeting closed.

Meeting closed at 8.45 pm

Chairman _____

Dated _____

PRESIDENT'S REPORT



As I am leaving the Board and the Presidency at the 2011 AGM, this will be the last report I write for the Club's annual report. I have served nine years as a Board member and seven years and nine months as President. It has been an interesting, challenging but most of all rewarding experience. We have witnessed our Club continue to progress steadily to where it is today which is a Club well set up for future years and future generations. Some of the projects we have undertaken have received criticism from some members (eg our gymnasium and our function room) but with hindsight and with the knowledge of the extra income that is being produced as a result of those projects, I believe the overwhelming majority of members would now be supportive of those decisions. It is this diversification that is keeping our fees so low and that is good for all of us.

We have continued with the long standing policy of conservative borrowings which has been a very successful policy for our club over many years. We do not need to look very far afield in the club industry to see the sometimes adverse outcomes of borrowing too heavily just to get a major project done NOW. We now have a self-imposed limitation on borrowings specified in our strategic plan; a move which I applaud. Typically when we take on debt nowadays, we expect to have it paid off within two years. There would be a lot of clubs envious of that situation.

If one takes the time to look around at other comparable clubs along the Murray River, say from Albury to Mildura and beyond and out to a 50 km radius, there is no other club I know of that provides as much for its members at anywhere near the low annual fees as what our club does. It is something we all need to keep in mind when the urge to criticise occasionally comes along.

Once again this past year has been an eventful one for our club. On the business side we recorded a profit of \$332,712, which was a good result, albeit down on last year. It is noteworthy that most other clubs along the Murray saw similar downturns in trade as what our club did. There is more on this issue in the CEO's report so I will not dwell further on it here.

We have continued with our policy of open communication with members via our quarterly newsletters which are still proving a popular medium with a distribution of about 800 copies per issue (this includes hard copies, email copies and downloads). Again, I invite individual members to make a contribution if they wish and if members would like to see a particular issue addressed in a newsletter, then please communicate your suggestion to a Board member or the CEO.

By far, the most important issue for our Club over the last few years was water. Well, that issue has gone away for the time being with the breaking of the drought. This year we had more water than we knew what to do with. One thing we did achieve over the last few years of drought conditions was to set our club up well to handle future droughts with the purchase of significant parcels of high security water rights. In last years report I outlined a problem that had just arisen for us which involved our club being metered for the same water twice – once when it is pumped out of the lake into our lagoon system and again when it is pumped from the lagoon system onto our courses. I undertook to keep members informed on the issue. Well the problem was resolved in our favour and we are now just metered once.

However there is always a challenge. For the past few years it has been water. It is now poker machine pre commitment and as described by our CEO at our April information morning, this has the potential to seriously affect our club. It will be a big challenge for our Board and management and we all need to support them in whatever way we can in dealing with it.

Again the two major events for our club during the year were the September and May tournaments. The May tournament, as usual, attracted a huge number of entries and numbers were pleasing at our September tournament. As always, I acknowledge the efforts of the tournament secretaries, Phil and Karen Droop, along with all the willing volunteers whose efforts contributed to those successes. The promotion for our club from these events is invaluable in terms of the return business that results. The Board has taken a decision to cut the tournaments from seven days to five days, which was due to the very few entries we were getting for the last two days (Saturday and Sunday). This decision will take effect from May 2012.

I have mentioned in previous year's reports the popularity of our club as a venue for major functions including weddings, anniversaries, reunions, birthdays and other celebrations. In the year under review we have continued to enjoy a reputation as a very popular venue. Once again I acknowledge the efforts of all staff involved in that area (including all catering and bistro staff) for this continued good reputation. We continue to receive lots of positive feedback from our clientele.

As we are all well aware, the catering/function operation is only one part of our operation. We also have our ground staff, our unit cleaning staff, our bar staff, gardening staff and administration and reception staff plus our pro shop. I take this opportunity to thank all members of our staff, regardless of which section they work in, for their efforts throughout the past year. I firmly believe that a major reason for the success our club has experienced is our staff and their willingness to embrace the customer service program we have in place.

To conclude, I would like to say a very sincere thank you to all those members who have served as directors over the last nine years of my involvement for the time they have put in and the support they have given to me. I ask all members to encourage and support the new board. Everything they put in is voluntary and in the interests of the future success of our club and for the enjoyment of us the members. We have a club that would be the envy of many and we need to keep it that way.

I would like to congratulate our Club Champions, event winners and all members who represented our club in inter club competitions whether successful or not. Thank you to all members who have supported the Board throughout the year. Last but not least, I would like to thank our CEO and his magnificent team of staff who make the club run so smoothly for the benefit and enjoyment of us all.

Stuart Spinks
President

CEO'S REPORT



Our Club recorded a profit of \$332,712 in the 2010/11 financial year. 2010/11 was an interesting year. We saw some highs - the Arcacia Villa's were completed in February and have proven very popular with visitors. The majority of the clubhouse airconditioning has now been upgraded which reduced cooling problems previously experienced over our hot summers. The Willow room is proving to be a great venue which has resulted in significant operational improvements for the many weddings, conferences and special events held since its opening.

There were also a number of lows which did not help our financial result. We saw the Murray Course flooded on a couple of occasions and the locusts over summer. This together with general economic uncertainty saw green fee revenue drop by \$124,000. As it costs the same to maintain the golf courses regardless of how many golfers play, this drop in green fee revenue has a big impact on our profit.

We saw Catering profitability drop significantly. Whilst revenue was up by \$80,000 for the financial year we saw costs increase at a greater rate. There was upward pressure on food costs, some as a result of the Queensland and NSW/Victorian floods. With national wage decisions and market pressures, wages continue to rise. Whilst costs have risen we have tried to keep meal price increases to a minimum to encourage members and visitors to continue dining at our Club.

The table below shows movement in profit centre and cost centre financial results.

NET PROFIT FROM PROFIT CENTRES

Note : Amounts are in round thousands

	2011 \$	2010 \$	Var \$
Bar	816	691	125
Poker Machines	2,153	2,057	96
Catering	(60)	18	(78)
Holiday Units	1,058	1,107	(49)
Sports	446	487	(41)
Net Contribution	4,413	4,360	53
Indirect expenses increased by	175,000		
House	2,292	2,195	97
Interest paid	45	2	43
Admin	1,837	1,838	(1)
Total indirect expenditure	4,174	4,035	139
Less Sundry Income	93	129	36
Total indirect expenditure	4,081	3,906	175

CASH FLOW AND DEBT

The Club had a debt facility as at 30th June 2011 of \$1,100,000. The Board is confident that with reasonable 2011/12 trade this debt will be significantly reduced or extinguished by 30th June 2012.

CAPITAL EXPENDITURE AND IMPROVEMENTS

The objective in 2011/12 is to minimise capital expenditure and reduce debt. There will be normal plant and equipment replacement and some developments on the golf courses. None of these should require additional borrowings. There are no major capital expenditure projects planned for 2011/12.

I would like to make mention of the improvements being carried out on the golf courses.

Chris Burgess was appointed to the position of Course Superintendent and Trevor Elliott to the position of Assistant Course Superintendent in November 2010. In the short time Chris has been with us we have seen a dramatic change in the presentation of our courses. I congratulate Chris and his team on what has been achieved and suggest we will see more improvements in coming months.

OTHER DEVELOPMENTS

Irrigation Water

I reported in last years annual report that we had a significant issue with irrigation water and the way the NSW Office of Water was calculating our usage. I am pleased to report that this issue has been resolved both to the satisfaction of the NSW Office of Water and Yarrowonga and Border Golf Club.

Poker Machine Pre-Commitment

In order to form Government Julia Gillard signed an agreement with Independent Andrew Wilkie that mandatory poker machine pre-commitment would be introduced by 2014.

Mandatory pre-commitment would threaten the very existence of our Club and have a significant detrimental impact on local businesses and the economy of our region. I have provided more detail on this issue on page 39.

Rebranding to Yarrowonga Mulwala Golf Club Resort

As a marketing strategy to increase the appeal of our Club, in September 2011 the Club's name will be changed to Yarrowonga Mulwala Golf Club Resort.

The objective of this strategy is to increase trade which will enable our Club to continue to meet the challenges of rising costs and to keep membership fees as low as possible.

Member benefits will not change and the legal entity will remain Yarrowonga and Border Golf Club Limited.

SUMMARY

In summary, the Club has had a successful year and I thank members for their patronage.

With increasing costs, an uncertain economy and the threat of poker machine pre-commitment I am sure 2011/12 will be a challenging year.

I wish to thank the Board of Directors for their time and contribution and my management team and staff for their dedication and support.

Rob Dick
Chief Executive Officer

CAPTAIN'S REPORT



Well it's that time of year again where I present my report on the happenings of 2011 and a look at what's to come in 2012.

