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Mulwala Water Ski Club Board of Directors
from left to right: Peter Duncan (CEO),
Kelvin Weston-Green, Len Langford (President),
Matthew Holgate (Vice President), Gavin Williams,
Trevor Bailey, Andrew Starr, Rodney Vodusek.



2013 Annual Report



Notice of Meeting

Notice is hereby given that the Annual General Meeting of
The Mulwala Water Ski Club Limited
will be held at the Clubhouse on Sunday 27th October 2013 at 11am

Agenda

1. To confirm the minutes of the previous Annual General Meeting held on 28th October 2012.
 2. To receive and consider the report for the Board of Directors.
 3. To receive and consider the financial statements and auditors' report.
 4. Resolution: Comply with Registered Club Act 1976 Section 10.
 5. Special Resolution: To create a new class of membership.
 6. To deal with any business for which due notice has been given.
 7. To deal with any business that the meeting may approve, of which due notice has not been given.
 8. Election of the Board for the ensuing year.
- NB: Only financial members are entitled to attend the meeting.
Questions relating to the financial statements should be submitted in writing to the Club seven days prior to the meeting.
Nominations for the Board of Directors close Friday 27th September 2013 at 6.00pm.
Nomination forms are available from the Secretary.

By Order of the Board
Peter G. Duncan
Chief Executive Officer.

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 \$35,000) to meet such of the following expenses of the club that may be approved by the Board of Directors from time to time:

1. The reasonable cost of meal and beverages 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.
2. 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.
3. The reasonable cost (including the cost of meals, accommodation and travel) of selected Directors, Managers and their partners attending the Clubs NSW meetings, the meetings of other associations of which the Club is a member and meetings or conferences that are of a relevant educational or beneficial nature to the club.

NOTES TO RESOLUTION: Please note this resolution is required under the Registered Clubs Act and is procedural.

Special Resolution

- To create a new class of membership
- Ski Member
 - Junior Ski Member (11 years to 17 years)
- Current membership
- Member
 - Junior Member

President's Report

The past twelve months has seen the club post a positive financial profit of \$727,218 which is the best result since the year 1991 and reward for the effort shown by Management, Staff and Directors of the club.

The club has worked hard to put on quality entertainment and events which not only attracts tourists to our club but also brings many people to our towns where we all benefit as a community. Events such as the Jimmy Barnes concert saw a sell out crowd of over 3,500 people. Our ski shows were very popular with the tourists and the Junior World Ski Titles attracted over twenty two countries to our towns. We also had the Family fun day with motor bike displays, rides and entertainment for the kids which was well supported by the public.

Our Ski division under the guidance of Pete O'Neil and Brant Ryan have had an excellent year with our ski team. The ski team put on twelve shows over the Christmas period and is now one of the main attractions for tourists to Yarrowonga and Mulwala at this time of year.

In April our Ski team travelled to Perth to contest the National Show Ski Championships and came out victors, which was a magnificent effort. The Ski team followed this up by travelling to China in June this year to compete against other nations and finished third in the event.

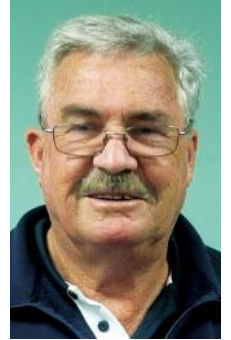
The Mulwala Water Ski Club was proud to host the World Junior Championships in March this year where twenty two countries took part. The opening parade

along Belmore Street, Yarrowonga and the Pontoon boats bringing each team across from the foreshore received great praise from all countries and was a highlight for them.

The Directors and Management are very mindful that we need to constantly improve the facilities of the club and over the past twelve months we have extended the Deck, installed a kids play area, tiled the front of the snack bar area and installed a gaming system. We will continue to make these improvements to the club so that our members and guests can enjoy up-to-date and comfortable facilities.

The club continues to improve the financial position and remains focused on reducing our debt. We remain on target to be debt free at the end of 2018 at which point we will be able to implement the next stages of our strategic plan.

I would like to thank the Directors, Management and Staff for their efforts over the past twelve months, for without their input we could not have achieved this magnificent result. Finally I would like to thank our members who continue to support our club through their use of the facilities we have to offer.



Len Langford
President

Chief Executive Officer's Report

The financial year of 2012 – 2013 has seen the Mulwala Water Ski Club improve its financial position and keep us on target to reduce debt and to continue to improve the facilities of the club. The club has had a consistent year and recorded a profit of \$727,218 which is the best profit since 1991.

Sales across all sectors of the club are up on last year and expenses have been kept under tight control which has helped the club to record this pleasing result. Interest savings of over \$67,992 is due to the Holiday Park debt being paid out and the reduction of the club house debt continues to help the bottom line. Security costs have been reduced and this can be attributed to a change in demographic of visitors to the club.

The club invested in a gaming system this year which enabled our customers to collect their winnings via a ticket being printed out from the machine. This along with the many promotions we have been able to run with the gaming system has proven to be very popular with our members.

The bar sales for the club is up on last year which is very pleasing as we have had a negative trend over the past few years. The Jimmy Barnes concert and the many entertainers we have put on throughout the year have no doubt attributed to this positive result.

