

SKIING ON LAKE MULWALA



SKIERS by the dozen skim across Lake Mulwala. The group being towed behind two boats are (from left), Graeme Chamberlain, Brian Buchanan, Kathleen Martin, Joanne Buchanan, Rod McRae, Helen Barbary and her sister and brother, Vicki and Gary, Sue Hollands, Duncan Wemyss, and Mark and Jennifer Beattie, who were guests at Cypress Gardens.

YOUNG FARMERS QUIZ DECIDED
Yarrowonga Young Farmers Club...

OBITUARY

MRS. MARTHA ROBERTS Church, Guilford, Sydney). Following a service at the...

Bowls Success

Mulwala's 3rd Licensed Club



Mulwala's third licensed club - Mulwala Water Ski Club Ltd - was officially opened last Saturday by Mr Wal Fife, MP of Albury, Minister for Air.

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About 500 people attended the opening in front of the attractive new clubhouse. The club, located on a superb site overlooking Lake Mulwala, is believed to be the only licensed water ski club in Australia. Over the past few months over \$200,000 has been spent on completing the clubhouse according to the Certificate of Registration. The club, which received its licence last Friday can now sell liquor and operate poker machines. It has started with 21 machines - both 10¢ and 20¢. The building program over the last few months has included the construction of a dining room and kitchen, offices, juniors' room, establishment of a car park and landscaping. Chinese meals are being served in the dining room which can accommodate 100 people and take-aways are also available. The club's membership, which is expanding rapidly, now totals about 400. Guests at the official opening included Mr and Mrs Wal Fife, Corowa Shire President, Cr Dave Lewis and Mrs Lewis, Yarrowonga Shire President, Cr Ed Doyle and Mrs Doyle, Mr Ken Jasper, MLA, and Mr and Mrs Ben Foster.

Club President, Melbourne businessman, Mr Max Kirwan expressed special thanks to Mr Foster for his continued interest and support to the club, and his generosity in making such a magnificent site available to the club at a minimum cost. Mr Kirwan said that one of the main aims of the club is to promote water skiing and to train world champions. He said that water skiing is about to be recognised in Olympics, and he felt confident that skiers from this area would be representing Australia in the next Olympics. The club is from the big part...

tourist attractions of the area and provide additional local employment. Mr Kirwan said that the history of the construction of the clubhouse dates back ten years during which there was a long period of frustration and stagnation. Many said the project would not get off the ground, but suddenly it all started to happen and we found we had a lot of friends. Mr Kirwan thanked the Secretary/Manager, John Barnes for his special efforts over the last few years in guiding the club to licence standard, and the Commonwealth Bank for its financial backing, and a long list of skiers who had assisted in the building of the clubhouse. He also thanked the building contractor, John Ritchie of Albury, a life-long supporter of water skiing, whose contribution to the completed clubhouse was enormous. An Appreciation was also...

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1950s
Above: Shirley Milles, Jill Dean, Pat Cox and Flo Foster. Well before the Ski Club opened in 1982, water skiing was introduced to the lake in 1949 which prompted local enthusiast, Mr Bert Foster, to take water skiing on Lake Mulwala to fever pitch by the mid 50s.

2018

annual report

Remembering our history



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, 14th October 2018 at 11am

Agenda

1. To confirm the minutes of the previous Annual General Meeting held on 29th October 2017.
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. To deal with any business for which due notice has been given.
6. To deal with any business that the meeting may approve, of which due notice has not been given.
7. 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 14th September 2018 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.

President's Report

Another good year for the Mulwala Water Ski Club with a profit of \$1,511,146, this being the fifth year running where we have recorded a profit of over \$1,000,000. While not quite matching the profit of last year it is still an excellent result for the club.

Over the past year we have continued to invest over \$2.2m in the club's facilities and some of those projects include: –

- Eleven new cabins for the Holiday Park. \$765,000
- Development of roads and services in the Holiday Park. \$140,000 stage 1
- Solar gas hot water system Holiday Park. \$46,000
- New heating & cooling system for the club. \$800,000
- New gaming machine software. \$450,000
- Two new courtesy Buses. \$127,499
- Car park lighting in new car park. \$51,000

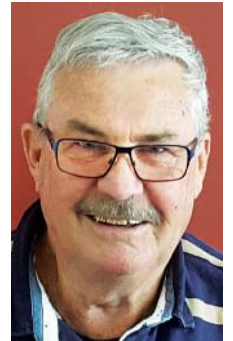
Looking to next year the Board of Directors will continue on with the strategic plan which includes further development of the Ski Club Holiday Park, upgrade of the gaming lounge and new designs for reception and coffee shop.