We have had a very interesting year with a downturn in our sports revenue which has been mainly due to the end of a ten year drought and a very wet year, closing our Murray Course on two occasions because of flooding. After paying huge amounts for water to keep our great golf course alive, now we couldn't give it away. Nature certainly works in strange ways.

Our pennant teams have had an outstanding year winning the YSM Division 1 summer Flag, the division 1 North East division 2 & the handicap. Our junior team was just pipped in the final. Thanks very much Des Roome for coordinating the pennant and Bob Castles for the fantastic job you have done with our juniors. Two of them played in the Division 1 winning team this year (Mitch Davis & Frazer Droop). To all the pennant players, congratulations on a great year and thank you very much. It is a great honour to represent your club.

Our courses are improving everyday with all the hard work being carried out by our ground staff under our new Superintendent – Chris Burgess and Assistant Course Superintendant Trevor Elliott. Thank you for the great job you are doing. I would also like to thank Trevor for looking after things for us before Chris's appointment.

We will be starting two new greens on the Murray course very soon to replace 3 & 14. With the building of these greens we will be upgrading irrigation for these holes at the same time. You will see some trees in this area go over the next couple of weeks and we will have trucks carting soil for these greens. In February next year we will be lifting a long section of the 11th fairway and putting in drainage and new soil.

I would like to thank my Vice Captain Steven very much for all of his input. Also thanks to the golf committee for their support and help. Brian and Gabe have done a fantastic job once again cooking all the bbqs on tournament days.

A big thanks to Tony and Evan and all the pro shop staff, thank you all very much, you do a great job and it is much appreciated.

It is the end of an era for our club with Karen and Phil retiring as our tournament secretaries, thank you for a fantastic job.

I would like to take this opportunity to thank Stuart Spinks for his dedication and service to our golf club for the past 8 years. Congratulations on a job well done!

Thankyou also to our CEO Rob Dick for your support throughout the year.

Congratulations to all major trophy winners.

Vin Slattery
Captain

Club Champion - Jay Ar Martin

A Grade Handicap - Chris Burgess

B Champion-Kevin Farrell

B Handicap - Kevin Farrell

C Champion - Barry Webb

C Handicap - Jake Morre

D Champion - Ian Cumming

D Handicap Bob Barrett

Veteran Champion - Graham Smith

Veteran Handicap - Graham Smith

Super Vets Champion - Graeme Munro

Super Vets Handicap - Kevin Rowe

Junior Champion - Mitch Davis

Junior Handicap - Jake Moore

Vagg Trophy - Chris Burgess

Medal Final - Anthony Kelly

Summer Cup - Matt & Mitch Davis

Captains Trophy - Daryl Lynch

Winter Knock Out - Chris Rowlands & Keith Watts

Single Knock Out - Ian Cooksey

Mens Foursomes - Andrew Mott & Chris Rowlands

Mixed Foursomes - Jay Ar Martin & Bobbie Iredale



LADIES

GOLF REPORT

LADIES PRESIDENT'S REPORT

It is with pleasure that I present my last report. It has been a wonderful experience, so I thank you the lady golfers for supporting me through this time. Your generosity through the year supporting our charities of choice, do truly delight the recipients.

I would like to thank Rob Dick our C.E.O., Mr Stuart Spinks, Mr Nick Moriatis, Mrs Isabell Warren and Ms Taryn Lupton, for your support over my presidency. Golf Club Staff whether reception, bar, catering or grounds have been of great assistance.

I also thank President N.E. Ms Julie Trask, for her friendship and advice. The N.E Championships were excellently run this year under very wet conditions.

Through my time as President I have been fortunate to see the upgrade of the Ladies locker room completed, and the introduction of Past Presidents and Captains invited to lunch to share in Presidents v Captains day. This year the Presidents were victorious, well done girls.

The 9 hole Ladies Captain Lyn Jones and Vice Captain Marg Irvine lead a strong group of golfers who also have time for fun. All of the best for the future.

To all major event winners congratulations, especially to Judy Langford our Club Champion. She has been a shining light in ladies golf at Yarrawonga and Border winning the Club Championships seven times.

I would now like to wish the Ladies Committee all the best for the upcoming year and thank them for their support and help in the past year. I finish this report by saying I have indeed enjoyed my time as Lady President of Yarrawonga and Border Golf Club

Pam Barker
Lady President



LADY CAPTAIN'S REPORT

In my first year as Lady Captain, I am pleased to present this report for the year. I would like to thank the Match Committee for all their hard work and support they have given me. I would also like to thank our Lady President, Pam Barker and the rest of the committee, their help has been invaluable.

We have had a pretty good golfing year, in our championships our winners were: Club Champion – Judy Langford, B Grade – Robyn Moore, C Grade – Jan Hemphill and D Grade – Lynn Soutter. We were lucky enough to win our Rose Bowl on the 26th August; the winning team was Judy Langford, Robyn Moore, Jan Hemphill and Lynn Soutter. Also Judy Langford won our Champion of Champions on the day, congratulations ladies.

Bre Elliott has had a very successful year, playing in Ireland and America representing Australia. Well done Bre.

Good Golfing,

Sally Kissick
Lady Captain

RESULTS 2010

Medal of Medalists:	Jan Crozier
President's Trophy:	Edith Mason
Droop Trophy:	Edith Mason
Summer Cup:	Elaine Bellis & Heather Giblett

RESULTS 2011

Foursomes Champions:	Shirley McKeown & Linda Smeaton
Club Champion:	Judy Langford
B Grade Champion:	Robyn Moore
C Grade Champion:	Jean Hemphill
D Grade Champion:	Lynn Soutter
A Grade Nett:	Chris Forrester
B Grade Nett:	Marlene Eley
C Grade Nett:	Jan Hemphill
D Grade Nett:	Kath Peters
Palframan:	Gloria Roome
Veteran's Gross:	Judy Kruger
Veteran's Nett:	Gloria Roome
Super Veteran's Gross	Karen Droop
Super Veteran's Nett:	Marlene Eley
North East Brooch:	Gloria Roome
Doris Chambers Cup:	Sam Churchin & Kath Peters
PGA Trophy:	Irene Cocks
Mona McLeod Brooch:	
Silver Division:	Heather Baxter
Bronze Division:	Mary Hidson
Silver Spoon:	Julie Kirchen
Wilkinson Trophy:	Elaine Bellis & Anna Castles
NEDLGA Champion:	Judy Langford



MENS

BOWLS REPORT

It is with pleasure that I present the 54th Annual Report of the Yarrowonga & Border Golf Men's Bowls Club, for season 2010/11.

It was a testing year in many ways for the club handling elements such as Unification, a huge bowls program and weather interruptions, however most hurdles were overcome and activities completed.

My sincere thanks to all members of my Committees for their personal support and dedicated efforts during the year which combined to keep the club active, financially secure and in a strong position for the next season 2011/12.

Our pennant teams, although not producing any flags, always gave of their best, and were competitive all season. The B1 (eventual runners-up) and B3 teams both made the finals, A1 and A2 both just missed out on the four and A3 were always competitive and avoided relegation.

We thank our selectors, Neil Loveridge, Bert Kavanagh, Keith Eade, Rod Jones, Don Ellis and Lyn Potter, for their effort and initiatives in putting 5 teams (72-75 players) on the greens, week in week out, for the entire season- well done!

During the year we were delighted to welcome a number of new bowlers whom already have influenced our club, both on and off the greens, winning titles or major events, lifting the standard of our pennant teams, and more recently some standing for committee positions. We trust they all enjoy a long and successful time with our Club.

The Games Committee, under Chairman Jim Wilson, again gave sterling service as they planned, organized and presented our busy program for the season. Despite the interruptive weather patterns mid-season, nearly all bowling events scheduled were completed to finality, including the fully subscribed monthly 2-Bowl Triples, the 24th Autumn Invitational Triples, the annual Charity Promotional Bowls Tournament for new/novice bowlers, and the Les & Val Maddigan Day. One of the few negatives of the year would be the fall in numbers at our Annual Tournament. It is hoped that this trend can be turned around next year and built back to numbers that fill both greens on all three days.

The 2011 Club Singles championship was won by Andy Le Fevre who gave an excellent display of draw bowling to take the honours over Steve Flanagan – Congratulations to both for a wonderful final.

Other outstanding on-green performances included Bob Fiddes in the State 60 & Over Singles, Bob Fiddes, Vic Brincat, Les Spencer and Garry Sanders in group finals of the State Fours, and Garry Sanders, Mark Smith and John Walter who won the O & M West Final of the State triples – Congratulations to all these achievers.