Our Holiday Park continues to perform well and recorded a profit of \$335,664 and is an improvement on last year by \$76,034. We have continued to market our Holiday Park and again attended the Caravan and Camping show held in Melbourne during the year where we not only promoted the Park and Club but also the towns of Yarrowonga and Mulwala.

Once again our Ski division has been extremely successful by heading to Perth and winning the Australian Show Ski Championships. Congratulations to Pete O'Neill and Brant Ryan who planned and trained our team for this event for over two years.

Also I must mention the success of our ski pro Pete O'Neill who this year set an Australian record by recording his eighth Australian Bare Foot Title.

The club continues to promote water skiing and in June we sent a team of over sixteen of our skiers to China to represent Australia, and they once again did us proud by finishing third in the competition.

While the club remains focused on reducing our debt we are also focused on continuing to improve the facilities of the club. This year we have –

- Extended the Deck.
- Installed a Kids Play area.
- Installed a Gaming Machine System.
- Tiled the area in front of the Coffee Shop.
- Club History in the trophy cabinet.
- Decorated club with Ski memorabilia.

The President and Directors of the club have been very active in helping out throughout the year. Their support at the ski shows, Jimmy Barnes concert, World Junior Titles and many other events has made the organising and running of these events much easier than they would otherwise be and is very much appreciated.

I would like to thank our staff who have stepped up another level over the past year and have embraced the introduction of the gaming system and changes the club has implemented. They have also promoted the club positively with their service they continue to provide to our customers.

Finally I would like to thank the members of the Mulwala Water Ski Club who have supported us over the past year by continuing to visit our club, enjoying the entertainment and using the facilities we have to offer.



Peter Duncan
Chief Executive Officer

Bingo Report



Hello to all our bingo players.

A wonderful year again this year with more games and more fun. Your support of our club and us callers is greatly appreciated. We, all as callers love meeting you and the friends you bring to bingo, so keep coming along and having fun.

This year we unfortunately lost some valued members of our bingo community; Bev Thompson, Bill Love to name just two but we soldier on.

Thanks to you all and may luck be on your side!

Pictured: Bria, Johnny, Phil, Jake, Maree.

Absent: Lee, Michelle, Julie, Brian, John and Callum.

Water Ski Co-ordinators Report

The ski club this year had successes from every facet of water skiing. So many in fact that it will be hard to condense into this report, especially if I continue with this introduction. So here goes.

3 Event.

The Junior World Titles at the Max Kirwan Ski Park were a huge success and our very own Josh Bryant took home the gold medal and title of Junior World Waterski Champion.

We had multiple success in the state level competitions and Nicole Urquhart took out the National Title in senior women. Nick Stevens grabbed gold in Junior Boys Jump and we had many second and thirds with the Burns family as well. Medal tally was: 7 gold, 5 silver and 5 bronze. Nick Stevens also broke a long standing Victorian Jump record for Junior Boys.

Wakeboard

Chloe Mills took out not only the Australian Championships but also the Worlds Junior Titles as well. We also had the Wakeboard National Titles held on the Max Kirwan Ski Park in March.

Barefoot

Eight of our members skied for Victoria this year at the National Barefoot Championships with lots of medals including Brayden Wilson in Junior Boys Jump, Brian Sullivan in Veteran Men's Overall, Deon Sullivan in the Senior Mens grabbed a bag of medals and I took out the Open Mens while The MacDonald girls preformed well across all events. This coming season at the Ski Park in March we have the Junior, Senior and Open World titles so come along and watch the best in the world.

Show Ski

A high year in show skiing started with the Mulwala team performing there nerdier than normal Star Wars Show. Another big success with large crowds and the ski team fundraising took full advantage by raising another \$15,000 for the year. Combined with last years efforts and a \$20,000 Grant from the club. The team had funds over \$40,000 for there trip to Nationals in Perth.

The big job of moving two boats and a container to Perth was sponsored by SCT Freight which made a huge burden much easier.

The team consisted of some 48 people with the vast majority under 21 years of age. They competed against four states and took home the National Title and capped off the season. There were so many helpers and supporters that came with us and team thanks them all very much

From there the team sent contingent of 17 to China to compete against America and China and became the first-ever Australian team to build the four high pyramid.

It was a huge year in skiing and thanks to Nichole Urquhart for her help with the three event and of course Brutus and Kathy Ryan for their help with the show skiing and pretty much everything else as well.

Next year we have skiers competing in Barefoot World Titles, Pro Tour Events for wakeboarding and 3 Event. Brutus and I will be taking the Australian Show Ski Team to the World Titles along with some of our teams best skiers.

Enjoy the season and be safe on the water

Pete O'Neill
Water Ski Co-ordinator



Minutes of the Annual General Meeting

Minutes of the Annual General Meeting of members held in the clubhouse, Melbourne Street Mulwala on 28th October 2012 at 11.05am.

Present:

President Mr Len Langford and 65 Members

Apologies:

The following apologies were received:

Barb Macdermid, Jim Macdermid, Robert Purtle, Jean Lovel, Lyn Toohey, Judi Eden, Pam Jenner, Gerard Flanagan, Ted Doyle, Jan Doyle, Laurie Driscoll & Karen Vodusek.

