



**ASHLAR
GOLF CLUB
LIMITED**
ABN 67 000 065 190

*66th
Annual Report*

For the year ended 31st August, 2011.

*To be presented at the
Annual General Meeting of Members
held at the AGM
on Wednesday, 7th December, 2011 at 7:30p.m.*

ASHLAR GOLF CLUB LIMITED

ABN 67 000 065 190

PRESENTATION NIGHT DINNER

ALL MEMBERS ARE INVITED TO ATTEND THE
ANNUAL PRESENTATION OF MAJOR TROPHIES
AND DINNER FOR 2011

TO BE HELD IN THE CLUB HOUSE ON

SATURDAY 3RD DECEMBER 2011

at

7:30PM

*BOOKINGS ARE ESSENTIAL
CONTACT THE CLUB OFFICE FOR DETAILS.*

RECIPROCAL CLUBS

Bathurst Golf Club
Blackheath Golf Club
Bombala Golf Club
Coffs Harbour Golf Club
Foster - Tuncurry Golf Club
Goonawarra Golf Club (Vic)
Karana Downs Golf & Rec Club (Qld)
Kurri Golf Club
Lithgow Golf Club
Medway Golf Club
Melville Glades Golf Club (WA)

Pacific Golf Club (Qld)
Port Kembla Golf Club
Sale Golf Club (Vic)
Sawtell Golf Club
South Head Golf Club (NZ)
South West Rocks Golf Club
Sunshine Golf Club (Vic)
Waitemata Golf Club (NZ)
Wagga Wagga Golf Club
Wyong Golf Club

ASHLAR GOLF CLUB LIMITED

ABN 67 000 065 190

Springfield Avenue, Blacktown
P.O. Box 6550 Blacktown Business Centre, 2148

Phone: (02) 9622 4300

Fax: (02) 9622 7227

Email: admin@ashlargolfclub.com.au

Web: www.ashlargolfclub.com.au

OFFICE BEARERS, 2010/2011

Chairperson: Mr D.O'Brien
Vice Chairperson: Mr R.Morgan
Honorary Treasurer: Mr. H.Williamson
Directors: G. Pilling, B. Walbancke, J Ginns, B Ghioni,
N. Peters, R. Gallard
General Manager: Mr. C. Scott

Men's Golf President: Mr R. Clapham
Men's Captain: Mr S. Buckley
Ladies' Golf President: Mrs D. Smith
Ladies' Captain: Mrs D. Lally (appointed June 2011)
Mrs C O'Brien (resigned May 2011)

Auditor: McKee Cherry Partners
Golf Professional: Colin Bishop

Life Members: Mr J. Tait, Mr E. Vircoe *, Mrs M. Sutton, Mrs P. Gear,
Mrs D. Clifton, Mr S. Buckley. (* Deceased)

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MEMBERSHIP CARDS

Membership cards must be shown when entering the Club.

It is a rule of Ashlar Golf Club (as it is of all clubs) that your membership card must be carried whenever visiting the Club. It is also a rule of the Club that membership cards must be shown when entering the Club, to the office or bar staff, or a door person, when one is in attendance. If you do not have your card you may be refused entry.

Do not be offended if asked for your membership card. The staff member asking is only doing their job and if the card was shown in the first place then there would be no necessity to ask.

MEMBERSHIP CARDS ARE NOT TRANSFERABLE

Lending cards is strictly contravening the Constitution and Rules which you agreed to abide by when your Application for Membership was signed. It doesn't matter whether you lend your card to your son, daughter, mother, father, brother, sister, friend or spouse **IT IS CONTRAVENING THE RULES RESPECT YOUR MEMBERSHIP AND DO NOT TRANSFER YOUR CARD TO ANYONE, FOR ANY REASON.**

If you live within five (5) kilometers (as the crow flies) of Ashlar Golf Club (refer to the map displayed in the foyer) and are not a Member of the Club, not participating in a golf competition organised by the Club, or not a Member of another golf club then you **ARE NOT** permitted to enter the Club under state legislation (refer to sign in foyer) unless signed in as a Member's Guest.

