

BATHURST GOLF CLUB LIMITED
A.C.N. 000 981 993

**FINANCIAL REPORT
FOR THE YEAR ENDED
31 DECEMBER 2011**

BATHURST GOLF CLUB LIMITED
A.C.N. 000 981 993
DIRECTORS' REPORT
FOR THE YEAR ENDED
31 DECEMBER 2011

Your Directors present their report, together with the financial statements for the Company for the year ended 31 December 2011.

Principal Activities and Significant Changes in Nature of Activities

The principal activity of the Company during the financial year was the operation of a golf club with licensed bar, restaurant and gaming facilities.

There have been no significant changes in the nature of activities during the year.

Operating Results and Review of Operations for the Year

The profit of the Company for the year was \$62,968 (2010: \$100,257). This profit was generated from the Company's activities as a registered club and from its golf course facilities.

Significant Changes in State of Affairs

There have been no significant changes in the Company's state of affairs to 31 December 2011.

Dividends Paid or Recommended

The payment of dividends by the Company is expressly prohibited by item 8(b) of the Articles of Association of the Bathurst Golf Club Limited.

After Balance Date Events

No known matters or circumstances have arisen since the end of the financial year which significantly affect, or may significantly affect the Company's operations, the results of those operations or the state of affairs of the Company in subsequent financial years.

Future Developments

The Company expects to maintain the present status and level of operations and hence there are no likely known developments in future financial years.

Environmental Issues

The Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

BATHURST GOLF CLUB LIMITED
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DIRECTORS' REPORT
FOR THE YEAR ENDED
31 DECEMBER 2011

Directors

The names and details of the Directors of the Company in office during the financial year and until the date of this report are as follows:

Directors	Position	Appointed	Ceased
Paul Desmond Oxley	President	5th April 2008	
Colin Geoffrey Hope	Vice-President	31st March 2009	
Manuel Pro	Captain	27th March 2007	
Paul William Bright	Vice-Captain	5th April 2008	
Peter John Brien	Treasurer	31st March 2010	
Trevor Alick Simmons	Director	16th July 2007	
James Stanley Johnston	Director	1st September 2009	
Michael James Locke	Director	31st March 2010	
Paul William Bright	Director	31st March 2011	
Manuel Pro	Director	31st March 2011	
Colin Geoffrey Hope	Director	31st March 2011	
Paul Desmond Oxley	Director	31st March 2011	
Andrew Vernon Hicks	Director	31st March 2011	
Peter James Sheppard	Director	31st March 2011	
Peter John Brien	Director	31st March 2011	
John Charles Curtis	Director	31st March 2010	31st March 2011
Gerard Morris McCormick	Director	31st March 2010	31st March 2011

Meetings of Directors

During the financial year meetings of Directors (including committee meetings of the Directors) were held. Attendances by each Director during the year were as follows:

	Directors' Meetings		Course Committee		Promotions Committee		Clubhouse Committee	
	No. Eligible to Attend	No. Attended	No. Eligible to Attend	No. Attended	No. Eligible to Attend	No. Attended	No. Eligible to Attend	No. Attended
Paul Desmond Oxley	12	10	6	1	6	0	6	5
Colin Geoffrey Hope	12	7	6	0	6	0	0	0
Manuel Pro	12	12	6	0	6	0	0	0
Paul William Bright	12	9	6	2	6	1	6	1
Peter John Brien	12	12	6	1	6	0	6	3
Trevor Alick Simmons	12	6	6	4	6	0	0	0
James Stanley Johnston	12	12	6	2	6	3	6	1
Michael James Locke	12	10	6	2	6	1	6	6
John Charles Curtis	3	3	0	0	0	0	3	3
Gerard Morris McCormick	3	3	0	0	3	1	0	0
Peter James Sheppard	9	7	0	0	0	0	3	1
Andrew Vernon Hicks	9	4	0	0	0	0	6	1

BATHURST GOLF CLUB LIMITED
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DIRECTORS' REPORT
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Secretary

The Company secretary is:

Bradley John Constable

Share Options

No options for shares in the Company have been granted or exercised during or since the end of the financial year and there were no options outstanding at the end of the financial year.