Minutes

The minutes of the previous Annual General Meeting held on 23rd November 2011, a copy of which was made available to the members and posted on the Clubs website, was approved as a true copy of all proceedings on the motion of Mr John Barnes & seconded by Mr Brian Williamson. Carried.

President's Report

Mr Langford went through the Presidents Report and the Directors Report as per the Annual Report and was approved on the motion of Mr Peter Cannon & seconded by Mr Robert Woolley. Carried

Financial Statements and Auditors Report:

The Financial Statements and Auditors Report for the year ended 30th June 2012, was approved on the motion of Mr Gerard Ryan & seconded by Mr Phil Ryan. Carried.

Business to which due notice given

There was no business arising for which due notice was given.

Business to which no notice was given

Mr Brian Williamson (84) commented on the state of the mens toilets in the gaming lounge on a busy night. The current standalone urinals create mess and suggested that a full length stainless urinal with grid on the floor would stop a lot of the spills. Cleaning is also not up to standard and supervisory staff need to enforce that this is done.

Mr Peter Duncan agreed with Mr Williamson and action will be taken.

Mr Ken Williams (8) congratulated and thanked Mr Langford (President), the Board of Directors, the Management and the staff for achieving such a great profit and continuing to pay off the debt. He commented on the coffee shop and deck and how the club continues to improve the facilities for it's members. He also congratulated the performance of our skiers throughout the year and how the club keeps promoting water skiing.

Elections

Mr Langford handed over the microphone to the CEO Mr Duncan to explain.

There are three (3) positions which have been advertised in line with our constitution. At close of nominations there were three nominations for the three (3) positions. These being three current Directors who have re-nominated for the three (3) positions. Mr Len Langford, Mr Kelvin Weston-Green & Mr Rod Vodusek. As there were no other nominations for the three positions for the Board of Directors, I declare Mr Langford, Mr Weston-Green & Mr Vodusek elected unopposed and congratulate them.

Special Resolution

The Special Resolution for Directors expenses to comply with the Registered Clubs Act 1976, Section 10. This resolution was read out by Mr Duncan.

This resolution was approved on the motion of Mr Ken Williams & seconded by Mr Neil Lovel. Carried

Special Resolution

Mr Duncan then addressed the members about things that were happening at the Club.

- World Junior Titles to be held in February 2013.
- Future development of the deck and playground progress.
- Sking successes throughout the year and thanked Peter O'Neill, Brant Ryan and Nicole Urquhart .
- Building of the Coffee Shop & its success.
- Gaming System installation & rewarding player loyalty.
- Club debt, mindful and priority to reduce.
- History of Club, currently being compiled and then displayed.
- Marketing position, Cathy Randell has been appointed.

Close

Mr Langford thanked the members for their patronage and participation.

In closing the President Mr Langford invited the members to enjoy some hospitality of the Club.

There being no further business, the meeting closed at 11.20am.

I certify that the above is a true record of proceedings.

Chairman

Date

Directors' Report

Your Directors present their report on the company for the financial year ended 30th June 2013.

1. Directors

The names of the Directors of the company in office at any time during or since the end of the year were:

Trevor Stanley Bailey
Matthew John Holgate
Leonard Marshall Langford
Kelvin John Weston-Green
Gavin Kenneth Williams
Rodney Frank Vodusek
Andrew James Starr

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

2. Company Secretary

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

Mr Peter G. Duncan - Mr Duncan has worked for the Mulwala Water Ski Club Limited for the past twenty years. Mr Duncan was appointed company secretary on 2nd December, 2009.

3. Principal activities

The principal activities of the company during the year were that of a water ski club. There were no significant changes in the nature of those activities.

4. Operating Results

The net amount of profit of the company for the year was \$727,219 after tax.

5. Dividends Paid or Recommended

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

6. Strategies

- Increase revenue
- Control costs
- Improve facilities
- Technology advancements

7. Key Performance Measures

- Debt reduction targets
- Wages to sales
- Cash flow to budget
- Revenue income target

8. 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.

9. After Balance Date Events

Since the end of the financial year, the Directors are not aware of any matter or circumstance not otherwise dealt with in the report or accounts that have significant or may significantly affect the operation of the company, the results of those operations or the state of affairs of the Company in subsequent financial years.

10. Future Developments

The company has commissioned a twenty year master plan for improvements and extensions to the club's complex.

11. Environmental Issues

The company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory.

12. Information on Directors

Leonard M Langford – President
Experience – President since 2002
– Board Member since 1995
Occupation – Agriculture and Irrigation Supplies

Matthew J Holgate – Vice President
Experience – Board Member since 2003
Occupation – State Grains Manager of Victoria

Trevor S Bailey – Director
Experience – Board Member since 2003
Occupation – Plumbing Contractor

Kelvin Weston-Green – Director
Experience – Board Member 2000-2003 and since 2004
Occupation – Irrigation Wholesaler/Distributor

Directors' Report

Rodney F Vodusek – Director
 Experience – Board Member since 2007
 Occupation – Butcher (owner-operator)

Gavin K Williams – Director
 Experience – Board Member since 1995
 Occupation – Water Ski Wholesaler

Andrew J Starr – Director
 Experience – Board Member since 2009
 Occupation – Builder

The company has paid premiums to insure each of the following directors and executives against liabilities for costs and expense 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 willful breach of duty in relation to the company.