THE RESTAURANT, SNACK BAR, BAR, ETC. ARE ALL INCLUDED IN THIS LEGISLATION.

If you know of any person who resides within the 5 kilometre limit, who is not a Member of the Club, but has visited the Club, please encourage them to join.

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MEETING AGENDA

NOTICE is hereby given that the 66th Annual General Meeting of Ashlar Golf Club Limited will be held at Ashlar Golf Club, commencing at 7.30 pm on Wednesday 7th December, 2011.

The business of the Meeting will be:

ORDINARY BUSINESS

1. Confirmation of Minutes of the 65th Annual General Meeting.
2. To receive, consider, and if thought fit, adopt the Chairman's Report.
3. To receive, consider, and if thought fit, adopt the Financial Statement of the Company for the year ended 31st August, 2011 and the reports of the Directors and Auditors
4. Following the resignation of the Auditors, McKee Cherry Partners, The Board of Directors recommend to the members the appointment of Priestly & Morris Chartered Accounts who are eligible to commence office under the provisions of Section 327(4) of the Corporations Act 2001.
5. Conduct the ballot for the Chairperson, Vice Chairperson, Honorary Treasurer, Directors and Golf Committee.
6. To consider and if thought fit pass the following three Resolutions:

FIRST RESOLUTION

That pursuant to the Registered Clubs Act:

- (a) The Members hereby agree to and approve reasonable expenditure by the Club until the next Annual General Meeting of the following expenditure and benefits for the Directors of the Club.
 - (i) Presentation to Members or other persons acknowledging service deemed by the Directors as being of benefit to the Club.
 - (ii) Sponsorship of sporting events and sporting persons deemed by the Directors to be of benefit to the Club and/or the Community.

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- (iii) Reasonable expenses incurred by Directors in travelling by their private or public transport, to and from Director's or other official functions whilst representing the Club, either within the Club or elsewhere and when authorised in advance by the Board. (Excludes Directors meetings).
 - (iv) The cost of a meal and beverages for each Director at a reasonable time before, during or after a Board or Sub-Committee Meeting on the day of that meeting.
 - (v) Reasonable expenditure on food and refreshments for Directors in entertaining guests of the Club. Upon production of invoices, receipts and other proper documentary evidence of such expenditure and such expenditure is approved by the Board at the next Board Meeting as being properly incurred in the course of the Director's duties in relation to the Club and as being reasonable.
 - (vi) Reasonable expenditure for an Ashlar Golf Club Ltd blazer for each Director who does not possess one.
 - (vii) Provision of the existing 12 designated car parking spaces for Directors, Golf President and Golf Captains be maintained.
 - (viii) The lending of keys to Directors to provide access to Club property.
- (b) The Members acknowledge that the benefits in paragraph (a) above are not available to Members generally, but only for those who are Directors of the Club and those Members of the Club directly involved in the above activities

SECOND RESOLUTION

That pursuant to the Registered Club Act:

- (a) The Members hereby agree to and approve reasonable expenditure by the Club for the professional development and education of Directors until the next Annual General Meeting and including:
 - (i) The reasonable cost of Directors attending the Registered Clubs Association Annual General Meeting.
 - (ii) The reasonable cost of Directors attending meetings of other Associations of which the Club is a Member.

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- (iii) The reasonable cost of Directors attending seminars, lectures, trade displays, organised study tours, fact finding tours, invitational golf functions and other similar events as may be determined by the Board from time to time. (Excludes Directors meetings)
 - (iv) Attendance at functions with spouses where appropriate or required to represent the Club.
 - (v) Reasonable expenses incurred by Directors either within the Club or elsewhere in relation to such duties including entertainment of special guests of the Club, other promotional activities approved by the Board on production of documentary evidence of such expenditure.
 - (vi) The reasonable cost of Directors attending other Registered Clubs for the purpose of viewing and assessing their facilities and methods of operation provided such attendances are approved by the Board as being necessary for the betterment of the Club.
- (b) The Members acknowledge that the benefits in paragraph (a) above are not available to Members generally, but only for those who are Directors of the Club.