Indemnifying Officers or Auditor

Insurance premiums are paid for out of the assets of the Company in regards to insurance cover provided to the officers of Bathurst Golf Club Limited so long as the Directors of Bathurst Golf Club Limited act in accordance with the Company Constitution and the Law, the officers remain indemnified out of the assets of the Company against losses incurred while acting on behalf of the Company. The premiums for this insurance amounted to \$1,155.

The auditors of the Company are in no way indemnified out of the assets of the Company.

Proceedings on Behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any 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 a party to any such proceedings during the year.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 31 December 2011 has been received and is following this Report.

Signed in accordance with a resolution of the directors made pursuant to s.298 (2) of the *Corporations Act 2001*:



.....
Paul Desmond Oxley
Director



.....
Peter John Brien
Director

Dated this 8th Day of March, 2012

BATHURST GOLF CLUB LIMITED
A.C.N. 000 981 993
AUDITOR'S INDEPENDENCE DECLARATION
UNDER S.307C OF THE CORPORATIONS ACT 2001

To the Directors of Bathurst Golf Club Limited:

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2011 there has been:

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



DJ Weekes MBus FCA
Registered Auditor No: 4159

DJ Weekes & Co Pty Ltd
Chartered Accountants
211 George Street, Bathurst, NSW, 2795

Dated this 7th Day of March, 2012.

BATHURST GOLF CLUB LIMITED
A.C.N. 000 981 993
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED
31 DECEMBER 2011

	Note	2011 \$	2010 \$
Revenue			
Revenue from Continuing Operations	2	1,413,391	1,385,818
Cost of Sales		(227,079)	(236,719)
Administration Expenses		(44,807)	(51,546)
Finance Costs		-	-
Marketing Expenses		(53,833)	(57,968)
Occupancy Costs		(100,737)	(102,914)
Other Expenses		(923,967)	(836,414)
Prior Period Adjustments			
Profit Before Income Tax		62,968	100,257
Income Tax Expense	3	-	-
Profit from Continuing Operations		62,968	100,257
Profit/(Loss) for the year from discontinued Operations after tax		-	-
Profit for the Year		<u>62,968</u>	<u>100,257</u>
Other Comprehensive Income:			
Net Gain on Revaluation of Land and Buildings		-	-
Other Comprehensive Income for the Year Net of Tax		<u>-</u>	<u>-</u>
Total Comprehensive Income for the Year		<u>62,968</u>	<u>100,257</u>

*The accompanying notes for part of these Financial Statements
These Financial Statements should be read in conjunction with the attached Audit Report*

BATHURST GOLF CLUB LIMITED
A.C.N. 000 981 993
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED
31 DECEMBER 2011

	Note	2011 \$	2010 \$
ASSETS			
Current Assets			
Cash and Cash Equivalents	7	529,870	494,379
Inventories	8	16,679	18,686
Trade and Other Receivables	9	-	-
Other Current Assets	10	32,768	24,910
		<u>579,317</u>	<u>537,975</u>
Non-Current Assets			
Property, Plant & Equipment	11	1,633,044	1,592,508
		<u>1,633,044</u>	<u>1,592,508</u>
TOTAL ASSETS		<u>2,212,361</u>	<u>2,130,483</u>
LIABILITIES			
Current Liabilities			
Trade and Other Payables	12	34,302	29,344
Short-Term Provisions	13	83,401	65,464
Other Current Liabilities	14	145,517	157,580
		<u>263,220</u>	<u>252,389</u>
Non-Current Liabilities			
Long-Term Provisions	15	46,238	38,159
		<u>46,238</u>	<u>38,159</u>
TOTAL LIABILITIES		<u>309,458</u>	<u>290,548</u>
NET ASSETS		<u>1,902,903</u>	<u>1,839,935</u>
MEMBER'S FUNDS			
Reserves	16	1,369,784	1,369,784
Accumulated Funds	17	533,119	470,151
		<u>1,902,903</u>	<u>1,839,935</u>