L Langford
 M Holgate
 T Bailey
 R Vodusek
 K Weston-Green
 G Williams
 A Starr
 P Duncan

12. Directors' Remuneration

Since the end of the previous financial year, no Director has received or become entitled to receive a remuneration (other than a remuneration included in the aggregate amount of remuneration received or due and receivable by Directors shown in the accounts, or the fixed salary of a 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.

All remuneration paid to executives is valued at cost to the company and expensed.

13. Meeting of Directors

During the financial year 13 meetings of Directors were held. Attendances by each Director during the year were as follows:

Director	Board Meetings	
	Number of meetings held	Number of meetings attended
Leonard Marshall Langford	13	13
Matthew John Holgate	13	12
Trevor Stanley Bailey	13	10
Rodney Frank Vodusek	13	13
Kelvin John Weston-Green	13	10
Gavin Kenneth Williams	13	10
Andrew James Starr	13	13

14. Indemnifying Officers or Auditor

During or since the end of the financial year, the company has given an indemnity or entered into an agreement to indemnify, or paid or agreed to pay insurance premiums as follows:

15. Membership

The company is a company limited by guarantee and is without share capital. The number of members as at 30 June is as follows:

	2013	2012
Ordinary Members	6,343	6,081
Life Members	7	7
Junior Members	245	298
Total	6,595	6,386

The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee.

If the company is wound up the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any of the obligations of the entity. At 30 June 2013 the total amount that members of the company are liable to contribute if the company is wound up is \$126,860 (2012 \$121,620).

Directors Report

16. Proceedings on behalf of 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 party to any such proceedings during the year.

17. Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2013 has been received and can be found on page 10 of the financial report.

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

Signed at Mulwala on this 30th day of September, 2013.

L.M. Langford.....

Director.....

M.J. Holgate

Director.....

Directors' Declaration

In accordance with a resolution of the directors of Mulwala Water Ski Club Limited, the Directors declare that:

1. The financial statements and notes, as set out in pages 12 to 26, are in accordance with the Corporations Act:
 - (a) comply with Accounting Standards
 - (b) give a true and fair view of the financial position as at 30th June 2013 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.

Dated at Mulwala this 30th day of September 2013

L.M. Langford.....

Director.....

M. J. Holgate.....

Director.....

Independent Auditor's Report

To the Members of Mulwala Water Ski Club Limited

I have audited the accompanying financial report of the Mulwala Water Ski Club Limited, which comprises the statement of financial position as at 30 June 2013 and the statement of profit and loss and comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory notes and the directors' declaration.

The Responsibility of the Directors for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting 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. 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report,

whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation 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 company'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.

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 Mulwala Water Ski Club Limited on 6th September 2013, would be in the same terms if provided to the directors as at the date of this auditor's report.

Auditor's Opinion

In my opinion the financial report of the Mulwala Water Ski 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 30 June 2013 and of its performance for the year ended on that date; and
- ii) complying with the Australian Accounting Standards and the Corporations Regulations.

JF HAEBICH FCA
CHARTERED ACCOUNTANT
38 Belmore Street, Yarrowonga, Vic 3730
Dated this 27th day of September 2013.

Auditor's Independence Declaration

**Under Section 307C of the Corporations Act 2001
To the Directors of Mulwala Water Ski Club Limited**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2013, there have been no contraventions of:

- i) the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- ii) any applicable code of professional conduct in relation to the audit.

J. F. Haebich FCA
Chartered Accountant
38 Belmore Street, Yarrowonga Vic 3730
Dated this 27th day of September 2013

Statement of Comprehensive Income

For the year ended 30 June 2013

	This Year \$	Last Year \$
Profit for the year	727,219	454,853
Other comprehensive income	-	-
Total comprehensive income for the year	<u>727,219</u>	<u>454,853</u>
Total comprehensive income attributable to the members	<u>727,219</u>	<u>454,853</u>
Other comprehensive income for the year	-	-
Total comprehensive income for the year	-	-
Profit attributable to members of the entity	<u>727,219</u>	<u>454,853</u>
Total comprehensive income attributable to the members of the entity	<u>727,219</u>	<u>454,853</u>