SPECIAL RESOLUTION 1.

Replace the current “Constitution of Ashlar Golf Club Limited” with a new version to be known as “Constitution of Stonecutters Ridge Golf Club Limited”.

Major changes affect the following clauses;

Delete

1. The name of the Company (hereinafter called the “Club”) is ASHLAR GOLF CLUB LIMITED

Replace with

1. The name of the Company (hereinafter called the “Club”) is STONECUTTERS RIDGE GOLF CLUB LIMITED.

Delete

- 14(a) The annual subscription amount shall not be increased by more 15% above the prior year’s subscription without the prior approval of a General Meeting of the members.

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Replace with

- 14(a) The annual subscription amount shall not be increased by more than 5% or CPI above the prior year's subscription amount without the prior approval of a General Meeting of the members.

Delete

31. Subject as herein provided the business and general affairs of the Club shall be under the management of the Board, which shall consist of a Chairperson, a Vice Chairperson, an Honorary Treasurer and six other Golfing Members. The Board of the Club responsible for the management of the business and affairs of the Club shall be elected annually at an election at which the members entitled to vote shall comprise a quorum. Entitlement to vote does not mean that they are required to vote. Retiring members of the Board shall be eligible for re-election. A person shall not hold office as a member of the Board without being a Golfing Member of the Club.

Replace with

31. Subject as herein provided the business and general affairs of the Club shall be under the management of the Board, which shall consist of a Chairperson, a Vice Chairperson, an Honorary Treasurer and six other Golfing Members. The Board of the Club responsible for the management of the business and affairs of the Club and shall be elected at a General Meeting every two years by the members present and entitled to vote. Entitlement to vote does not mean that they are required to vote. A full term of Directorship shall be two years and retiring members of the Board shall be eligible for re-election. A person shall not hold office as a member of the Board without being a Golfing Member of the Club.

Minor changes also affect clauses;

14 (b), 14 (d), 18, 20 (c), 32 (a), 32 (b), 32 (c), 32 (d), 68, 69 (a), 69 (b), 69 (d), 81 (c)

Moved

Seconded

David O'Brien # 113

Robert Morgan # 602

Please note: A copy of the "Constitution of Stonecutters Ridge Golf Club" is available on the club web site or from the Club office.

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EXPLANATORY NOTES

1. To be read in conjunction with the proposed resolutions.
The purpose of the first resolution is to meet the disclosure requirements of the Corporations Act and the Registered Clubs Act. It relates to the expenditure shown in the Club's Annual Accounts under the various headings and in previous years approved by the Members when the annual accounts have been adopted. The adoption of the resolution by the Members will confirm the expenditure and will meet the disclosure requirements of the Corporations Act and the Registered Clubs Act.
2. The purpose of the second resolution is to again meet the disclosure requirements of the Corporations Act and the Registered Clubs Act. It relates to expenditure by the Club for the professional development and education of Directors as well as ensuring the Directors keep up-to-date with current Club industry developments and that the Club is represented by selected Directors at the various meetings of Associations of which the Club is a member. Adoption of this resolution by Members will confirm the expenditure and will meet the disclosure requirements of the Corporations Act and the Registered Clubs Act.
3. The purpose of Special Resolution 1 is to adapt the current Constitution to the new facility at Stonecutters Ridge. The Board has engaged the services of an industry expert to prepare a comprehensive business plan for the relocation and operation of Stonecutters Ridge. A new version of the current Constitution is necessary to operate such a facility in a way that it will be financially viable and in accordance with the business plan.

For resolutions 1 and 2 to be passed, each must receive votes in its favour from not less than a simple majority of the Members, who being entitled to do so, vote in person at the meeting.

For special resolution 1 to be passed, it must receive votes in its favour from not less than 75% of the Members, who being entitled to do so, vote in person at the meeting.

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7. GENERAL BUSINESS

1. To deal with any business to which due notice has been given;
2. To deal with any business the Meeting may approve of to which due notice has not been given.