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BATHURST GOLF CLUB LIMITED
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED
31 DECEMBER 2011

	Issued Capital \$	Retained Earnings \$	Asset Revaluation Reserve \$	General Reserve \$	Total \$
Balance at 1 January 2010	-	369,894	1,369,784	-	1,739,678
Profit attributable to Members of the Parent Entity	-	-	-	-	-
Profit attributable to non-controlling interests	-	-	-	-	-
Total Other Comprehensive Income for the Year	-	100,257	-	-	100,257
Retrospective adjustment upon change in Accounting Policy	-	-	-	-	-
Subtotal	-	470,151	1,369,784	-	1,839,935
Dividends Paid or Provided for	-	-	-	-	-
Balance at 31 December 2010	-	470,151	1,369,784	-	1,839,935
Balance at 1 January 2011	-	470,151	1,369,784	-	1,839,935
Profit attributable to Members of the Parent Entity	-	-	-	-	-
Profit attributable to non-controlling interests	-	-	-	-	-
Total Other Comprehensive Income for the Year	-	62,968	-	-	62,968
Retrospective adjustment upon change in Accounting Policy	-	-	-	-	-
Subtotal	-	533,119	1,369,784	-	1,902,903
Dividends Paid or Provided for	-	-	-	-	-
Balance at 31 December 2011	-	533,119	1,369,784	-	1,902,903

*The accompanying notes for part of these Financial Statements
These Financial Statements should be read in conjunction with the attached Audit Report*

BATHURST GOLF CLUB LIMITED
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STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED
31 DECEMBER 2011

Cashflows from Operating Activities			
Receipts from Members and Guests		1,911,812	1,537,492
Interest Received		21,763	12,813
Payments to Suppliers and Employees		(1,809,828)	(1,355,775)
Net Cash Provided by (Used in) Operating Activities	18	<u>123,747</u>	<u>194,530</u>
Cashflows from Investing Activities			
Net Cash Flow from Sale/Purchase of Property, Plant & Equipment		(88,256)	(65,157)
Net Cash Provided by (Used in) Investing Activities		<u>(88,256)</u>	<u>(65,157)</u>
Net Increase/(Decrease) In Cash Held		35,491	124,002
Cash at Beginning of Financial Year		494,379	365,006
Cash at End of Financial Year		<u><u>529,870</u></u>	<u><u>494,379</u></u>

*The accompanying notes for part of these Financial Statements
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BATHURST GOLF CLUB LIMITED
A.C.N. 000 981 993
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2011

Note 1: Summary of Significant Accounting Policies

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

Australian Accounting Standards set out the 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 accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

a. Presentation Currency

The financial report is presented in Australian dollars which is the company's functional and presentation currency.

b. Income Tax

The company does not have any income tax liability or refund due at 31 December 2011 (2010: Nil). This is because the company is exempt from income tax as its main purpose is the encouragement of a game of sport, being golf. This position is consistent with TR97/22 and section 23(g)ii of ITAA1936.

c. Inventories

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

d. Property, Plant & Equipment

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

Property

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable and willing parties in an arm's length transaction), based on periodic valuations by external independent valuers, less subsequent depreciation for buildings.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the statement of comprehensive income. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the statement of comprehensive income and depreciation based on the asset's original cost is transferred from the revaluation surplus to retained earnings.

BATHURST GOLF CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2011

Note 1: Summary of Significant Accounting Policies (cont'd)

d. Property, Plant & Equipment (cont'd)

Property (cont'd)

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Plant & Equipment

Plant & equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

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

Depreciation

The depreciable amount of all fixed assets including buildings and capitalized lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Club House Plant	10 – 33.33%	Prime Cost
Course Plant & Equipment	10 – 25%	Prime Cost
Poker Machines	30 – 40%	Prime Cost
Kitchen Equipment	10 – 25%	Prime Cost

The assets' residual value and useful lives are reviewed, and adjusted, at the end of each reporting period.