Statement of Financial Position

as at 30 June 2013

	Notes	This Year \$	Last Year \$
CURRENT ASSETS			
Cash and cash equivalents	7	725,963	476,130
Trade and other receivables	8	105,312	36,772
Inventories	1(b)	201,800	160,945
Other - prepayments		60,523	60,564
- accrued income		18,802	22,383
TOTAL CURRENT ASSETS		<u>1,112,400</u>	<u>756,794</u>
NON-CURRENT ASSETS			
Property, plant and equipment	1(c), 9	16,086,003	15,589,058
Intangible assets	1(f)	-	-
TOTAL NON-CURRENT ASSETS		<u>16,086,003</u>	<u>15,589,058</u>
TOTAL ASSETS		<u>17,198,403</u>	<u>16,345,852</u>
CURRENT LIABILITIES			
Trade and other payables	11	601,347	657,143
Interest bearing liabilities	12	1,026,660	135,722
Provisions	13	65,861	66,278
Other - accrued expenses		276,660	283,654
TOTAL CURRENT LIABILITIES		<u>1,970,528</u>	<u>1,142,797</u>
NON-CURRENT LIABILITIES			
Trade and other payables			5,310
Interest Bearing Liabilities	12	3,648,659	4,321,150
Provisions	13	57,156	81,753
TOTAL NON-CURRENT LIABILITIES		<u>3,705,815</u>	<u>4,408,213</u>
TOTAL LIABILITIES		<u>5,676,343</u>	<u>5,551,010</u>
NET ASSETS		<u>11,522,060</u>	<u>10,794,842</u>
MEMBERS' EQUITY			
Retained Profits		11,522,060	10,794,842
TOTAL MEMBERS EQUITY		<u>11,522,060</u>	<u>10,794,842</u>

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the year ended 30 June 2013

	Notes	Retained Earnings
Balance at 30 June, 2009		10,117,532
Profit attributable to the entity		32,216
Total Other comprehensive income for the year		-
Balance at 30 June, 2010		10,149,748
Profit attributable to the entity		190,240
Total Other comprehensive income for the year		-
Balance at 30 June, 2011		<u>10,339,988</u>
Balance at 1 July, 2011		10,339,988
Profit attributable to the entity		454,853
Total Other comprehensive income for the year		-
Balance at 30 June, 2012		<u>10,794,841</u>
Profit attributable to the entity		727,219
Total Other comprehensive income for the year		-
Balance at 30 June, 2013		<u>11,522,060</u>

The accompanying notes form part of these financial statements.

Notes to and forming part of the Accounts

For the year ended 30 June 2013

The financial statements cover the Mulwala Water Ski Club Limited as an individual entity, incorporated and domicile in Australia the Mulwala Water Ski Club Limited is a company limited by guarantee.

The financial statements were authorised for issue on 30th September 2013 by the directors of the company.

1. Summary of Significant Accounting Policies Basis of Preparation

- (a) This financial statements are general purpose financial statements that have been prepared in accordance with Accounting Standards (including Australian Accounting Interpretations) and the Corporations Act 2001. The company is a not-for-profit entity for financial reporting purposes under Australia Accounting Standards.

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 statements, except for cash flow information, have been prepared on an accrual basis and is based on historical cost and does not take into account changing money value, or except where stated, current valuation of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

b) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on the first in first out basis and does not include any element of fixed or variable overhead. Net realisable value is determined by reference to current selling prices of the various stock lines.

c) Property, plant and equipment

Property, plant and equipment are brought to account at cost or at independent Director's valuation, less, where applicable, any accumulated depreciation or amortisation. The carrying amount of property, plant and equipment is reviewed annually by the Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable

amount is assessed on the basis of the expected net cash flows which will be received from the asset's employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

The club has determined that it is a not for profit entity for financial reporting purposes. In this regard, when performing an impairment test for buildings, the company has utilised the provisions relating to determining 'value in use' by way of depreciated replacement cost. The Directors of the club are satisfied, based on the depreciated replacement cost assessment performed at 30 June 2012 the buildings are not impaired.

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over their useful lives commencing from the time the asset is held ready for use.

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimate useful lives of the improvements.

The gain or loss on disposal of all fixed assets, including revalued assets, is determined as the difference between the carrying amount of the asset at the time of disposal and the proceeds of disposal, and is included in operating profit before income tax of the company in the year of disposal.

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

	2013	2012
Buildings	2.50%	2.50%
Plant & Equipment	5% - 30%	5% - 30%
Leased Plant & Equipment	5% - 30%	5% - 30%

d) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the company are classified as finance leases. Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, included any guaranteed residual values. Lease assets are amortised on a straight-line basis over their estimated useful lives where it is likely that the company will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the

Notes to and forming part of the Accounts

For the year ended 30 June 2013

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

e) Employee Provisions

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee provisions that are expected to be settled within one year together with benefits arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at the amounts expected to be paid where the liability is settled plus related on-costs. 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. In determining the liability, consideration is given to wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows attributable to employee provisions.

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

The company does not record, as an asset or liability, the difference between the employer established defined benefit superannuation plan's accrued benefits and the net market value of the plans assets.

f) Intangibles - Goodwill

Goodwill is initially recorded at the amount by which the purchase price for a business exceeds the fair value attributed to its net tangible assets at date of acquisition. Purchased goodwill is amortised on a straight-line basis over the period of 20 years. The balance is reviewed annually and any balance representing future benefits for which the realisation of which is considered to be no longer probable are written off.

g) Income Tax

The company has sought legal advice as to its liability to income tax under Division 50 of the Income

Tax Assessment Act 1997. In view of the advice received, the Directors have resolved to self assess as being exempt from income tax.

h) Goods & Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense.

Receivable and payables are state inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

i) Cash

Cash and cash equivalents comprise cash balances, call deposits and highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk in change in value. Bank overdrafts that are repayable on demand and form 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.

j) Revenue

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

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

Interest income is recognised as it accrues at the current interest rate.

k) Impairment of Assets

The impairment of assets is determined by the recoverable amount of an asset, being the higher of fair value, less costs to sell, compared to the assets current book written down value amount, the reduction is an impairment loss.