The 2011 Victorian Country Master Mixed Pairs Championship, which continues to attract high class fields from across the State, was again successfully staged. We were pleased to welcome our State President Mr Graeme Hosken, who officially opened the tournament. Our own Ann Miles from Border Golf joined forces with Tocumwellian Bob Adams to take the title from last year's winners Vern Rehe and Melissa Roberts in a wonderful

final that went right down to the wire. Already organisation and promotion for the 2012 event has commenced with many of last year's entrants preparing to attend next May. We acknowledge with thanks, the wonderful support and sponsorship from both the Yarrowonga & Border Golf Club, and Thales. Big thanks to our Masters Sub-Committee members who gave so freely of their time and energies to run this event, special mention of our ladies for the smooth operations of the lunches and morning teas on all three days, to the umpires for their long hours controlling the greens, and to venue managers and staff who ensured all went well throughout the tournament.

SINGLES CHAMPION

Andy Le Fevre : **Runner-up** Steve Flanagan

MINOR CHAMPION

Wayne Dowsey : **Runner-up** Evan James

CLUB PAIRS

Bob Fiddes, Les Spencer : **Runners-up** Peter & Bob Lidgerwood

CLUB TRIPLES

Neil Loveridge, Doug Wheeler, Greg Green
Runners-up Steve Flanagan, Graeme Whinray, Shane Lawford

CLUB FOURS

James, John & Andy Le Fevre, Steve McNamara
Runners-up - Vic Brincat, Bill Jenkins, Tony Durkin, Kerry Kinnane

MIXED PAIRS

Garry & Claire Sanders : **Runners-up** Neil Loveridge, Joy Johnson

" 21-UP"

Steve Flanagan : **Runner-up** John Le Fevre

" 100-UP"

Garry Sanders : **Runner-up** Don Ellis

AER CHALLENGE CLUB CHAMPIONS

Garry & Claire Sanders

Accolades also to our lady bowlers, both collectively and individually, for their achievements during the year. To win the Victorian State A1 Pennant Championship was a wonderful feat for a country club such as ours. Our special thanks also to those bowling ladies who support the men so much on our tournament days and other special events.

The social side of our bowling club life was highlighted by another wonderful Christmas gathering orchestrated by evergreen Ray Byrne and his band of merrymakers.

Our Combined Presentation Night was also an outstanding success with 150 present enjoying a magnificent meal by the Catering staff, wonderful music and dancing, and much fun and laughter as MC Lyn Potter and Jim Wilson entertained with some side splitting jokes and gags. Our thanks to Bowls Victoria Director John Fisher, for joining us and assisting with presentations.

Looking to the future, our new President Kerry Kinnane, and his Committee have already started action on several projects including approving a new uniform, major maintenance on our greens, and a popular coaching programme to improve performance of our bowlers. I am confident they will get the best results possible for all our member bowlers and wish them all the best for a most successful 2011/12 season.

I wish to acknowledge the wonderful support of our Club President Stuart Spinks and his Board of Management, CEO Rob Dick and his excellent administration section, Isabelle Warren and her catering staff, Greenkeeper Jason Wild, and all respective teams that work together for us members. Our Bowling section is indeed fortunate to have staff of such calibre and dedication to support all our bowlers throughout the whole year.

To my fellow past Committee members, Match Committee, Selectors, Social Committee, Voluntary helpers, Regional and Association personnel, our own club bowlers, my sincere gratitude for affording me the privilege of being President of this great Bowls Club. Thank you one and all.

Peter Bellis
Men's Bowls President 2010/11



LADIES

BOWLS REPORT

Our Greens were officially opened by O&M President Lola Clarke who rolled the first jack and Club Champion Joy Johnson the first bowl. Life member Doris Head, Guests and Bowlers enjoyed a light luncheon to celebrate this happy occasion.

Y&BGC Bowls Section is proving to be outstanding and creating amazing achievements. Congratulations to all who have gained wonderful experience by playing in many State Events.

To Anne Miles and Claire Sanders congratulations in achieving State Selection for 2010 – 2011 Victorian Squad also to Anne on her selection in Victorian Side to compete in Australian Sides Championship at Nelson Bay.

State Over 60 Singles O&M winner Unis Boak was defeated in a very close Group Elimination game. A wonderful effort.

State Singles, hosted by Y&BGC Bowls, witnessed an outstanding exhibition of bowling and sportsmanship when Joy Johnson was runner up to Laureen Smith (Clubmulwala).

State Triples. O&M composite team, Anne Miles, Claire Sanders and Kay Smith (Clubmulwala) won the Group Elimination to reach eighth position in the State Finals at Yarraville/Footscray. An outstanding effort.

State Champion of Champions, Joy Johnson (O&M) competed at Yallourn in very wet conditions to become State Runner Up. We are all very proud of your accomplishment.

State Pennant Sides Championship at Darebin City. Y&BGC Lady Bowlers won the State Pennant Sides Championship. Congratulations, the best in Victoria and to the selectors a job well done.

Thanks to all ladies who represented us at pennant. To Coaches Anne and Joy a special thank you for organizing Pennant practices which are proving popular and rewarding. We appreciate the assistance of all Umpires and Bus Drivers who have helped throughout the season.

Club Champion – Joy Johnson
Runner Up – Claire Sanders

B Grade Champion – Jean Cumming
Runner Up – Lois Fiddes

Championship Pairs – Joy Johnson, Julia Fairweather and Shirley Geraghty (sub)
Runners Up – Anne Miles, Claire Sanders

100 up Winner – Anne Miles
Runner Up – Lois Fiddes

21 up Winner – Anne Miles
Runner Up – Claire Sanders

Thank you Match Committee for time, effort and skills of organizing our Competitions and Social Games and overcoming difficulties in regard to changes in events.

Fridays 2x4x2 have been very successful and profitable thanks

to Edna and supporting ladies. 2010-2011 Charity – Wheel Chair Sports was a wet day but members donations were well received breaking previous records. Our thanks to the Golf Club for their support of the Charity.

Medley Tournament. This was well attended due to organizing skills of Anne Miles, Tournament Secretary and assistant Joy Johnson and all members who willingly assisted on the day. Victorian Country Masters Mixed Pairs Championship – This 3 day event was a great success thanks to Past President Peter Bellis and his team of helpers and ladies who assisted with morning teas and lunches. Players from many Regions enjoyed the Clubs facilities. Congratulations to winners, our Anne Miles and Bob Adams (Tocumwal) Runners up Melissa Roberts and Vern Rehe.

Unification. Y&B voted to stay as we are but a few changes will be made to comply with administration of Bowls Victoria.

To the Board of Directors, Management, Staff and Green Keeper Jason Wild thank you for your generosity and support throughout the Season. To retiring Treasurer Audrey and Unis, my outstanding Committee and Bowlers all, thank you for your friendship and assistance. To incoming President, Edna James, Committee and Bowlers may you have a competitive and successful 2011-2012 season.

Barbara Verbunt
Lady President

CROQUET

REPORT



2010-11 has been another very busy year in croquet seeing a steady membership and several improvements around the club house and courts, with the fitting of the bistro blinds on the verandah and the concreting around the entrance as well as the croquet signage adjacent to the car park showing the way to the courts. Hopefully in the next financial year we may see some new tables and chairs and maintenance to our shelter sheds and lockers.

Quite a large number of our members have been traveling to tournaments and social days held at clubs within the North East District Croquet association which is wonderful to see. These days are always very enjoyable and we seem to have a great system of car pooling, well done everyone. As we have very good attendances at our social tournaments, especially our Christmas breakup event, we now have earned the reputation that this is the event not to be missed in North East District Croquet Association. This could not have been achieved without all the hard work done by you the members.

At this point I would like to thank both Doug and Tim for the work they have been doing with the marking of the courts, this is no mean task. These two men have great talents that they bring to the club, Tim with his wood work making mallets for members & Mallet stands which saves us tripping on the mallets left standing around, a real OHS concern, so please use them. As for Doug he is into metal work, he was having trouble with the old large line marker they were given to mark the courts with. While over at Wangaratta a couple months ago playing at there social day, he spotted their line marker and showed it to me. He was so impressed with it that with some discussion with Tim who donated most of materials (Sheet Aluminum and wheels) and Doug what ever else was needed, made one for the club at no cost to the club. What can we say Thank you does not seem quite enough. We really appreciate everything you do for our club.

Our monthly Medal has been quite competitive, it has not been held every month for various reasons but next season I am sure we can improve on this. Our Golf Croquet Club championship will be run differently next season now that we have established our handicaps. It will be run in sections.

Hopefully we may have a couple more people interested in association croquet next season. But we are holding our own in comparison to other clubs with association players. Golf Croquet is the game that most people prefer to play because of the social and competitive fun we all have.

On February 13th we held a flood appeal fund raiser in conjunction with the Golf club sending the proceeds to Charlton Croquet club which they greatly appreciated.

Yarrowonga Croquet Club has just taken over the administration of the North East District Croquet Association taking over from Wodonga. We have the pleasure of this job for the next 2 years. With myself as president, Kerrie Bird as secretary and Rae Sherlock as Treasurer, this will be a very interesting challenge.