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

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BATHURST GOLF CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
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Note 1: Summary of Significant Accounting Policies (cont'd)

d. Property, Plant & Equipment (cont'd)

Depreciation (cont'd)

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income.

When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

e. Leases

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

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

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

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

Lease incentives under operating leases are recognized as a liability and amortised on a straight-line basis over the life of the lease term.

f. Financial Instruments

Initial Recognition and Measurement

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

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

Classification and Subsequent Measurement

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

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BATHURST GOLF CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2011

Note 1: Summary of Significant Accounting Policies (cont'd)

d. Financial Instruments (cont'd)

Classification and Subsequent Measurement (cont'd)

Amortised Cost is calculated as:

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

The *effective interest rate method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

(i) *Financial Assets at fair value through profit and loss*

Financial assets are classified at 'fair value through profit and loss' when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by a key management personnel on a fair value basis in accordance with a documented risk management strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(ii) *Loans and Receivables*

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

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period. (All other loans and receivables are classified as non-current assets).

(iii) *Held to Maturity Investments*

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

These Financial Statements should be read in conjunction with the attached Audit Report

BATHURST GOLF CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2011

Note 1: Summary of Significant Accounting Policies (cont'd)

d. Financial Instruments (cont'd)

Classification and Subsequent Measurement (cont'd)

(iii) *Held to Maturity Investments (cont'd)*

Held to maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period. (All other investments are classified as current assets).

If during the period the Company sold or reclassified more than an insignificant amount of the held to maturity investments before maturity, the entire held to maturity investment category would be tainted and reclassified as available for sale.

(iv) *Available for Sale Financial Assets*

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

Available for sale financial assets are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period. (All other financial assets are classified as current assets.)

(v) *Financial Liabilities*

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

Fair Value

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

Impairment

At each reporting date the Company assess whether there is objective evidence that a financial instrument has been impaired. In the case of available for sale financial instruments, a prolonged decline in the value of the instrument is considered to be determinate of whether impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

These Financial Statements should be read in conjunction with the attached Audit Report

BATHURST GOLF CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
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Note 1: Summary of Significant Accounting Policies (cont'd)

d. Financial Instruments (cont'd)

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognized in profit or loss.

e. Impairment of Assets

At the end of each reporting period, the Company assess whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the assets, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

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

f. Employee Benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements.

g. Provisions

Provisions are recognized when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

h. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investment with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within the short-term borrowings in current liabilities on the statement of financial position.

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BATHURST GOLF CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
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Note 1: Summary of Significant Accounting Policies (cont'd)

i. Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed.

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

All revenue is stated net of the amount of Goods and Services Tax (GST).

j. Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Company during the reporting period which remain unpaid. The balance is recognized as a current liability with the amounts being normally paid within 30 days of recognition of the liability.

k. Goods and Services Tax (GST)

Revenues, expenses and assets are recognized net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognized as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

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

l. Comparative Figures

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

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

m. Superannuation

The Company contributes to employee superannuation funds on the basis of relevant legislation. Contributions are charged against income as the liability is accrued.

n. Critical Accounting Estimates and Judgments

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

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BATHURST GOLF CLUB LIMITED
A.C.N. 000 981 993
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2011

Note 1: Summary of Significant Accounting Policies (cont'd)

o. Adoption of New and Revised Accounting Standards

During the current year the Company adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The adoption of these standards has impacted the recognition, measurement and disclosure of certain transactions. The following is an explanation of the impact the adoption of these standards and interpretations has had on the financial statements of Bathurst Golf Club Limited.

AASB 101: Presentation of Financial Statements

In September 2007 the Australian Accounting Standards Board revised AASB 101 and as a result, there have been changes to the presentation and disclosure of certain information within the financial statements. Below is an overview of the key changes and the impact on the Company's financial statements.