The Accounting Standard excludes non cash flow assets used by not for profit organisations but does not include assets which generate cash flows.

The Accounting Standard requires an entity to

Notes to and forming part of the Accounts

For the year ended 30 June 2013

make a formal estimate of the assets values where there are indication that an impairment loss has occurred. The directors are satisfied that there are no indications of an impairment loss and accordingly no formal estimates have been undertaken.

l) Accounts Receivable and other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. Trade and other receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets stated at their cost less impairment losses. Receivables are due for settlement no more than 30 days from the date of recognition unless specific arrangements have been approved.

m) Accounts Payable and Other Payables

Accounts payable 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 remains unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

n) 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 (IRFS).

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.

o) Economic Dependence

The company is not dependent upon any entity or event.

The company has determined that it is a not-for-profit entity for financial reporting purposes. In this regard, when performing an impairment test for buildings, the club has utilised the provisions relating to determining 'value in use' by way of depreciated replacement cost. The Directors of the company are satisfied, based on the depreciated replacement cost assessment performed at 30 June 2013 the buildings are not impaired.

Notes to and forming part of the Accounts

For the year ended 30 June 2013

	Notes	This Year \$	Last Year \$
2. Revenue and Other Income			
Operating activities			
- sale of goods and other trading revenue		10,584,458	10,047,219
- interest received	2(a)	57	49
- other revenue		123,940	167,836
- profit on sale of non-current assets		91,454	57,146
Total Revenue		<u>10,799,909</u>	<u>10,272,250</u>
2 (a) Interest received from - other persons		57	49
3. Surplus for the year			
Expenses:			
- Interest expense on financial liabilities		336,467	402,255
- Depreciation of non-current assets		-	874,194
Employee benefit expense-contributions to defined contribution funds		190,285	186,414
Rental expenses on operating leases		20,000	20,000
Audit fees		<u>16,200</u>	<u>16,200</u>
Rental expense on operation leases		20,000	20,000
- minimum lease payments			
5. Directors Remuneration			
No remuneration has been paid to Directors, none of whom are in full time employment of the Club. Directors expenses incurred are expenses incurred in carrying out directors duties and obligations.			
6. Capital and leasing commitments			
(a) Operating lease commitments			
The company has an operating lease on land at an annual rental of \$20,000 payable annually.			
(b) Capital expenditure commitments			
Commitments contracted for:			
Property, plant and equipment estimated not to exceed		70,000	150,000

Notes to and forming part of the Accounts

For the year ended 30 June 2013

	Notes	This Year \$	Last Year \$
7. Cash and cash equivalents			
Cash on hand		472,748	464,860
Cash at bank		253,215	11,270
		<u>725,963</u>	<u>476,130</u>
8. Accounts Receivable and other Debtors			
Current:			
Sundry debtors		105,312	36,722
		<u>105,312</u>	<u>36,722</u>
9. Property, Plant and Equipment			
(a) Land and Buildings			
Freehold land at cost		1,541,817	1,541,817
Clubhouse and improvements at: Director's valuation 30/06/1982		350,000	350,000
Additions - at cost		13,925,661	13,746,273
Water ski course improvements - at cost		375,578	375,578
		<u>16,193,056</u>	<u>16,013,668</u>
Less accumulated depreciation		3,298,448	2,972,795
Total Land and Buildings		<u>12,894,608</u>	<u>13,040,873</u>
(b) Plant and Equipment			
Plant and Equipment - at cost		11,306,011	10,476,479
Less accumulated depreciation		8,114,616	7,928,294
Total Plant and Equipment		<u>3,191,395</u>	<u>2,548,185</u>
Total		<u>16,086,003</u>	<u>15,589,058</u>

Reconciliation of the carrying amounts for each class of property, plant and equipment are set out below.

	Freehold Land	Building & Improvements	Plant and Equipment	Total
Balance at 1 July 2011	1,541,817	11,652,786	2,521,964	15,716,567
Additions	-	153,057	639,491	792,548
Disposals	-	-	(45,863)	(45,863)
Depreciation expense	-	(306,787)	(567,407)	(874,194)
Balance at 30 June 2012	<u>1,541,817</u>	<u>11,499,056</u>	<u>2,548,185</u>	<u>15,589,058</u>
	Freehold Land	Building & Improvements	Plant and Equipment	Total
Balance at 1 July 2012	1,541,817	11,499,056	2,548,185	15,589,058
Additions	-	179,388	1,348,272	1,527,660
Disposals	-	-	(152,873)	(152,873)
Depreciation expense	-	(325,653)	(552,189)	(877,842)
Balance at 30 June 2013	<u>1,541,817</u>	<u>11,352,791</u>	<u>3,191,395</u>	<u>16,086,003</u>