Once again I would like to thank our ski team led by Pete O'Neill and Brutis Ryan for the great job they have done in putting together a fantastic show for the many tourists we have here over the Christmas period. In September this year we have once again sent our skiers to America to compete for the Show Ski World Championships with a great result coming second. Well Done.

The townships of Yarrawonga Mulwala have three great clubs in our community and to stay competitive we must continually strive to improve. I would like to thank the directors, management and staff for being proactive in your approach to growing the business and the energy you put in to the club.

And finally, thank you to all our members for your continued support and patronage over the past year and I hope you continue to enjoy the facilities the club has to offer.

Len Langford
President



Chief Executive Officer's Report

Another year has gone and a profit of \$1,511,146 to report for the 2017 – 2018 financial year which is very pleasing. As I reported last year all areas of the business increased in sales with bar sales up 3%, gaming 5%, coffee shop 2%, and accommodation has remained level.

Expenses this year have reduced profit and part of this has been due to the clubs endeavour to continue to provide exemplary service to our members and guests. Part of this has involved the employment of extra staff which has seen an increase in wages of 10% or \$253K. Along with this other expenses to increase have been –

- Poker machine tax up \$94K
- Depreciation up \$117K
- Electricity up \$75K
- Entertainment up \$36K
- Staff Training up \$29K

A pleasing result has been the continued growth in membership with a current base of 10,085 members as of the 30th June 2018. Over the past five years membership has grown by an average of 8% per year.

Capital expenditure over the past twelve months of \$2.2m (excluding poker machines) has seen the club improve facilities of the Club and the Ski Club Holiday Park and has been financed out of cash flow. Over the next twelve months the club will continue with the strategic plan and look to update the plan for projects for the next ten years.

Our ski team continue to entertain the many visitors to our towns and are a world class team. I encourage our patrons to come and watch our team train and perform you will see the great effort put in by Pete, Brutis and the team that enables them to put on such a great performance with twelve shows over Christmas.

Thank you to the directors, managers and staff who have once again put in a big effort to achieve a great result. Lastly a big thank you to the members for your ongoing patronage and I hope you continue to enjoy the facilities and entertainment the club provides.



Peter Duncan
Chief Executive Officer

Water Ski Co-ordinators Report

Hey Skiers.

What a year!! Coming off the back of a Nationals win in show skiing meant cranking the show up to 11 and making sure we lived up to our title. Unfortunately the weather didn't come to the party but we managed to put on some great shows. Ski team numbers were again on the climb with plans in place next year to increase funding to the ski team to help keep up with its growing needs. With the teams current size we need to make sure we raise as much as we can to ensure a successful campaign in Perth next year.

I can't thank the families of the show team enough for there ongoing support and, in particular, my partner in crime Brant Ryan and his lovely wife and kids for their hard work.

This year we have had massive support from our Clubs directors as well and we can't thank them enough.

Members skiing continued to be strongly supported by our members as do lake hire at the parks. Currently we are working within the club to give the parks a much needed facelift, bettering the roads to make sure the park stays as the number one facility in Australia.

We had so many athletes compete at national titles this year with winners in so many categories that there isn't enough room to name them all, but barefoot, wakeboard and 3-event were featured strongly.

We hope to attract more 3-event skiers this year with a special members skiing night set aside in an attempt to grow numbers and anyone wishing to be on board should contact us for more info.

See you all on the water soon.

Brutis and Pete



Minutes of the Annual General Meeting

Minutes of the Annual General Meeting of members held in the clubhouse, Melbourne Street Mulwala on 29th October 2017 at 10am.

Present:

President Mr Len Langford and 115 Members.

Apologies:

The following apologies were received:
Jennifer Ridley, Jane Green, Eleanor Barnes and
John Barnes.

Minutes

The minutes of the previous Annual General Meeting held on 16th October 2016, 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 Garry Wilson (2352) and seconded by John Dowell (1740) *Carried*

President's Report

President's Report: Mr Langford presented his report.
Good morning to all our members who are present and thank you for taking the time to attend our Annual General Meeting for 2017.

For the fourth consecutive year I am pleased to announce a record profit for the club. This year we recorded a profit of \$1,519,020 which is \$117,320 or 8% up on last year.