Disclosure Impact

Terminology changes – The revised version of AASB 101 contains a number of terminology changes, including the amendment of the names of the primary financial statements.

Statement of Comprehensive Income – The revised AASB 101 requires all income and expenses to be presented in either one statement, the statement of comprehensive income, or two statements, a separate income statement and a statement of comprehensive income. The previous version of AASB 101 required only the presentation of a single income statement.

The Company's financial statements now contain a statement of comprehensive income.

Other Comprehensive Income – The revised version of AASB 101 introduces the concept of 'other comprehensive income' which comprises of income and expenses that are not recognised in profit or loss as required by other Australian Accounting Standards. Items of other comprehensive income are to be disclosed in the statement of comprehensive income. Entities are required to disclose the income tax relating to each component of other comprehensive income. The previous version of AASB 101 did not contain an equivalent concept.

AASB 2009-5: Further amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 5, 8, 101, 107, 117, 118, 136 & 139].

These standards detail numerous non-urgent but necessary changes to accounting standards arising from the IASB's annual improvement project and have not materially affected the Company's financial statements.

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BATHURST GOLF CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
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Note 1: Summary of Significant Accounting Policies (cont'd)

p. New Accounting Standards for Application in Future Periods

- i. AASB 9: Financial Instruments and AASB 2009-11: Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12] applicable for annual reporting periods commencing on or after 1 January 2013).

These standards are applicable retrospectively and amend the classification and measurement of financial assets. The Company has not yet determined the potential impact on the financial statements.

- ii. AASB 2009-12: Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052] (applicable for annual reporting periods commencing on or after 1 January 2011).

This standard makes a number of editorial amendments to a range of Accounting Standards and Interpretations, including amendments to reflect changes made to the text of International Financial Reporting Standards by the IASB.

The Company does not anticipate early adoption of any of the above Australian Accounting Standards.

Note 2: Revenue from Continuing Operations

Trading Revenue

Bar Sales	431,507	415,947
Poker Machine Sales	119,794	165,711
Keno	3,148	1,488
Tobacco Sales	496	609
Confectionery Sales	2,052	4,634
Green Fees	224,362	219,054
Subscriptions	333,938	319,215
Sponsorship	19,964	16,609
Competition Fees	156,564	119,889
Golf Cart Hire	51,386	39,759
Interest Income	21,763	12,813
Other Income	48,416	70,089
Total Trading Revenue	1,413,391	1,385,818

These Financial Statements should be read in conjunction with the attached Audit Report

BATHURST GOLF CLUB LIMITED
A.C.N. 000 981 993
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
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Note 3: Income Tax Expense

The company does not have any income tax liability or refund due at 31 December 2011 (2010: Nil). This is because the company is exempt from income tax as its main purpose is the encouragement of a game of sport, being golf. This position is consistent with TR97/22 and section 23(g)ii of ITAA1936.

Note 4: Key Management Personnel Compensation

Position	No.	Amount Paid
Secretary/Manager	1	\$50,000 - \$100,000

	2011	2010
	\$	\$

Note 5: Auditor Remuneration

Audit Fees	10,000	10,000
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Note 6: Dividends

The payment of dividends by the Company is expressly prohibited by item 8(b) of the Articles of Association of the Bathurst Golf Club Limited.

	2011	2010
	\$	

Note 7: Cash and Cash Equivalents

GNBS Trading Account	51,332	59,002
GNBS Keno Account	5,849	5,837
GNBS Machinery Account	13,492	4,893
GNBS Cash Management Account	37,366	31,057
GNBS Staff Fund	28,828	67,582
GNBS Term Deposit	370,000	300,000
GNBS Visa Account	1,107	878
Cash Floats	12,500	17,067
Cash in Transit	8,063	8,063
Keno in Transit	1,332	-
	529,870	494,379