It goes without saying that we are growing from strength to strength, the club would not be such a great place to be around if it was not for all of you, Thanks to everyone for your friendship. I am looking forward to the 2011-2012 season with confidence that we can only improve and grow further.

Ann Le Lievre
President

DIRECTORS'

REPORT

DIRECTORS' REPORT FOR THE YEAR ENDED 30TH JUNE, 2011

The Directors present their report on the Company for the financial year ended 30th June 2011.

1. THE NAMES OF THE DIRECTORS OF THE COMPANY IN OFFICE AT ANY TIME DURING OR SINCE THE END OF THE YEAR.

N. E. Clark	S. W. Cooper
G. J. Duffy	M. A. Hauser
W. Hidson	A. N. Loveridge
D. G. Lynch	N. Moraitis
B. L. Panther	D. J. V. Presley
D. Prighel	D. C. Roome
R. L. Sandow	V. P. Slattery
S. G. Spinks	

2. COMPANY SECRETARY

The following person held the position of company secretary at the end of the financial year :

Mr Robert Dick – Bachelor of Business. Mr Dick has worked for Yarrowonga & Border Golf Club for the past 18 years, performing management roles of Operations Manager and Chief Executive Officer. Mr Dick was appointed Company Secretary on the 11th October 2002.

3. COMPANY OBJECTIVES

The short and long term objective of the Club is to provide excellent sporting and recreation facilities for the community. The following are key strategies in achieving this vision :

- To provide members and visitors with first class recreational facilities
- To provide first class customer service to members and visitors
- To provide and maintain a safe work environment for employees
- To market the club facilities to a broad area of the community
- To optimise the return on assets

4. PRINCIPAL ACTIVITIES OF THE COMPANY

The principal activities of the company during the year were that of promotion of golf and bowls. These activities and the associated business they generated resulted in the Club recording a satisfactory financial result.

Key performance indicators include overall Club profit, profit centre revenue comparisons, cost of goods sold, wages to sales comparisons, holiday unit occupancy rate, cost control and cash flow/debt levels.

5. MEMBER GUARANTEE

Each member undertakes to contribute an amount not exceeding twenty dollars (\$20.00) if the Club is wound up. Based on 5370

members as at 30th June 2011, total member contribution on winding up would be \$107,400.

6. OPERATING RESULTS

The net operating profit from ordinary activities for the company for the year was \$332,712 after tax.

7. FINANCIAL POSITION

The net assets of the Company have increased by \$332,712 from 30 June 2010 to \$16,816,170 in 2011. This increase is due to a 2010/11 profit of \$332,712.

The company had borrowings of \$1,100,000 as at the 30th June 2011. This debt is well within the Club's strategic business plan and directors believe the debt can be serviced and repaid over the next 2 years.

The directors believe that the Company is in a strong position to expand and grow its current operations. If however, poker machine pre-commitment is introduced by the Federal Government, this outlook would change dramatically.

8. DIVIDENDS

The company has not paid or declared any dividend since the end of the previous financial year.

9. REVIEW OF OPERATIONS

The operations of the Yarrowonga & Border Golf Club during the financial year and the results of those operations are reviewed in:

President's Report see page 8.

Chief Executive Officer's Report see page 9.

10. SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

In the opinion of the Directors there were no significant changes in the state of affairs of the company that occurred during the financial year under review not otherwise disclosed in this report or in the accounts.

11. SIGNIFICANT CHANGES IN ACCOUNTING TREATMENT

Interest charges relating to finance for capital projects are capitalised. Interest is capitalised from the date the project commences until completion.

12. ENVIRONMENTAL ISSUES

The Company's operations are subject to significant environmental regulations under the law of the Commonwealth and State. Details of the Company's performance in relation to environmental regulations are as follows :

Significant environmental issues affecting the Company are the use of chemicals, waste disposal and pest control. The Company acts in accordance with environmental, OH&S and legislative requirements and has satisfactorily addressed all environmental requirements. The Club's Board of Directors is committed to actively pursue environmental improvements wherever possible.

13. REMUNERATION REPORT

Since the end of the previous financial year, no Director of the company has received or become entitled to receive remuneration (other than included in the aggregate amount of emoluments received or due and receivable by Directors shown in the accounts, or the fixed salary of full time employee of the Company) by reason of a contract made by the company with the Director or with a firm of which they are a member, or with a company in which they have a substantial financial interest.

- Indemnifying Officers or Auditors

During or since the financial year the company has paid premiums to insure each of the following directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the company, other than conduct involving a wilful breach of duty in relation to the company. Directors and Officers liability insurance is included in the Combined Liability Insurance Package (also includes Public Liability, Fidelity Guarantee and Professional Indemnity) at a total premium of \$38,530, which covers each director

N. E. Clark, S.W. Cooper, G. J. Duffy, M. A. Hauser, B. Hidson, A. N. Loveridge, B. L. Panther, N. Moraitis D. J. V. Presley, R. L. Sandow, V. P. Slattery, S. G. Spinks, D. Prighel, D. G. Lynch and D. C. Roome.

14. INFORMATION ON DIRECTORS

Director	Qualification Experience	Special Responsibilities
N. E. Clark	Elected 28/10/04 Business Proprietor	Chairman Compliance/Risk Sub-Committee
S.W. Cooper	Elected 30/10/08 Retired	Vice Captain
G. J. Duffy	Elected 27/10/05 Retired	Chairman Finance/ Planning Sub-Committee
M. A. Hauser	Elected 28/10/10 Retired	Non Executive Director
B. Hidson	Elected 29/10/09 Retired	Non Executive Director
A. N. Loveridge	Elected 26/10/06 Retired	Non Executive Director
D. G. Lynch	Elected 19/10/09 Education Consultant	Non Executive Director
N. Moraitis	Elected 01/10/98 Retired	Vice President Chairman House & CDSE Sub-Committees
B. L. Panther	Elected 26/10/06 Retired	Non Executive Director
D. J. V. Presley	Elected 27/10/05 Retired	Chairman Building/ Land Committee
D. Prighel	Elected 26/10/06 Accountant	Chairman Catering Sub-Committee

D. C. Roome	Elected 26/10/06 Retired	Chairman Gaming Sub-Committee
R. L. Sandow	Elected 27/10/05 Office Administrator	Resigned Effective 28/10/10
V. P. Slattery	Elected 27/10/05 Landcare and Emergency Services Team Leader	Captain
S. G. Spinks	Elected 03/10/02 Retired	President Chairman Executive & Constitution Sub-Committees

15. PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not party to any such proceedings during the year.

16. FUTURE DEVELOPMENTS

A likely development in the operations of the economic entity and the expected result of those operations in future financial years is as follows:

Poker Machine Pre-commitment

The Federal Government's intention to introduce mandatory poker machine per-commitment has the potential to have a significant detrimental affect on the Club both in terms of required capital expenditure and revenue reduction. (Refer page 39).

17. EVENTS SUBSEQUENT TO BALANCE DATE

Nil

18. MEMBERSHIP

The Company is a company limited by guarantee and is without share capital. The number of members as at 30 June 2011 and the comparison with last year is as follows :

	2011	2010
Ordinary	5,195	4,995
Life	9	9
Junior	166	157
Total	5,370	5,161

19. MEETINGS OF DIRECTORS

During the financial year 12 meetings of the Board of Directors were held. Attendances by each Director during the year were :

Meetings attended	Number eligible to attend	Number attended	*Committee meetings attended
S G Spinks	12	12	13
N Moraitis	12	11	45
G J Duffy	12	12	18
V P Slattery	12	11	21
R L Sandow	4	4	5
N E Clark	12	11	10
D V Presley	12	11	32
A N Loveridge	12	12	15
B L Panther	12	11	20
D Prighel	12	11	13
DC Roome	12	11	25
S W Cooper	12	12	19
D G Lynch	12	12	15
W Hidson	12	12	13
M Hauser	8	8	16

* External Meetings and conferences not included

20. AUDITOR'S INDEPENDENCE DECLARATION

The lead Auditor's independent declaration for the year ended 30th June 2011 has been received and can be found on page 20 of the Annual Report.

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

S.G. Spinks - Chairman

G.J. Duffy - Director

Signed this 25th day of August 2011.

DIRECTORS' DECLARATION

The Directors of the company declare that:

1. The financial statements and notes, as set out on pages 21 - 37 are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standards and the Corporations Regulations 2001,
 - and
 - (b) give a true and fair view of the financial position as at 30 June 2011 and performance for the year ended on that date of the company.
2. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

S.G. Spinks - Chairman

G J Duffy - Director

Dated this 25th day of August 2011.

AUDITOR'S REPORT

Scope:

I have audited the accompanying financial report, being a special purpose report, of Yarrowonga and Border Golf Club Limited, which comprises the balance sheet as at 30th June, 2011, and the income statement, statement of recognised income and expenditure and cash flow statement for the year then ended, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

The Responsibility of the Directors for the Financial Report

The directors of the company are responsible for preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are appropriate to meet the requirements of the *Corporations Act 2001* and are appropriate to meet the needs of the members. The directors' responsibility also includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from misstatement, whether due to fraud or error, and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with 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.