This year we reduced our debt by \$1,100,000 and as of 30th June 2017 our debt stands at \$400,000, which we aim to have paid off by November 2017.

As in previous years we also put over \$173,337 back into the community through donations to various organisations.

This year we spent over \$2 million in capital expenditure and some of those projects were: –

- Three new cabins in the holiday park.
- Glass fencing around the Chinese Terrace.
- Two new Malibu boats.
- Boat shed extension.
- Ski Park grandstands.
- New pontoon starting block.
- New Brush Fencing for the Holiday Park .
- Two new triple burner BBQs for the Holiday Park.
- New Touch screens and carpet for the TAB.
- New pizza oven in La Porchetta's.
- New bank note counter for the cash room.

The Board, Management and staff have done a wonderful job over the past twelve months and I thank them very much for their efforts.

We have remained focused over the past seven years on reducing our Debt of \$7 million and as of today our debt stands at \$100K. While we have paid off debt in this time we have also spent over \$10 million on Capital improvements to ensure we continue to meet the needs of our members and guests.

I thank you for your support not only over the past twelve months but the past seven years and I hope to see you back here next year where I am reporting another great year

Director's Report

Mr Langford then explained the Directors Report as per the Annual Report and the Report was approved on the motion of Denise Dowell (1739) and seconded by Peter Murray (3205). *Carried*

Financial Statements and Auditors Report:

The Financial Statements and Auditors Report for the year ended 30th June 2017, was approved on the motion of Phil Ryan (7454) and seconded by Robert Hayward (2815) *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

Dave Ryan (5398) – Mr Ryan wanted the Members to be informed of the details of the misappropriation of Club funds by an employee. He wanted to know whether all the funds have been repaid and why a police investigation wasn't conducted.

Mr Duncans reply: As your question involves a significant legal matter the following will be the only statement in regard to this matter.

On the discovery of misappropriation of funds from the club by an employee the Mulwala Water Ski Club took immediate action

1. Consulted Clubs NSW on the course of action to be taken.
2. Contacted NSW Police in regard to the misappropriation.
3. Consulted the club Solicitor on the course of action and possible outcomes.

The Mulwala Water Ski Club has followed the course of action advised to us and in doing so this has successfully resulted in the recovery of the entire amount

Minutes of the Annual General Meeting continued

of the funds misappropriated from the club and the employee's cessation of employment.

The club immediately modified its policies and procedures to insure no further misappropriation can occur by the same or similar methods.

The club has also engaged consultants to perform a health check on club operations and review procedures to ensure that we meet best practice.

Joan Williamson (1019) – Mrs Williamson raised several issues.

- Thursday & Friday raffles, promotional free tickets given to visitors.
- Christmas Hams, too big, need smaller hams.
- Raffle tickets buy \$5 and get \$5 worth for free.
- Swipe Machine, too many tickets in the Thursday and Friday Draws.
- Poker Machine Spin and Win, \$5 is an embarrassment.

Ken Williams (8) – Mr Williams said he hasn't missed an AGM and is very proud to be a members of such a progressive club. He wanted to congratulate the Directors, Managers and all the Staff for another record profit & hope they continue breaking records.

Elections

Mr Langford introduces the Returning Officer Mr Neil Lovel to conduct the election.

Mr Langford introduces the polling officers:
Mr Jeff Haebich & Mr Garry Wilson.

Mr Duncan asks all candidates to come forward and introduces them in order of the Ballot Paper. Mr Matthew Holgate, Mr Gavin Williams, Mr Andrew Starr, Mr Trevor Bailey & Mr Frederick Douglas.

There are four (4) positions which have been advertised in line with our constitution. At close of nominations there were five (5) nominations for the four (4) positions.

Members are to mark their Ballot Papers & then place them in the Ballot Box.

The Returning and Polling Offices then go and count the Ballot Papers.

CEO gives an update on future Capital Improvements.

The Ski Club has spent more than \$10 million over the past seven years on Assets & Capital improvements for the benefit of our members and guests.

In the next twelve months we plan to –

- Upgrade the Holiday Park – Seal Roads etc.
- Install 10 new apartments in the Holiday Park.
- New carpet & Poker Machine bases in the Gaming room.