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	2011	2010
	\$	\$
Note 8: Inventories		
Current		
At Cost	16,679	18,686
	<u>16,679</u>	<u>18,686</u>
Note 9: Trade and Other Receivables		
Trade Debtors	-	-
Sundry Debtors	-	-
	<u>-</u>	<u>-</u>
Note 10: Other Current Assets		
Prepayments	32,768	24,910
	<u>32,768</u>	<u>24,910</u>
Note 11: Property, Plant & Equipment		
a. Carrying Values at 31 December 2011		
Land & Buildings		
Land & Buildings at Directors Valuation	1,400,000	1,427,361
Total Land & Buildings	<u>1,400,000</u>	<u>1,427,361</u>
Property Improvements		
Property Improvements	35,936	-
Less: Accumulated Depreciation	(49)	-
	<u>35,887</u>	<u>-</u>
Club House Plant & Equipment		
Club House Plant & Equipment at Cost	189,616	164,056
Less: Accumulated Depreciation	(144,831)	(135,392)
	<u>44,785</u>	<u>28,664</u>
Poker Machine Plant & Equipment at Cost	93,804	77,804
Less: Accumulated Depreciation	(80,350)	(72,887)
	<u>13,454</u>	<u>4,917</u>

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Note 11: Property, Plant & Equipment	2011	2010
a. Carrying Values at 31 December 2011 (cont'd)	\$	\$
Course Plant & Equipment	364,018	326,902
Less: Accumulated Depreciation	<u>(228,753)</u>	<u>(199,884)</u>
	135,265	127,018
 Kitchen Assets	 8,527	 7,711
Less: Accumulated Depreciation	<u>(4,875)</u>	<u>(3,163)</u>
	<u>3,652</u>	<u>4,548</u>
 Total Plant & Equipment	 <u>1,633,044</u>	 <u>1,592,508</u>

Note 11: Property, Plant & Equipment (cont'd)
b. Movements in Carrying Amounts

	Land & Buildings	Property Improvements	Club House Plant & Equip	Poker Machines	Course Plant & Equip	Kitchen Assets	Total
1 January 2010							
Balance at Beginning of Year	1,424,773	-	13,378	7,350	119,188	5,664	1,570,353
Additions	2,588	-	23,102	4,751	33,805	506	64,752
Disposals	-	-	-	-	-	-	-
Depreciation Expense	-	-	(7,816)	(7,184)	(25,975)	(1,622)	(42,597)
Balance at 31 December 2010	<u>1,427,361</u>	<u>-</u>	<u>28,664</u>	<u>4,917</u>	<u>127,018</u>	<u>4,548</u>	<u>1,592,508</u>
1 January 2011							
Balance at Beginning of Year	1,427,361	-	28,664	4,917	127,018	4,548	1,592,508
Additions	(27,361)	35,936	25,560	16,000	37,116	816	88,068
Disposals	-	-	-	-	-	-	-
Depreciation Expense	-	(49)	(9,439)	(7,463)	(28,869)	(1,712)	(47,532)
Balance at 31 December 2011	<u>1,400,000</u>	<u>35,887</u>	<u>44,786</u>	<u>13,454</u>	<u>135,265</u>	<u>3,652</u>	<u>1,633,044</u>

	2011	2010
	\$	\$
Note 12: Trade and Other Payables		
Trade Creditors	33,724	25,857
Other Creditors	<u>578</u>	<u>3,487</u>
	<u>34,302</u>	<u>29,344</u>

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BATHURST GOLF CLUB LIMITED
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	2011	2010
	\$	\$
Note 13: Short-Term Provisions		
Annual Leave	54,968	38,410
Rostered Days Off	1,415	2,436
Sick Leave	27,018	24,618
	<u>83,401</u>	<u>65,464</u>
Note 14: Other Current Liabilities		
Accrued Expenses	10,000	10,000
GST/PAYG Liability	23,483	31,055
Buggy Shed Rent in Advance	1,125	2,625
Members Subs in Advance	110,909	109,277
Other Liabilities	-	4,623
	<u>145,517</u>	<u>157,580</u>
Note 15: Long-Term Provisions		
Long Service Leave	46,238	38,160
	<u>46,238</u>	<u>38,160</u>
Note 16: Reserves		
Asset Revaluation Reserve	1,369,784	1,369,784
	<u>1,369,784</u>	<u>1,369,784</u>
Note 17: Accumulated Funds		
At the Beginning of the Year	470,151	369,894
Net Surplus for the Period	62,968	100,257
At the End of the Year	<u>533,119</u>	<u>470,151</u>