NOTES TO MEMBERS

1. Any Member wishing to raise an item of general business is requested to give notice, in writing, of the nature of that business to the General Manager no less than five (5) working days prior to the date of the Annual General Meeting.
2. Any Member wishing to raise questions with the Treasurer, Auditor or the Board which would involve a detailed analysis of accounts or other records are requested to give notice of those questions, in writing, to the General Manager no less than five (5) working days prior to the date of the Annual General Meeting.

By Order of the Board,
Craig Scott
General Manager

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MINUTES 2010

MINUTES OF THE ANNUAL GENERAL MEETING HELD WEDNESDAY 8TH
DECEMBER 2010 AT 7.30PM

MEETING OPEN: 7.30PM

PRESENT: D O'Brien (Chairman) and 132 member's eligible to vote

MOTION: We, the members of Ashlar Golf Club approve the 2010 Annual General Meeting to proceed despite being given less than the required period of notice as per the Constitution of the club.

APPROVED

IN ATTENDANCE: The Chairman declared the meeting open and welcomed the members including life members Dot Clifton, Pat Gear and Steve Buckley.

APOLOGIES: H O'Brien, D Laing, P Martin, T Griffiths, G Richards, P Love, C Gamble, N Wastle, G Titmuss, P Sadovy

VOTING FOR THE POSITION OF CHAIRMAN: Members are asked to complete their ballot form for the position of Chairman.

MINUTES OF THE 64th ANNUAL GENERAL MEETING:

BUSINESS ARISING: Nil

RESOLVED that the minutes of the 64th Annual General Meeting as presented be received and adopted and the Chairman is authorised to sign them as a true record of the meeting.

MOVED K TIMMINS # 78 SECONDED R CLELLAND # 850

CHAIRMAN'S REPORT:

Firstly I would like to thank Craig, Cathy, Vicki, Karen and Alison for their efforts since the fire. The amount of work these staff have done to get us where we are today is incredible and we should all be thankful to them.

On the matter of the insurance, the building and contents claims are relatively straight forward but in relation to the loss of profits claim, this will not be settled until the end of the 18 month indemnity period.

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We do expect the loss of profit claim amount to offset much of this year's loss.

As we expected, not long after the fire we were once again approached by Medallist to recommence negotiations for a possible relocation to Stonecutters Ridge.

Over a period of around 6 months the Board reviewed several different proposals from Medallist, all of which were different in many ways to the original proposal and most of which were very different to each other. Finally after countless hours of negotiation, the Board approved a proposal which was put to the members for approval at Blacktown RSL on the 28th July this year, and as you all know, it was well supported and approved by the members present.

The Board of Directors are very pleased with the level of member support and believe this will enable the club to not only survive but prosper well into the future.

The Board expects to review draft contracts in the coming weeks with the hope that they can be finalised and signed early in 2012.

Next I would like to thank our new Course Superintendent David Applit who has replaced David Stone earlier this year. David is doing a great job on the course especially considering the level of staff and budget available to him.

I would also like to thank all the volunteers on the various sub committees with special mention to Steve Buckley and Ray Clapham from the Men's Golf Committee and Carol O'Brien and Deirdre Smith from the Ladies Committee.

Lastly, I would like to thank the Board of Directors for their efforts during a very trying year and wish them all the best for the coming year, and finally to you the members, I would like to thank you for your continued support.

RESOLVED that the Chairman's report is noted and any matters not dealt with separately in reports be adopted.

MOVED R CLELLAND # 256 SECONDED D SMITH # 877

FINANCE REPORT:

As it can be seen in the financial statement, this year we recorded an operation loss of \$(345,000) compared to a \$(63,000) loss in 2009. The main contributing factors to this years loss was a decrease in gaming revenue of \$130,000, bar revenue decrease of \$38,000, membership income decrease of \$96,000 and an increase in course costs of \$45,000. This has been offset slightly by a reduction in administration costs of \$42,000.

We do expect much of the total loss to be offset by the insurance claim following the indemnity period.

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To date we have received a total of \$747,500 from our insurer of which we have allocated \$322,000 towards re-establishing the clubs operations. We have also written off a total of \$945,000 in assets which were destroyed by the fire.