- Complete installation of our \$750K Air Conditioning System.
- Install lights & security cameras in the northern car park.
- Purchase two new Malibu boats.
- Maintain our poker machine purchase program \$750K annually.
- Seal Ski Park roads, in talks with Federation Council at the moment.

Mr Langford reads out the election results:

Mr Langford congratulated the incoming directors Mr Matthew Holgate, Mr Gavin Williams, Mr Andrew Starr, Mr Trevor Bailey & thanked Mr Frederick Douglas for his nomination

Special Resolution

Mr Duncan then presented the Resolutions.

1. Special Resolution – Each year the club must comply with the registered clubs act 1976 section 10. This means we must have the cost of directors expenses approved by the members. I will now hand over to the CEO to read out the 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 *Peter Leeworthy (1600)* and seconded by *Chris Kennedy (1716)*. *Carried*

Ski Presentation

Mr O'Neill gave a brief overview of the year's achievements in skiing.

- Ski Show plan for the summer.
- Ski Show Nationals success, which they won.
- Have a bid in to host the World Titles Show Skiing.
- Currently have 26 members of the National Team.
- Members skiing available 2 nights a week with a good coach and behind a Malibu boat for only \$15
- Upcoming Malibu tournaments
- Thanked the board & management for their continued support

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 10.0am.

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

Chairman

Directors' Report

Your Directors present their report on the company for the financial year ended 30th June 2018.

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-five 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 \$1,511,145 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
- Customer satisfaction

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 – Retired

Matthew J Holgate – Vice President
Experience – Board Member since 2003
Occupation – Grain Marketing

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 – Building Construction
 Supervisor

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	11
Matthew John Holgate	13	13
Trevor Stanley Bailey	13	12
Rodney Frank Vodusek	13	12
Kelvin John Weston-Green	13	10
Gavin Kenneth Williams	13	9
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:

	2018	2017
Ordinary Members	9,981	9,359
Life Members	6	7
Junior Members	98	158
Total	10,085	9,524

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 2018 the total amount that members of the company are liable to contribute if the company is wound up is \$201,700 (2017 - \$187,180).

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.

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

Signed at Mulwala on this 21st day of September, 2018.

L. Langford.....

Director.....

17. Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2018 has been received and can be found on page 11 of the financial report.

M. 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 2018 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 on this 21st day of September, 2018

L. Langford.....

Director.....

M. Holgate

Director.....

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 30th June 2018, 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 21s day of September 2018

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2018

	Notes	This Year	Last Year
Income			
Operating revenue		14,249,034	13,664,425
Subscriptions		166,771	158,883
Profit on disposal of fixed assets		170,846	218,137
		<u>14,586,651</u>	<u>14,041,445</u>
Expenditure			
Advertising and Sponsorships		165,323	193,386
Buses		206,570	210,849
Cleaning		296,421	281,143
Cost of Sales		1,557,431	1,532,186
Depreciation	1(c)	1,398,216	1,281,195
Donations		108,829	173,337
Electricity and gas		353,463	309,870
Entertainment		502,459	466,051
Insurance		168,406	148,091
Other expenses		755,476	683,817
Personnel expenses		3,551,605	3,259,092
Poker machine taxes and monitoring fees		1,644,257	1,554,245
Promotions & members discounts		1,085,311	1,032,265
Repairs & Maintenance		327,982	298,434
Security Costs		229,364	225,214
Ski division costs		137,424	189,080
Other caravan park expenses		548,480	551,338
		<u>\$13,037,017</u>	<u>\$12,389,593</u>
Result from operating activities		1,549,634	1,651,852
Finance income and expenses			
Interest received		55	64
Finance costs		(38,543)	(132,896)
Profit before income tax		<u>1,511,146</u>	<u>1,519,020</u>
Income tax	1(g)		-
Profit (Loss) for the year		<u><u>\$1,511,146</u></u>	<u><u>\$1,519,020</u></u>

Statement of Comprehensive Income

For the year ended 30 June 2018

	This Year \$	Last Year \$
Profit for the year	1,511,146	1,519,020
Other comprehensive income	-	-
Total comprehensive income for the year	<u>1,511,146</u>	<u>1,519,020</u>
Total comprehensive income attributable to the members	<u>1,511,146</u>	<u>1,519,020</u>
Other comprehensive income for the year		
Total comprehensive income for the year	-	-
Profit attributable to members of the entity	<u>1,511,146</u>	<u>1,519,020</u>
Total comprehensive income attributable to the members of the entity	<u>1,511,146</u>	<u>1,519,020</u>