These Financial Statements should be read in conjunction with the attached Audit Report

BATHURST GOLF CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
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	2011	2010
	\$	\$
Note 18: Cash Flow Information		
Operating Surplus After Income Tax	62,968	100,257
<u>Non-Cash Flows in Operating Surplus</u>		
Depreciation	47,578	42,597
Movement in Employee Entitlements	26,016	21,147
Prior Year Adjustment	142	406
Operating Surplus After Income Tax	73,736	64,150
<u>Changes in Assets and Liabilities</u>		
Decrease / (Increase) in Inventories	2,007	1,740
Decrease / (Increase) in Trade and Other Receivables	-	3,588
Decrease / (Increase) in Other Current Assets	(7,858)	(3,595)
Increase / (Decrease) in Trade and Other Payables	4,958	708
Increase / (Decrease) in Other Liabilities	(12,063)	27,682
	(12,956)	30,123
Net Cash Provided by Operating Activities	123,747	194,530

Note 19: Financial Reporting by Segment

The Financial report is for the Bathurst Golf Club Limited as an individual entity. The Company operates in one industry within Australia, being that of a licensed Golf Club.

Note 20: Related Party Transactions

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

Directors and Their Associated Entities

John Curtis - Building Repairs to Clubhouse	5,662	5,404
Paul Bright - Labour for Bar Renovations	-	2,000

Note 21: Financial Instruments

a. Financial Risk Management

The Company's financial instruments consist mainly of deposits with banks, short-term investments and accounts receivable and payable. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

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BATHURST GOLF CLUB LIMITED
A.C.N. 000 981 993
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
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		2011	2010
		\$	\$
Note 21: Financial Instruments			
a. Financial Risk Management (cont'd)			
The totals for each category of financial instruments measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements are as follows:			
Financial Assets			
Cash and Cash Equivalents	7	529,870	494,379
Trade and Other Receivables	9	-	-
Total Financial Assets		529,870	494,379
Financial Liabilities			
Trade and Other Payables	12	34,302	29,344
Total Financial Liabilities		34,302	29,344

Specific Financial Risk Exposures and Management

The main risks the Company is exposed to through its financial instruments is market risk consisting of interest rate risk and liquidity risk.

a. Market Risk

i. *Interest Rate Risk*

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

b. Liquidity Risk

Liquidity risk arises from the possibility that the Company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Company's approach to liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities by monitoring its cash reserves and available credit facilities and only investing cash with reputable institutions.

BATHURST GOLF CLUB LIMITED
A.C.N. 000 981 993
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2011

b. Financial Instruments Composition and Maturity Analysis

The table below reflects the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity.

	Weighted Average Int Rate %	Floating Interest Rate	Fixed Interest Maturing In			Non Interest Bearing	Total
			1 year or less	1 year to 5 years	More than 5 years		
31 December 2011							
Financial Assets							
Cash on Hand	0.00%	-	-	-	-	21,895	21,895
Cash at Bank	3.50%	137,975	-	-	-	-	137,975
Term Deposit	5.90%	-	370,000	-	-	-	370,000
		137,975	370,000	-	-	21,895	529,870
Financial Liabilities							
Trade and Other Payables	0.00%	-	-	-	-	34,302	34,302
		-	-	-	-	34,302	34,302
31 December 2010							
Financial Assets							
Cash on Hand	0.00%	-	-	-	-	25,130	25,130
Cash at Bank	2.56%	169,249	-	-	-	-	169,249
Term Deposit	3.62%	-	300,000	-	-	-	300,000
Trade and Other Receivables	0.00%	-	-	-	-	-	-
		169,249	300,000	-	-	25,130	494,379
Financial Liabilities							
Trade and Other Payables	0.00%	-	-	-	-	29,344	29,344
		-	-	-	-	29,344	29,344

Note 22: Poker Machine Licenses

The Company holds poker machine licenses either acquired from other entities or granted for no consideration by the NSW Government. AIFRS requires that licenses be recognised initially at their fair value as at the date they were granted with a corresponding adjustment to profit and loss to recognise the grant immediately as income.