My audit has been conducted in accordance with Australian Auditing Standards to provide a reasonable level of assurance as to whether the financial statements are free of material misstatement. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia and statutory requirements so as to present a view which is consistent with my understanding of the company's financial position and performance as represented by the results of their operations and their cash flows.

An audit involves performing procedures to obtain 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 entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting

estimates made by the directors, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the directors' financial reporting under the *Corporations Act 2001*. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

In conducting my audit, I have complied with the independence requirements of the *Corporations Act 2001*. I confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of Yarrowonga & Border Golf Club Limited on 25th August 2011, would be the same terms if provided to the directors as at the date of this auditors report.

Auditor's Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of Yarrowonga and Border Golf Club Limited as of 30th June 2011, and its financial performance and cash flows for the year then ended in accordance with the *Corporations Act 2001* and the Australian Accounting Standards (including Australian Accounting Interpretations).

JEFF HAEBICH
J.F Haebich FCA
Chartered Accountants

Dated at Mulwala this 25th day of August, 2011
Belmore Street
Yarrowonga Vic 3730

AUDITORS INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF YARRAWONGA & BORDER GOLF CLUB LIMITED

I declare that, to the best of my knowledge and belief, during the past year ended 30 June 2011 there have been :

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

JEFF HAEBICH
Chartered Accountants

J.F. Haebich FCA

Dated this 25th Day of August, 2011
Belmore Street
Yarrowonga Vic 3730

FINANCIAL

STATEMENTS

BALANCE SHEET AS AT THE 30TH JUNE 2011

For the Year Ended 30th June 2011

	NOTES	THIS YEAR \$	LAST YEAR \$
CURRENT ASSETS			
Cash Assets	8	1,034,063	1,092,520
Receivables	9	90,383	111,463
Prepayments and accrued income	10	1,882	154,821
Inventories	1(b)	270,506	301,400
TOTAL CURRENT ASSETS		1,396,834	1,660,204
NON-CURRENT ASSETS			
Property, Plant & Equipment	6	19,079,141	17,591,238
TOTAL ASSETS		20,475,975	19,251,442
CURRENT LIABILITIES			
Payables	11	1,815,285	2,010,950
Interest Bearing Liabilities	12	0	0
Provisions	13	690,391	703,417
TOTAL CURRENT LIABILITIES		2,505,676	2,714,367
NON CURRENT LIABILITIES			
Interest Bearing Liabilities	12	1,100,000	0
Provisions	13	54,129	53,617
TOTAL NON CURRENT LIABILITIES		1,154,129	53,617
TOTAL LIABILITIES		3,659,805	2,767,984
NET ASSETS		16,816,170	16,483,458
MEMBER'S EQUITY			
Retained profits		332,712	455,392
Members' Equity		16,483,458	16,028,066
TOTAL MEMBERS' EQUITY		16,816,170	16,483,458

The accompanying notes form part of these Financial Statements

STATEMENT OF COMPREHENSIVE INCOME AS AT THE 30TH JUNE 2011

For the Year Ended 30th June 2011

	NOTES	THIS YEAR \$	LAST YEAR \$
Sales Revenue	2	8,461,798	8,026,593
Cost of Sales		2,988,362	2,838,853
GROSS PROFIT		5,473,436	5,187,740
Other revenue from ordinary activities	2	4,712,886	4,914,515
TOTAL NET REVENUE		10,186,322	10,102,255
Employee benefits expense	3a	5,023,536	4,830,481
Depreciation	3a	1,373,547	1,284,693
Borrowing cost expense		45,036	2,180
Repairs maintenance and vehicle running expenses		691,730	802,574
Fuel, light and power expense		494,300	477,515
Rental expense		0	0
Training expense		42,644	57,532
Audit, legal and consultancy expense		26,239	19,584
Administration expenses		718,038	725,496
Other expenses from ordinary activities	3b	1,438,540	1,446,808
TOTAL EXPENDITURE		9,853,610	9,646,863
Profit from ordinary activities before income tax		332,712	455,392
Income tax expense		0	
Profit from ordinary activities after income tax		332,712	455,392
Other comprehensive income		0	0
Profit Attributable to members of the Club		332,712	455,392

The accompanying notes form part of these Financial Statements

STATEMENT OF CHANGES IN EQUITY AS AT THE 30TH JUNE 2011

For the Year Ended 30th June 2011

	THIS YEAR	LAST YEAR
	\$	\$
Balance at 1 July 2010	6,806,853	6,351,461
Profit attributable to the entity	332,712	455,392
Total other comprehensive income for the year	0	0
TOTAL RECOGNISED INCOME & EXPENSE FOR THE PERIOD	7,139,565	6,806,853

STATEMENT OF CASH FLOWS AS AT THE 30TH JUNE 2011

For the Year Ended 30th June 2011

	NOTES	THIS YEAR \$ INFLWS (OUTFLOWS)	LAST YEAR \$ INFLWS (OUTFLOWS)
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		13,232,641	12,843,544
Payments to suppliers & employees		(11,341,420)	(11,175,072)
Net Cash Flow from Operating Activities		1,891,221	1,668,472
Interest received		25,379	17,896
Borrowing Costs paid		(40,607)	(2,180)
Net Cash Flow from Operating Activities after Interest and Borrowing costs		<u>1,875,993</u>	<u>1,684,188</u>
CASHFLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant & equipment		(3,062,035)	(1,927,380)
Proceeds from sale of property plant & equipment		27,585	63,391
Proceeds from sale of water rights			
Net cash used in investing activities		<u>(3,034,450)</u>	<u>(1,863,989)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		2,000,000	-
Repayment of borrowings		(900,000)	-
Net cash flow used in financing activities		1,100,000	-
NET INCREASE (DECREASE) IN CASH HELD		<u>(58,457)</u>	<u>(179,801)</u>
Cash at the beginning of the financial year		1,092,520	1,272,321
CASH AT THE END OF THE FINANCIAL YEAR	8	<u>1,034,063</u>	<u>1,092,520</u>

NOTES TO THE STATEMENTS OF CASH FLOW

1. Reconciliation of cash flow

For the purpose of cash flows, cash includes cash on hand and in banks and investments in money market instruments. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

	NOTES	THIS YEAR	LAST YEAR
		\$	\$
Cash on hand		340,444	295,142
Cash at Bank (overdraft)		693,619	797,378
Total Cash		<u>1,034,063</u>	<u>1,092,520</u>

2. Reconciliation of net cash provided by operating activities to operating profit after income tax

	THIS YEAR	LAST YEAR
Profit from ordinary activities after income tax	332,712	455,392
Profit from sale of fixed assets	-	-
Non cash flows in operating profit		
Loss on sale of fixed assets	-	-
Depreciation	1,373,547	1,284,693
Provision for employee entitlements	(12,515)	44,060
Change in assets and liabilities		
Decrease(Increase) in receivables	15,602	(32,457)
Increase(Decrease) in prepaid income	89,196	16,355
Increase(Decrease) in payables	(84,920)	121,954
(Increase) Decrease in inventories	30,894	(1,135)
Decrease (Increase) in prepayments and accrued income	152,953	(142,304)
Profit on Sale of Fixed Assets	(21,476)	(62,370)
Cash flows from operations	<u>1,875,993</u>	<u>1,684,188</u>

HOUSE TRADING ACCOUNT

As at the 30th June 2011

	NOTES	THIS YEAR	LAST YEAR
		\$	\$
INCOME			
Bar profit		816,455	691,331
Poker machine profit		2,153,065	2,057,944
Catering Profit		(60,400)	18,230
Total Profit Centre Contribution		2,909,120	2,767,505
LESS HOUSE EXPENDITURE			
Members' functions & Benefits		144,374	139,594
Members' Badge Draw		49,899	37,124
Members' Discount		80,024	75,225
Cleaning		259,733	261,496
Clothing & Laundry		19,802	20,226
Depreciation -Buildings	1(d)	231,611	199,505
-Furniture & fittings	1(d)	28,289	32,968
-Plant & Equipment	1(d)	173,850	145,827
Entertainment -Music & floor shows		74,268	79,826
-Club entertainment		12,493	722
Security - Crowd Control		600	900
Promotion - Accommodation		25,309	28,293
- Courtesy bus		72,607	73,744
- Cheap Meals Subsidy		60,910	67,907
- Happy hours		77,145	72,047
- Lucky Numbers		(38,271)	(43,295)
- Club promotions		4,326	30,938
Heating		35,522	26,972
Light & power		297,736	287,036
Repairs & maintenance		265,018	231,975
Wages		400,310	409,896
Payroll tax		16,924	16,606
Staff Training		-	-
TOTAL HOUSE EXPENDITURE		2,292,479	2,195,532
HOUSE TRADING PROFIT		616,641	571,973