Statement of Financial Position

as at 30 June 2018

	Notes	This Year \$	Last Year \$
CURRENT ASSETS			
Cash and cash equivalents	7	768,756	525,001
Trade and other receivables	8	27,910	154,278
Inventories	1(b)	242,954	212,284
Other - prepayments		43,617	47,438
- accrued income		23,936	150,523
TOTAL CURRENT ASSETS		<u>1,107,173</u>	<u>1,089,524</u>
NON-CURRENT ASSETS			
Property, plant and equipment	1(c), 9	20,299,606	18,671,331
Intangible assets	1(f)		
TOTAL NON-CURRENT ASSETS		<u>20,299,606</u>	<u>18,671,331</u>
TOTAL ASSETS		<u>21,406,779</u>	<u>19,760,855</u>
CURRENT LIABILITIES			
Trade and other payables	11	1,153,201	708,517
Interest bearing liabilities	12	880,000	1,250,000
Provisions	13	176,870	151,157
Term Loan		139,788	207,965
Other - accrued expenses		441,925	419,752
TOTAL CURRENT LIABILITIES		<u>2,791,784</u>	<u>2,737,391</u>
NON-CURRENT LIABILITIES			
Trade and other payables			
Interest Bearing Liabilities	12		
Provisions	13	96,137	81,460
Term Loan		168,752	103,044
TOTAL NON-CURRENT LIABILITIES		<u>264,889</u>	<u>184,504</u>
TOTAL LIABILITIES		<u>3,056,673</u>	<u>2,921,895</u>
NET ASSETS		<u>18,350,106</u>	<u>16,838,960</u>
MEMBERS' EQUITY			
Retained Profits		18,350,106	16,838,960
TOTAL MEMBERS EQUITY		<u>18,350,106</u>	<u>16,838,960</u>

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the year ended 30 June 2018

	Notes	Retained Earnings
Balance at 30 June, 2016		15,319,940
Profit attributable to the entity		1,519,020
Total Other comprehensive income for the year		
Balance at 30 June, 2017		<u>16,838,960</u>
Profit attributable to the entity		1,511,146
Total Other comprehensive income for the year		
Balance at 30 June, 2018		<u><u>18,350,106</u></u>

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the year ended 30 June 2018

	Notes	This Year Inflows (outflows) \$	Last Year inflows (outflows) \$
Cash Flows From Operating Activities			
Receipts from customers		14,565,919	13,709,067
Payments to suppliers and employees		(11,316,249)	(11,021,062)
Interest received		55	64
Interest and cost of finance paid		(38,542)	(132,896)
Net cash provided by operating activities	2	<u>3,211,183</u>	<u>2,555,173</u>
Cash Flows From Investing Activities			
Payment for property, plant and equipment		(3,047,808)	(2,734,621)
Proceeds from sale of equipment		335,249	390,798
Net cash used in investing activities		<u>(2,712,559)</u>	<u>(2,343,823)</u>
Cash Flows From Financing Activities			
Repayment of borrowings		(372,469)	(407,295)
Finance provided		117,600	(117,600)
Net cash used from financing activities		<u>(254,869)</u>	<u>(524,895)</u>
Net increase/(decrease) in cash held		243,755	(313,545)
Cash at the beginning of the financial year		525,001	838,546
Cash at the end of the financial year	1	<u><u>768,756</u></u>	<u><u>525,001</u></u>

Notes to the Statement of Cash Flows

For the year ended 30 June 2018

	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		695,940	470,210
Cash at bank		72,816	54,791
		<u>768,756</u>	<u>525,001</u>
2. Reconciliation of net cash provided by operating activities to operating profit after income tax			
Operating profit/(loss) after income tax		1,511,146	1,519,020
Non cash flows in operating profit			
Depreciation		1,398,216	1,281,193
Goodwill write off		-	-
Change in assets and liabilities			
(Increase) decrease in trade debtors		135,355	(148,617)
(Increase) decrease in inventories		(30,670)	33,108
(Increase) decrease in prepaid expenses		3,822	(2,201)
(Decrease) increase in trade and other payables		323,770	52,608
(Decrease) increase in provisions		40,390	38,198
Profit on sale of fixed assets		(170,846)	(218,136)
		<u>3,211,183</u>	<u>\$2,555,173</u>

Notes to and forming part of the Accounts

For the year ended 30 June 2018

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 21st September 2018 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.