Under the current gaming legislation which took effect in April 2002, poker machine licenses are able to be traded. The company has determined that the fair value at grant date for the licenses granted pre-April 2002 to be zero. Licenses granted to the Company post April 2002 are initially recognised at fair value. The company has determined that the market for poker machine licenses does not constitute an active market and consequently licenses held are not revalued each year.

These Financial Statements should be read in conjunction with the attached Audit Report

BATHURST GOLF CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
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Note 23: Company Limited by Guarantee

Bathurst Golf Club Limited is a company limited by guarantee. The liability of members is limited to the amount of \$20.00 as set out in the Company's Memorandum and Articles of Association. In the event of the winding up of the Company during the time that he or she is a member or within one year thereafter the member is required to contribute a maximum of \$2.00 to the outstanding liabilities of the company. At December 2011 the number of members was 1,009 (2010: 1043).

Note 24: Reserves

Asset Revaluation Reserve

The asset revaluation reserve records revaluations of non-current assets.

Note 25: Events Subsequent to Balance Date

No known matters or circumstances have arisen since the end of the financial year which significantly affect, or may significantly affect the Company's operations, the results of those operations or the state of affairs of the Company in subsequent financial years.

Note 26: Company Details

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

Bathurst Golf Club Limited
Orange Road,
BATHURST NSW 2795

BATHURST GOLF CLUB LIMITED
A.C.N. 000 981 993
DIRECTORS' DECLARATION
FOR THE YEAR ENDED
31 DECEMBER 2011

The Directors of the Company declare that:

1. The financial statements and notes, as set out in the preceding pages, are in accordance with the *Corporations Act 2001* and:
 - a. Comply with Accounting Standards; and
 - b. Give a true and fair view of the financial position at 31 December 2011 and of the performance for the year ended on that date of the Company.
2. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



.....
Paul Desmond Oxley
Director



.....
Peter John Brien
Director

Dated this 8th Day of March, 2012.

DJ Weekes & Co

Pty Limited ABN: 67 107 735 731 CHARTERED ACCOUNTANTS
BUSINESS & TAXATION SPECIALISTS
Liability limited by a scheme approved under
Professional Standards Legislation

211 George Street
BATHURST NSW 2795

PO Box 1303
BATHURST NSW 2795
Telephone: (02) 6332 3110
Facsimile: (02) 6332 3132
e-mail: admin@wcbx.com.au

Bathurst Golf Club Limited **ACN 000 981 993** **Independent Audit Report** **to the Members**

Report on the Financial Report

We have audited the accompanying financial report of Bathurst Golf Club Limited “the company”, which comprises the statement of financial position as at 31 December 2011, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors’ declaration.

Directors’ Responsibility for the Financial Report

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

Auditor’s Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company’s preparation 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.

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

Bathurst Golf Club Limited
ACN 000 981 993
Independent Audit Report
To the Members

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the Directors of Bathurst Golf Club Limited, would be the same terms if given to the Director as at the time of this auditor's report.

Auditor's Opinion

In our opinion,

The financial report of Bathurst Golf Club Limited is in accordance with the *Corporations Act 2001*, including:

- i. Giving a true and fair view of the company's financial position as at 31 December 2011 and of its performance for the year ended on that date; and
- ii. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.



DJ Weekes MBus FCA
Registered Auditor No: 4159

DJ Weekes & Co Pty Ltd
Chartered Accountants
211 George Street, Bathurst, NSW, 2795

Dated this 8th Day of March, 2012.