The accompanying notes form part of these Financial Statements

SPORTING ACTIVITIES ACCOUNT

As at the 30th June 2011

	NOTES	THIS YEAR	LAST YEAR
Income:		\$	\$
Green fees		1,400,410	1,524,453
Driving Range		3,664	2,749
Subscriptions & entrance fees		658,875	668,127
Professionals' shop rental		2,000	2,000
Sundry Income		23,791	21,694
Competition			
- bowls	1(g)	2,041	(2,050)
- croquet	1(g)	(587)	(581)
- golf	1(g)	33,829	47,245
Total Sports Income		<u>2,124,023</u>	<u>2,263,637</u>
Less Expenditure			
Affiliations		93,325	92,144
Clothing & laundry		3,691	6,460
Depreciation	1(c)	265,792	250,933
Electricity		3,820	9,192
Fuels & oils		69,731	63,451
General expenses		12,883	16,434
Wages		842,936	785,078
Payroll tax		40,416	35,170
Promotions - Bowls		12,360	13,168
- Golf		4,902	17,704
Promotions - Bus Subsidies		2,533	9,281
Repairs & maintenance		248,931	393,651
Retainer - Professional		44,400	44,004
Stationery & printing		9,715	7,832
Staff training		22,081	31,908
Total Sports Expenditure		<u>1,677,516</u>	<u>1,776,410</u>
Sporting Activity Profit		<u>446,507</u>	<u>487,227</u>

The accompanying notes form part of these Financial Statements

PROFIT AND LOSS STATEMENT As at the 30th June 2011

	NOTES	THIS YEAR	LAST YEAR
		\$	\$
OPERATING INCOME			
House trading profit		616,641	571,973
Holiday units profit		1,058,864	1,107,990
Sporting activity profit		446,507	487,227
Interest received		25,366	17,896
Sundry Income		66,634	61,865
Profit on sale of fixed assets		1,477	49,123
Total Operating Income		<u>2,215,489</u>	<u>2,296,074</u>
LESS EXPENDITURE			
Advertising		105,984	115,628
Affiliations & subscriptions		8,414	8,922
Administration wages		526,552	541,085
Audit fees	5	19,020	19,020
Bank fees & statutory charges		9,118	33,020
Bad debts		1,990	1,754
Clothing & laundry		25,230	23,763
Computer expenses		45,824	33,349
Community Support and Development		66,482	76,302
Directors' expenses		15,391	22,555
Employees' expenses & bonuses	1(e)	89,875	87,853
General expenses		12,640	28,473
Insurance		215,617	185,389
Interest		45,036	2,180
Legal expenses		6,504	564
Long service leave		48,644	52,060
Payroll Tax		24,066	25,977
Fringe Benefits Tax		5,362	4,680
Postage		9,661	10,340
Rates		14,710	18,846
Security		25,770	24,680
Staff Recruiting		9,227	3,945
Stationery & printing		71,361	68,963
Staff training		25,763	23,270
Superannuation	1(e)	384,188	366,968
Telephone		38,155	31,577
Travelling & conference		8,571	7,296
Occupational Health & Safety		23,622	22,223
Total Administration Expenses		<u>1,882,777</u>	<u>1,840,682</u>
NET PROFIT		<u>332,712</u>	<u>455,392</u>

The accompanying notes form part of these Financial Statements

NOTES

TO THE FINANCIAL STATEMENTS

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The financial report is for Yarrowonga & Border Golf Club Limited as an individual entity. Incorporated and domiciled in Australia. The Yarrowonga & Border Golf Club is a company limited by guarantee.

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with the Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Act 2001.

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

The financial report has been prepared on an accrual basis and is based on historical costs, modified, where applicable, by the measurement of fair value of selected non current assets, financial assets and financial liabilities.

(a) Income Tax

The company is exempt from income tax in terms of Section 51-45 of the Income Tax Assessment Act 1997.

(b) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on a first in first out basis and include direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenses.

(c) Trade and Other Receivables

Trade and other receivable are stated at their cost less impairment losses. Receivables are due for settlement no more than 30 days from the date of recognition unless specific payment arrangements have been approved.

(d) Property Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses. Property, freehold land and buildings are measured at cost.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, are depreciated on a straight line basis over their estimated useful lives to the Company commencing from the time the asset is held ready for use. Properties, held for investment purposes are not subject to a depreciation charge. 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 assets are:

Class of fixed asset	Depreciation Rate
Buildings	2%-5%
Plant and equipment	5%-30%

(e) Employee Benefits.

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with entitlements 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 have 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 an employee superannuation fund and are charged as expenses when incurred.

(f) 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 Tax 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 expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

(g) Tournament Expenses

Income from tournaments has been offset against tournament expenses.

(h) Cash and Cash Equivalents

Cash and cash equivalents comprises cash balances, call deposits and highly liquid investments with original maturities of three months or less that are ready convertible to known amounts of cash and which are subject to insignificant risk of change in value. Bank overdrafts that are repayable on demand and for an integral part of the Club's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

(i) Revenue

Revenue from the sale of goods is recognised upon delivery of goods to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from the rendering of services is recognised upon delivery of the service to the customers.

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

(j) Compliance with AIFRS

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards. Compliance with AIFRS ensures that the company financial statements and notes comply with International Financial Reporting Standards (IFRS).

In preparing the financial report the company has elected to apply options and exemptions available within AIFRS that are applicable to not for profit entities.

(k) Impairment of Assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets' carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

2. REVENUE AND OTHER INCOME

OPERATING ACTIVITIES:	THIS YEAR	LAST YEAR
	\$	\$
Revenue from Operating Activities	8,461,798	8,026,593
Other Revenue		
Interest received	25,366	17,896
Accommodation	2,253,337	2,287,486
Sports	2,276,095	2,411,890
TAB/Keno	89,976	86,253
Sundry Income	8,264	60,233
Rental Income	59,848	50,757
Non operating activities:		
Total Other Revenue	4,712,886	4,914,515
TOTAL REVENUE	13,174,684	12,941,108

3. PROFIT FOR THE YEAR

(a) Expenses

Borrowing cost (Not Capitalised)	45,036	2,180
Depreciation of Non-Current Assets		
Golf Course	67,480	65,809
Plant & Equipment	854,535	768,453
Buildings	451,532	450,431
Total Depreciation	1,373,547	1,284,693
Total Employee Benefit Expenses	5,023,536	4,830,481

(b) Other Expenses from Ordinary Activities

Payroll Tax	189,137	173,502
Promotions	70,338	110,817
Entertainment Bands	74,268	80,726
Members Benefits	276,097	252,665
Courtesy Bus	72,607	73,744
Happy Hour	77,145	72,047
Cleaning	279,732	285,715
Sporting Trophies	163,123	161,407
Retainer – Golf Professional	44,400	44,004
Printing & Stationery	14,628	16,054
Units Postage and Sundry Exp	21,969	22,602
Units Laundry	39,303	41,567
Sporting Affiliations	93,325	92,144
Keno	1,275	2,383
General Expenses	21,193	17,431

TOTAL OTHER EXPENSES

1,438,540	1,446,808
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4. SECURED LIABILITIES

The bank credit facility is secured by way of the NAB Bank holding a registered mortgage.

5. AUDITORS REMUNERATION

Remuneration of the Auditor of

The Company for :

Audit services	19,020	19,020
Other services	-	-

6. PROPERTY, PLANT & EQUIPMENT (all valuations are at cost)

	THIS YEAR	LAST YEAR
	\$	\$
FREEHOLD LAND		
Balance at beginning of year	1,115,108	1,115,108
Additions	-	-
Disposals	-	-
Carrying amount at end of year	1,115,108	1,115,108
CLUBHOUSE & COURSE BUILDINGS		
Balance at beginning of year	10,352,882	10,075,055
Additions	1,132,032	277,827
Disposals	-	-
TOTAL	11,484,914	10,352,882
Less Accumulated Depreciation	4,944,550	4,704,092
Carrying amount at end of year	6,540,364	5,648,790
HOLIDAY UNITS BUILDINGS		
Balance at beginning of year	6,914,271	6,938,816
Additions	786,510	40,859
Disposals	-	65,404
TOTAL	7,700,781	6,914,271
Less Accumulated Depreciation	2,592,570	2,394,981
Carrying amount at end of year	5,108,211	4,519,290
GOLF COURSE AND BOWLING GREEN		
Balance at beginning of year	4,030,851	3,555,503
Additions	60,662	475,348
Disposals	-	-
TOTAL	4,091,513	4,030,851
Less Accumulated Depreciation	1,501,041	1,433,560
Carrying amount at end of year	2,590,472	2,597,291
EQUIPMENT, FURNITURE AND FITTINGS		
Balance at beginning of year	11,442,878	10,444,912
Additions	888,446	1,233,680
Disposals	280,314	235,713
TOTAL	12,051,012	11,442,878
Less Accumulated Depreciation	8,326,025	7,732,120
Carrying amount at end of year	3,724,986	3,710,758
TOTAL	19,079,141	17,591,238

CAPITALISED FINANCE COSTS

Borrowing costs incurred \$60,210

Capitalisation rate used in the allocation of finance costs 7.6%.