Notes to and forming part of the Accounts

For the year ended 30 June 2013

	Notes	This Year \$	Last Year \$
10. Intangible Assets			
	1 (f)		
Goodwill - at cost		200,000	200,000
Less: Accumulated amortisation		200,000	200,000
		<u>-</u>	<u>-</u>
11. Accounts payable other payables			
Current			
Unsecured liabilities			
Trade creditors and accrued expenses		330,400	393,798
Prepaid Income		270,947	263,345
		<u>601,347</u>	<u>657,143</u>
12. Interest Bearing Liabilities			
Secured liabilities			
Bank Loan		4,016,150	4,321,150
Hire Purchase Contract		659,168	2,251
Bank Overdraft		-	133,040
Total Secured Liabilities		<u>4,675,318</u>	<u>4,456,441</u>
Current			
Bank Loan		745,000	-
Hire Purchase Contract		281,660	2,251
Bank Overdraft		-	133,040
Total Current Interest Bearing Liabilities		<u>1,026,660</u>	<u>135,291</u>
Non Current			
Bank Loan		3,271,150	4,321,150
Hire Purchase Contract		377,508	-
Total Non Current Interest Bearing Liabilities		<u>3,648,658</u>	<u>4,321,150</u>
		<u>4,675,318</u>	<u>4,456,441</u>
Secured liabilities are secured by a mortgage over the freehold property, together with an equitable mortgage over the other assets of the company. The bank loan is a bank bill facility which expires on 5th November 2018.			
13. Employee Provisions			
Long Service Leave			
Current			
Employee entitlements	(note 1e)	65,861	66,278
Non current			
Employee entitlements	(note 1e)	57,156	81,753
		<u>123,017</u>	<u>148,031</u>

Notes to and forming part of the Accounts

For the year ended 30 June 2013

14. Gaming Machine Profit and Club Grants Scheme

The profit from poker machines for the poker machine tax year ended 31st August 2013 was \$5,748,929. The amount of community benefits paid under the Clubs Grant Scheme for the tax year was \$106,526.

15. Financial Risk Management

Credit Risk

Exposure to credit risk

The carrying amount of the company's financial assets represents the maximum credit exposure. The company's maximum credit exposure at 30 June 2013 was:

	Notes	Carrying Amount	
		2013	2012
		\$	\$
Receivables	8	105,312	36,772
Cash & cash equivalents	7	725,963	476,130
		<u>831,275</u>	<u>512,902</u>

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:

	Notes	Carrying Amount	
		2013	2012
		\$	\$
Sundry debtors	8	105,312	36,772
		<u>105,312</u>	<u>36,772</u>

Impairment Losses

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

	Gross	Impairment Losses	Gross	Impairment Losses
		2013		2012
Not past due	105,312	-	36,772	-
	<u>105,312</u>	<u>-</u>	<u>36,772</u>	<u>-</u>

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

Notes to and forming part of the Accounts

For the year ended 30 June 2013

Liquidity Risk

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

Financial Liabilities 30 June 2012	Carrying Amount	Contractual Cash Flows	<12 months	1-2 years	2-5 years	> 5 years
Secure Bank Bills	4,321,150	4,321,150				4,321,150
Hire Purchase Liabilities	2,681	2,681	2,381			-
Trade and other payables (excl. employee benefits and prepaid income)	393,798	393,798	393,798	-	-	-
Bank overdraft	133,040	133,040	No fixed repayment terms			
	<u>4,850,669</u>	<u>4,850,669</u>	<u>396,179</u>			<u>4,321,150</u>
Financial Assets						
30 June 2013						
Cash & cash equivalent	725,963	725,963	725,963	-	-	-
Trade & other receivables	105,312	105,312	105,312	-	-	-
	<u>831,275</u>	<u>831,275</u>	<u>831,275</u>			
Financial Liabilities						
30 June 2013						
Secure Bank Bills	3,871,150	3,871,150	600,000	600,000	1,800,000	871,150
Hire Purchase Liabilities	659,168	659,168	281,639	275,403	102,106	-
Trade and other payables (excl. employee benefits and prepaid income)	330,400	330,400	330,400	-	-	-
Bank loan	145,000	145,000	145,000			
	<u>5,005,718</u>	<u>5,005,718</u>	<u>1,357,039</u>	<u>875,403</u>	<u>1,902,106</u>	<u>871,150</u>
Financial Assets						
30 June 2012						
Cash & cash equivalent	476,130	476,130	476,130	-	-	-
Trade & other receivables	36,772	36,772	36,772	-	-	-
	<u>512,902</u>	<u>512,902</u>	<u>512,902</u>			

Notes to and forming part of the Accounts

For the year ended 30 June 2012

Interest Rate Risk

At the reporting date the interest rate profile of the company's interest bearing financial instruments was:

Borrowings	Note	Carrying Amount	
		2013	2012
Financial Liabilities	12	4,675,318	4,456,872
		<u>4,675,318</u>	<u>4,456,872</u>

Fair Values

Fair values versus carrying amount

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

Capital management	Note	Carrying Amount	
		2013	2012
Total Borrowings		4,675,318	4,456,872
Less cash on hand		725,963	476,130
Net debt		<u>3,949,355</u>	<u>3,980,742</u>
Total Capital		<u>11,522,060</u>	<u>10,794,847</u>
		34.76%	36.87%

Sensitivity analysis

A change of 1% in interest rates at the reporting date would have increased (decreased) equity and profit and loss by the amounts shown below. This analysis assumes that all other variable remain constant. The analysis is performed on the same basis for 2012.