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

The financial report has been prepared on an accrual basis and is based on historical cost and does not take into account changing money values, 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.

Not for profit entity

- The club has analysed its purpose, objectives and operating philosophy and determined that it does not profit generation as its main objective
- In preparing the financial report the company has taken the exemption available to non profit entities to report under the International Reporting Standards

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 2018 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:-

	2018	2017
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

Notes to and forming part of the Accounts

For the year ended 30 June 2018

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 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 Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with 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.

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 a 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 the expense.

Receivable and payables in the Balance Sheet are shown inclusive of GST.

Cash flows are included in the statement of cash flows net of the GST component.

i) Cash

Cash and cash equivalents comprises 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 make a formal estimate of the assets values where there are indication that an impairment loss has

Notes to and forming part of the Accounts

For the year ended 30 June 2018

occurred. The directors are satisfied that there are no indications of an impairment loss and accordingly no formal estimates have been undertaken.

l) Trade and Other Receivables

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

m) 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.

Notes to and forming part of the Accounts

For the year ended 30 June 2018

	Notes	This Year \$	Last Year \$
2. Revenue and Other Income			
Operating activities			
- sale of goods and other trading revenue		14,108,493	13,452,491
- interest received	2(a)	55	64
- other revenue		307,256	370,754
- profit on sale of non-current assets		170,846	218,136
Total Revenue		<u>14,586,650</u>	<u>14,041,445</u>
2 (a) Interest received from - other persons		55	64
3. Surplus for the year			
Expenses			
- Interest expense on financial liabilities			132,896
- Depreciation Buildings and improvements		374,472	346,008
- Depreciation Plant & Equipment		1,023,744	935,185
- Employee benefit expense-contributions to defined contribution funds		264,170	238,404
- Rental expenses on operating leases		30,000	30,000
Rental expense on operation leases			
- minimum lease payments		30,000	30,000
4. Auditors Remuneration			
- Audit services		19,200	18,300
- Other services		0	0
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 \$30,717 payable annually.			
(b) Capital expenditure			
Holiday Park development		410,000	
New poker machine development		400,000	
Commitments contracted for:			
Property, plant and equipment estimated not to exceed			1,039,000
		<u>810,000</u>	<u>1,039,000</u>

Notes to and forming part of the Accounts

For the year ended 30 June 2018

	Notes	This Year \$	Last Year \$
10. Intangible Assets			
	1 (f)	200,000	200,000
Goodwill - at cost		200,000	200,000
Less: Accumulated amortisation		-	-
		<u>200,000</u>	<u>200,000</u>
11. Accounts payable other payables			
Current			
Unsecured liabilities		744,831	314,962
Trade creditors and accrued expenses		408,370	393,555
Prepaid Income		1,153,201	708,517
		<u>1,153,201</u>	<u>708,517</u>
12. Interest Bearing Liabilities			
Secured liabilities		880,000	1,250,000
Bank Loan		-	-
Total Secured Liabilities		<u>880,000</u>	<u>1,250,000</u>
Current		880,000	1,250,000
Bank Loan		-	-
Total Current Interest Bearing Liabilities		<u>880,000</u>	<u>1,250,000</u>
Current		880,000	1,250,000
Bank Loan		-	-
Total Current Interest Bearing Liabilities		<u>880,000</u>	<u>1,250,000</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		176,870	151,557
Employee entitlements	(note 1e)	-	-
Non current			
Employee entitlements	(note 1e)	96,137	81,460
		<u>273,007</u>	<u>233,017</u>
Opening Balance 1st July 2017		415,039	382,190
Provisions raised during the year		183,326	167,943
Less amounts paid		(132,579)	(135,094)
Balance at 30 June 2018		<u>465,786</u>	<u>415,039</u>

Notes to and forming part of the Accounts

For the year ended 30 June 2018

14. Gaming Machine Profit and Club Grants Scheme

The profit from poker machines for the poker machine tax year ended 31st August 2018 was \$8,676,858.

The amount of community benefits paid under the Clubs Grant Scheme for the tax year was \$150,922.

15. Payment to consultants

During the reporting period, the number of instances the club engaged a consultant was 5.