The current value of freehold and buildings as valued by the directors is land (unimproved value) \$2,000,000 and buildings \$16,500,000.

7. DIRECTORS REMUNERATION

No remunerations, including salary, fees, commissions, superannuation contributions, cash bonuses and non cash benefits have been paid to directors, none of whom are in full time employment of the Club. Directors' expenses included in the Statement of Financial Performance are reimbursement of out-of-pocket expenses. No club related overseas travel has been undertaken by any director or employee.

8. CASH ASSETS

	THIS YEAR	LAST YEAR
	\$	\$
Cash on hand	340,444	295,142
Cash at bank (overdraft)	693,619	797,378
TOTAL	1,034,063	1,092,520

9. RECEIVABLES

CURRENT

Trade debtors	90,383	111,463
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10. PREPAYMENTS

Sundry prepayments	1,882	154,821
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11. PAYABLES

Trade creditors	568,198	877,222
Subscriptions in advance	306,295	298,277
Pre paid accommodation	528,186	519,599
Staff salaries	30,592	16,676
Federal & State Taxes	375,932	299,176
Other	6,082	
TOTAL	1,815,285	2,010,950

12. INTEREST BEARING LIABILITIES

CURRENT		-
NON CURRENT		
Secured Loan		
NAB	1,100,000	-
TOTAL	1,100,000	-

13. PROVISIONS

CURRENT		
Employee Entitlements	690,391	703,417
NON CURRENT		
Employee Entitlements	54,129	53,617

STAFF NUMBERS

Full Time	46	45	
Part Time	45	49	
Casual	43	46	
TOTAL	134	140	

14. SIGNIFICANT CHANGES IN ACCOUNTING TREATMENT

Interest charges relating to finance for capital projects are capitalised. Interest is capitalised from the date the project commences until completion.

15. CONTINGENT LIABILITIES

The Club has no material contingent liabilities.

16. GAMING MACHINE PROFIT

The Club's gaming machine profit for the 12 months ending the 31st of August 2010 was \$3,943,862.95.

17. COMMUNITY SUPPORT AND DEVELOPMENT

The Club's contribution to the community through the Community Support and Development Scheme for the 12 months ending the 31st of August 2010 was \$52,115.

18. FINANCIAL INTERESTS

The Chief Executive or any directors of this Club hold financial interests as follows :

Director N Clark is the proprietor of Yarrawonga Retravision which supplied Yarrawonga & Border Golf Club with goods and services to the value of \$39,222.69 in the 2010/11 financial year. The majority of this expenditure related to digital televisions for the accommodation units. Yarrawonga Retravision was the cheapest quote.

The Chief Executive Officer and directors hold no financial interests in hotels.

(Registers may be reviewed by members on written request)

19. EVENTS SUBSEQUENT TO BALANCE DATE

Since the end of the financial year, there has been no matter or circumstances not otherwise dealt with in the report or accounts that have significantly or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in subsequent financial years.

20. COMPANY STATUS

The company is incorporated in New South Wales as a company limited by guarantee and has no shareholders. Pursuant to the Memorandum of Association of the company, every member has undertaken, in the event of deficiency in winding up, to contribute an amount not exceeding twenty dollars (\$20).

21. SEGMENT INFORMATION

The company operates a golf and sporting complex at Mulwala and earns its revenue from the participants.

22. COMMITMENTS

The Club has committed \$120,000 to the replacement of internal and external signage, \$49,400 to the purchase of replacement poker machines and \$20,000 for the redevelopment of the Club's web site.

23. CORE ASSETS

All of the Club's land and buildings are classified core assets.

27. FINANCIAL RISK MANAGEMENT

a) Financial Risk Management Policies

The Club's financial instruments consist mainly of deposits with banks, accounts receivable and payable.

The main purpose of non-derivative financial instruments is to raise finance for the Club's operations.

The Club does not have any derivative instruments at 30 June 2011.

(i) Treasury Risk Management

The Board members and senior executives of the Club meet on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

The committee's overall risk management strategy seeks to assist the Club in meeting its financial targets, whilst minimizing potential adverse effects on financial performance.

Risk management policies are reviewed by the Board on a regular basis. These include credit risk policies and future cash flow requirements.

(ii) Financial Risk Exposures & Management

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

Credit Risk

Credit risk is the risk of loss to the Club if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Club's receivables from customers and investment securities.

Trade and receivables

The Club's exposure to credit risk is influenced mainly by the characteristics of the individual customer. The demographics of the customer base, including the default risk of the industry and the country in which it operates has less of an impact on the credit risk. A substantial portion of the total revenue is generated on a cash basis. Those streams of revenue which are on credit terms, individually do not expose the Club to credit risk.

The Club has a policy of assessing each new customer's credit worthiness prior to credit and prior to services being provided. Losses have occurred infrequently.

The Club considers annually the need for an allowance for impairment that represents their estimate of incurred losses in respect of trade and other receivables and investments.

Investments

The Club limits its exposure to credit risk by only investing in liquid securities and only with the bank.

Liquidity Risk

Liquidity risk is the risk that the Club will not be able to meet its financial obligations as they fall due. The Club's approach to managing liquidity risk is to ensure, as far as possible that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses or risking damage to the Club's reputation.

The Club maintains the following lines of credit:

Credit facility of \$2.2 million with a current interest rate of 7.6% on drawn down balances.

Market Risk

Market risk is the risk that the changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Club's income or the value of its holdings of financial instruments, the objective of market risk management is to

manage and control the market risk exposures within acceptable parameters, while optimising the return.

Currency Risk

The Club is not exposed to any currency risk on sales, purchases or borrowings that are denominated in a currency other than the Australian dollar.

Interest Rate Risk

The Club's \$2.2 million credit facility is based on the variable rate applicable at the time funds are drawn down and is re-priced each 30 days. Interest rate outlook would suggest there is minimal chance of significant increases in interest rates.

Capital Management

The Board's policy is to maintain a strong capital base to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital. The Board seeks to maintain a balance between the higher return that might be possible from higher levels of borrowings and the advantages and security afforded by a sound capital position.

There were no changes to the Club's approach to capital management during the year.

The Club is not subject to externally imposed capital requirements.

(b) Financial Instrument Composition & Maturity Analysis

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

The Club believes that for all financial assets and liabilities book value equates to market value.

Credit Risk

Exposure to credit risk

The carrying amount of the Club's financial assets represents the maximum credit exposure.

The Club's maximum credit exposure at 30 June 2011 was:

	2011	2010
	\$	\$
Loans & receivables	103,268	111,463
Cash & cash equivalents	1,034,063	1,092,520
	1,137,331	1,203,983

The Club's maximum exposure to credit risk for trade receivables at reporting date was solely focused on the immediate geographic region.

The Club's maximum exposure to credit risk for trade receivables at reporting date by customer type was:

	2011	2010
	\$	\$
Sundry debtors	103,268	111,463
	103,268	111,463

**NOTES TO THE FINANCIAL STATEMENTS
CONTINUED**

Impairment Losses

The aging of the Club's receivables at reporting date was as follows:

	Gross 2011 \$	Impairment Losses 2011 \$	Gross 2010 \$	Impairment Losses 2010 \$
Not past due	103,268	-	111,463	-
	<u>103,268</u>	<u>-</u>	<u>111,463</u>	<u>-</u>

The movement in the allowance for impairment in respect of trade receivables through the year was as follows:

	2011 \$	2010 \$
Balance at beginning of year	-	-
Impairment loss recognized	-	-
Balance at end of year	<u>-</u>	<u>-</u>

Based on historic default rates, the Club believes that no impairment allowance is necessary in respect of receivables.

Liquidity Risk

The following are contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting arrangements:

Financial Liabilities 30 June 2011	Carrying amount \$	Contractual Cash flows \$	<12 mths \$	>12 mths \$
Secured bank Loan	1,100,000	1,100,000	-	1,100,000
Bills	-	-	-	-
Financial lease Liabilities	-	-	-	-
Hire purchase Liabilities	-	-	-	-
Trade and other Payables	765,560	765,560	765,560	-
Bank overdraft	-	-	-	-
	<u>1,865,560</u>	<u>1,865,560</u>	<u>765,560</u>	<u>1,100,000</u>

Financial Assets 30 June 2011			
Cash and cash Equivalents		1,034,063	1,034,063
Trade and other Receivables		103,268	103,268
		<u>1,137,331</u>	<u>1,137,331</u>

Financial Liabilities 30 June 2010	Carrying amount \$	Contractual Cash flows \$	<12 mths \$
Secured bank Bills	-	-	-
Financial lease Liabilities	-	-	-
Hire purchase Liabilities	-	-	-
Trade and other Payables	1,085,956	1,085,956	1,085,956
Bank overdraft	-	-	-
	<u>1,085,956</u>	<u>1,085,956</u>	<u>1,085,956</u>

Financial Assets

30 June 2010	Carrying amount	Contractual Cash flows	<12 mths
	\$	\$	\$
Cash and cash			
Equivalents	1,092,520	1,092,520	1,092,520
Trade and other			
Receivables	111,463	111,463	111,463
	1,203,983	1,203,983	1,203,983

Fair Values

Fair values versus carrying amount

The fair values of financial assets and liabilities were equal to the carrying amounts shown in the balance sheet as at reporting date.