	Profit or Loss		Equity	
	1% decrease	1% increase	1% decrease	1% increase
30 June 2013				
Fixed rate instruments	(46,753)	46,753	(46,753)	46,753
30 June 2012				
Variable rate instruments	(43,211)	43,211	(43,211)	43,211

16. Contingent Liabilities

The Company has no known contingent liabilities

17. Members' Guarantee

The entity is incorporated under the Corporations Act 2001 and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a minimum of \$20 each to meet any outstandings and obligations of the entity.

At 30th June 2013 the number of members was 6,595.

Statement of Cash Flows

For the year ended 30 June 2012

	Notes	This Year Inflows (outflows) \$	Last Year inflows (outflows) \$
Cash Flows From Operating Activities			
Receipts from customers		10,713,341	10,219,587
Payments to suppliers and employees		(8,992,164)	(8,463,055)
Interest received		57	49
Interest and cost of finance paid		(315,693)	(359,736)
Net cash provided by operating activities	2	<u>1,405,541</u>	<u>1,396,845</u>
Cash Flows From Investing Activities			
Payment for property, plant and equipment		(1,521,230)	(893,028)
Proceeds from sale of equipment		245,327	103,009
Net cash used in investing activities		<u>(1,275,903)</u>	<u>(790,019)</u>
Cash Flows From Financing Activities			
Repayment of borrowings		(510,675)	(353,481)
Proceeds from borrowings		826,210	
Finance provided		(62,300)	
Net cash used from financing activities		<u>253,235</u>	<u>(353,481)</u>
Net increase/(decrease) in cash held		382,873	253,345
Cash at the beginning of the financial year		343,090	89,745
Cash at the end of the financial year	1	<u><u>725,963</u></u>	<u><u>343,090</u></u>

Notes to the Statement of Cash Flows

For the year ended 30 June 2012

	Notes	This Year \$	Last Year \$
Income			
1. Reconciliation of cash statement			
For the purpose of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. 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:			
Cash on hand		472,748	464,860
Cash at bank		253,215	11,270
Bank Overdraft		-	(133,040)
		<u>725,963</u>	<u>343,090</u>
2. Reconciliation of net cash provided by operating activities to operating profit after income tax			
Operating profit/(loss) after income tax		727,219	454,853
Non cash flows in operating profit			
Loss on sale of fixed assets		-	-
Depreciation and amortisation		877,842	874,194
Goodwill write off		-	-
Change in assets and liabilities			
(Increase) decrease in trade debtors		(6,240)	(13,516)
(Increase) decrease in inventories		(40,855)	41,445
(Increase) decrease in prepaid expenses		3,622	48,301
(Decrease) increase in trade and other payables		(39,579)	26,317
(Decrease) increase in provisions		(25,014)	22,937
Profit on sale of fixed assets		(91,454)	(57,146)
		<u>1,405,541</u>	<u>1,026,246</u>

Statement of Profit or Loss

For the year ended 30 June 2013

	Notes	This Year	Last Year
Income			
Operating revenue		10,584,458	10,093,904
Subscriptions		123,997	121,019
Profit on disposal of fixed assets		91,454	57,145
		<u>10,799,909</u>	<u>10,272,068</u>
Expenditure			
Advertising and Sponsorships		137,953	149,480
Buses		244,093	270,803
Cost of Sales		1,119,971	971,908
Cleaning		248,368	261,960
Depreciation	1(c)	877,842	874,194
Donations		103,106	98,774
Electricity and gas		412,691	373,377
Entertainment		321,008	303,229
Insurance		167,656	157,677
Other expenses		346,879	444,582
Personnel expenses		2,764,269	2,757,579
Poker machine taxes and monitoring fees		1,231,333	1,229,203
Promotions & members discounts		734,788	749,711
Repairs & Maintenance		203,641	210,528
Security Costs		181,408	206,111
Ski division costs		168,897	154,445
Other caravan park expenses		472,378	201,449
		<u>\$9,736,281</u>	<u>\$9,415,010</u>
Result from operating activities		1,063,628	857,059
Finance income and expenses			
Interest received		57	49
Finance costs		(336,467)	(402,255)
Profit before income tax		727,218	454,853
Income tax	1(g)	-	-
Profit (Loss) for the year		<u>\$727,218</u>	<u>\$454,853</u>

Donations

For the year ended 31 August 2013

Burramine Sports Club
Cuppa For Cancer
Friends In Common
Junior Ski Team
Lions Club, Tungamah
Mulwala Football & Netball Club
Men's Shed
Mulwala Pre-School
Mulwala Public School
Pink Ribbon Breakfast
Red Shield Appeal
Rennie Football Club
Sacred Heart College
Sacred Heart Primary School
Sacred Heart Parents and Friends
St Johns Ambulance
SES
Tungamah Football Club
Yarrowonga College 1-12
Yarrowonga Football & Netball Club
Yarrowonga Junior Tennis Squad
Yarrowonga Lawn Tennis Club
Yarrowonga-Mulwala Basketball
Yarrowonga-Mulwala Tourism