The total costs paid by the club to consultants in the reporting period was \$58,726

Consultant	Nature of Consultancy	\$
Morgan Consultants	Health Check	42,548

16. 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 2018 was:

	Notes	Carrying Amount	
		2018	2017
		\$	\$
Receivables	8	27,980	154,278
Cash & cash equivalents	7	768,756	525,001
		<u>796,736</u>	<u>679,279</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	
		2018	2017
		\$	\$
Sundry debtors	8	27,980	154,278
		<u>27,980</u>	<u>154,278</u>

Impairment Losses

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

	Gross	Impairment Losses 2018	Gross
Not past due 12 months	27,980	-	27,980
	<u>27,980</u>	<u>-</u>	<u>27,980</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 2018

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 2018	Carrying Amount	Contractual Cash Flows	<12 months	1-2 years	2-5 years	> 5 years
Bank Loans	880,000	880,000	880,000			
Term Loans	308,540	308,540	139,788	168,752	-	-
Trade and other payables (excl. employee benefits and prepaid income	710,866	710,866	710,866	-	-	-
Bank overdraft	-	-	-			
	<u>1,899,406</u>	<u>1,899,406</u>	<u>1,730,654</u>	<u>168,752</u>		
Financial Assets 30 June 2018						
Cash & cash equivalent				-	-	-
Trade & other receivables	<u>27,910</u>	<u>27,910</u>	<u>27,910</u>	-	-	-
	<u>27,910</u>	<u>27,910</u>	<u>27,910</u>	-	-	-
Financial Liabilities 30 June 2017	Carrying Amount	Contractual Cash Flows	<12 months	1-2 years	2-5 years	> 5 years
Bank Loans	1,250,000	1,250,000	1,250,000			-
Term Loans	311,009	311,009	207,965	108,803		
Trade and other payables (excluding employee benefits	314,962	314,962	314,962			
	<u>1,875,971</u>	<u>1,875,971</u>	<u>1,772,927</u>	<u>108,803</u>	-	-
Financial Assets 30 June 2017						
Cash & cash equivalent	525,001	525,001	525,001	-	-	-
Trade & other receivables	<u>154,278</u>	<u>154,278</u>	<u>154,278</u>	-	-	-
	<u>679,279</u>	<u>679,279</u>	<u>679,279</u>	-	-	-

Notes to and forming part of the Accounts

For the year ended 30 June 2018

Interest Rate Risk

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

Fixed Rate Instruments	Note	Carrying Amount	
		2018	2017
Financial Liabilities	12	800,000	1,250,000
		<u>800,000</u>	<u>1,250,000</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	
		2018	2017
Total Borrowings		1,188,540	1,561,009
Less cash and cash equivalents		768,756	679,279
Net debt		<u>419,784</u>	<u>881,730</u>
Total Capital		<u>18,350,106</u>	<u>16,838,960</u>

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 2017.

	Profit or Loss		Equity	
	1% decrease	1% increase	1% decrease	1% increase
30 June 2017				
Fixed rate instruments	12,500	(12,500)		
30 June 2018				
Fixed rate instruments	8,800	(8,800)		

17. Contingent Liabilities

The Company has no known contingent liabilities

18. 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 2018 the number of members was 10,085.

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 2018 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 21st September 2018, 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 2018 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 21st day of September 2018.

Donations

For the year ended 31 August 2018

Australian Formula Power Boats
Yarrowonga Bowls Club
Yarrowonga/Mulwala Historical Society
Bluearth
Helping Hands
Yarrowonga Health
Sacred Heart College
Yarrowonga Mulwala Tourism
Friends In Common
Yarrowonga/Mulwala Table Tennis
Corowa High School
Country Fire Authority
Yarrowonga College P - 12
Yarrowonga & District Health Services
Yarrowonga & Border Agriculture Show
Tunzafun Community Group
Rennie Football/Netball Club
Mulwala Football Netball Club
Mulwala Progress Association
Sacred Heart Parents & Friends
Tungamah Football/Netball Club
Yarrowonga Lawn Tennis Club
Yarrowonga & District Netball
Yarrowonga Pre-School and Occasional Care
Yarrowonga Football/Netball Club
Wangaratta Football/Netball Club
Wanagaratta Turf Club
Wangaratta Rovers Football/Netball Club
Billabong Crows
Wangaratta Sustainability Network
Yarrowonga Rodeo
Congupna Football/Netball Club
Yarrowonga Community Playgroup
Corowa Race Club
Yarrowonga Mulwala Mens Shed
PALS
Palliative Care
All Abilities Playground
St James Golf Club
Salvation Army