*Excludes Employee Benefits & Prepaid Income

GROSS INCOME 2010/11

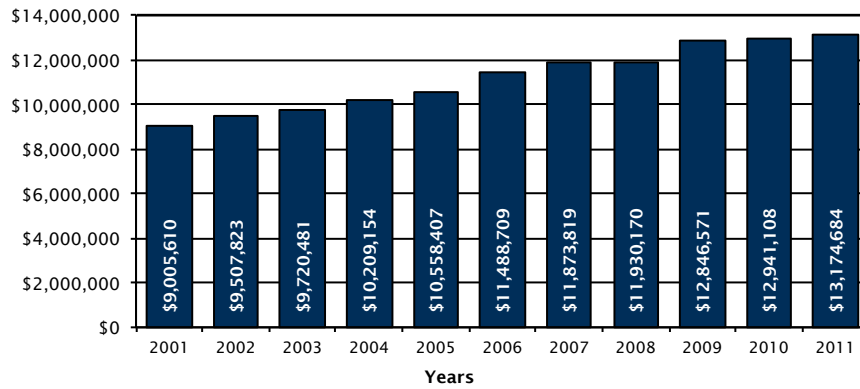
Poker Machines	28.95%
Catering	19.97%
Units	17.10%
Bar	15.31%
Course	12.28%
Subscriptions	5.00%
Other	1.39%

MEMBERSHIP

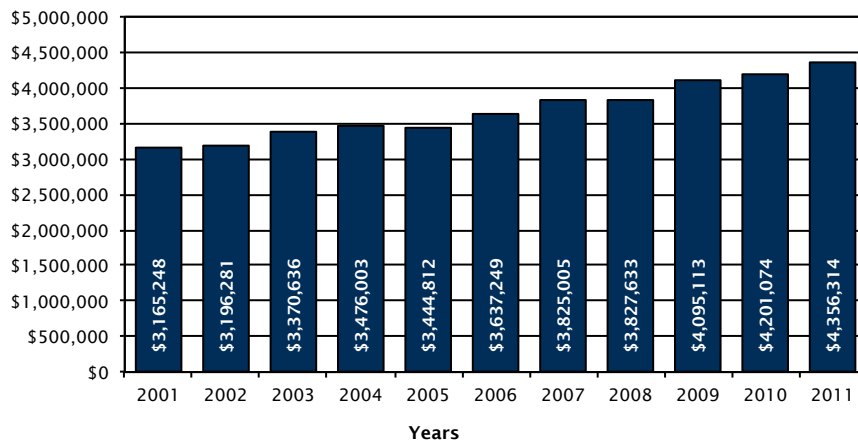
	2011	2010
Absent	11	11
Junior	166	157
Life	9	9
Full	1696	1672
Social	2849	2700
Country	490	467
Staff	32	32
Bowls/Croquet	117	113
TOTAL	5370	5161

COMPARISONS

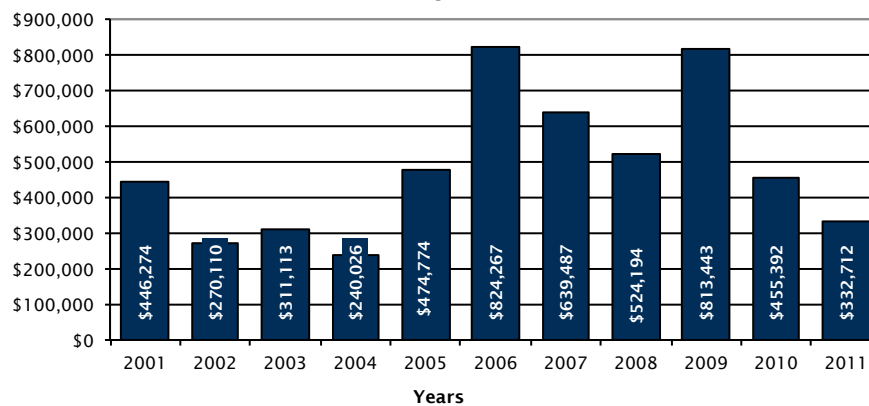
REVENUE



WAGES



PROFIT



IMPORTANT MESSAGE FOR CLUB MEMBERS

POKER MACHINE MANDATORY PRE-COMMITMENT

To form Government after the last Federal election, Julia Gillard signed an agreement with Tasmanian independent Andrew Wilkie that a system of mandatory pre-commitment would be introduced with a start date of May 2012 and full implementation by 2014.

Mandatory pre-commitment effectively means that anyone wishing to play the poker machines would have to sign up for a "license to gamble" where they can stipulate a daily limit, supplying personal details. After the limit is reached they would not be able to play a poker machine at any club or pub in Australia for the rest of that day.

Mr Wilkie promotes mandatory pre-commitment as a measure to reduce problem gambling. The Club industry and recognized gambling counsellors argue it will do no such thing but will in fact drive players who may have a gambling problem to the internet where there are virtually no controls in place. For example patrons at clubs and pubs cannot bet using credit cards, on the internet they can. Also there is no pre-commitment proposed for TAB or online sports bet sites.

The Club industry's concern is that pre-commitment will have the affect of deterring the recreational or ad hoc punter from having a flutter on the pokies as they will be unwilling to go through the process of getting a gambling license, as it is too much hassle.

Mandatory pre-commitment has the potential to force the closure of clubs and unfortunately our Club is no exception.

Both opponents and proponents of mandatory pre-commitment, including Mr Wilkie, agree that there will be enormous costs in introducing such a system and that the system would result in up to a 40% reduction in poker machine revenue.

It would cost Yarrowonga & Border Golf Club between \$1.8 million and \$2.5 million in hardware and software costs to implement the pre-commitment system. As well as these costs, a 40% reduction in revenue for our club equates to a revenue reduction of approximately \$1.6 million a year. These financial implications are dire for all Clubs including ours.

The last major event that had a very significant impact on our Club's poker machine revenue and Club profitability was the introduction of poker machines into Victoria in 1992.

In 1994, the first full year after the introduction of poker machines into Victoria, Yarrowonga & Border Golf Club saw a drop in poker machine revenue of 15% or \$660,454 and a 97% drop in Club profit from \$587,000 in 1992 to \$15,000 in 1994. The Club was able to battle back over subsequent years to remain a viable and profitable organization.

The consequences of pre-commitment are much more serious. With required expenditure of up to \$2.5 million and a predicted drop in revenue of up to \$1.6 million annually, the future of our Club would be under dire threat.

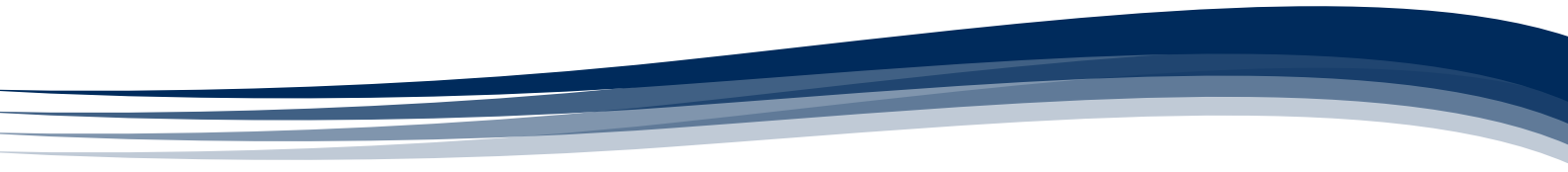
What seems to be lost on Ms Gillard and Mr Wilkie is the loss of employment, community recreational and social facilities, community donations and sponsorships and the overall economic impact on Yarrowonga Mulwala, of a measure which experts agree will have little chance of achieving Mr Wilkie's stated objective.

The Federal Government has said it will push ahead with the \$3 billion technology after Mr Wilkie threatened to force a Federal election if the Government refuses to support his proposal.

ClubsNSW will be mounting a campaign against mandatory pre-commitment over coming months. If you wish to support ClubsNSW's fight against mandatory poker machine pre-commitment please go to www.its-unaustralian.com.au or write to Ms Gillard or Mr Wilkie.

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