I too, would like to pass on my thanks to the staff for your efforts following to fire to re-establish the club to where we are today.

I would also like to thank our Auditor, Laurie Fullerton who has also worked long and hard to ensure the club administration is in order.

Lastly, I would like to thank my fellow Directors and in particular the Finance committee.

RESOLVED that the statement of financial performance, statement of financial position and statement of cash flow for the year ending 31st August 2009 as well as any matters not dealt with separately in reports be adopted.

MOVED P PINE # 2113

SECONDED R PRIGG # 168

RESOLVED that the Director's report, Directors declaration and Auditor's reports are noted and any matters not dealt with separately in reports be adopted.

MOVED G DANNOUN # 731

SECONDED C O'BRIEN # 352

RESOLVED that L. Fullerton (McKee Cherry Partners) who has confirmed his commitment to continue in the capacity of Auditor of Ashlar Golf Club be re-appointed by way of show of hands from the members present. The motion was accepted by the majority of members present.

MOVED P Gear # 50

SECONDED J Hudson # 384

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COMMITTEE ELECTION RESULTS

Men's Captain	Steve Buckley (Unopposed)
Men's President	Ray Clapham (Unopposed)
Committee	Alf Bell, Brent Young, Bob Gear, Ken Timmins
Ladies Captain	Carol O'Brien (Unopposed)
Ladies President	Deirdre Smith (Unopposed)
Committee	Joan Gates, Ruth Williamson, Yvonne Bell, Rebecca Mead.
Course & Grounds	Ray Clelland, Bob Gear

BOARD OF DIRECTORS ELECTION RESULTS

Chairman:	David O'Brien - 99 votes (Elected) Steven Loader - 31 votes (Invalid votes – 3)
Vice Chairman	Robert Morgan (Unopposed)
Treasurer	Harold Williamson (Unopposed)
Directors	Gary Pilling – 106 votes (Elected) Neale Peters – 105 votes (Elected) Barry Walbancke – 95 votes (Elected) Russell Gallard – 91 votes (Elected) Bill Ghioni – 73 votes (Elected) Jamie Ginns – 71 votes (Elected) Michael Collins – 63 votes Steven Loader – 47 votes

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FIRST RESOLUTION

That pursuant to the Registered Clubs Act:

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 - (i) Presentation to Members or other persons acknowledging service deemed by the Directors as being of benefit to the Club.
 - (ii) Sponsorship of sporting events and sporting persons deemed by the Directors to be of benefit to the Club and/or the Community.
 - (iii) Reasonable expenses incurred by Directors in travelling by their private or public transport, to and from Director's or other official functions whilst representing the Club, either within the Club or elsewhere and when authorised in advance by the Board.
 - (iv) The cost of a meal, and beverages for each Director at a reasonable time before, during or after a Board or Sub-Committee Meeting on the day of that meeting.
 - (v) Reasonable expenditure on food and refreshments for Directors in entertaining guests of the Club. Upon production of invoices, receipts and other proper documentary evidence of such expenditure and such expenditure is approved by the Board at the next Board Meeting as being properly incurred in the course of the Director's duties in relation to the Club and as being reasonable.
 - (vi) Reasonable expenditure on an Ashlar Golf Club Ltd. blazer for each Director who does not possess one.
 - (vii) Provision of the existing 12 designated car parking spaces for Directors, Golf President and Golf Captains is maintained.
- (viii) The lending of keys to Directors to provide access to Club property.

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- (b) The Members acknowledge that the benefits in paragraph (a) above are not available to Members generally, but only for those who are Directors of the Club and those Members of the Club directly involved in the above activities

RESOLVED that resolution one as presented be received and adopted

SECOND RESOLUTION

That pursuant to the Registered Clubs Act:

- (a) The members hereby agree to and approve reasonable expenditure by the Club for the professional development and education of Directors until the next Annual General Meeting and including:
- (i) The reasonable cost of Directors attending the Registered Clubs Association Annual General Meeting.
 - (ii) The reasonable cost of Directors attending meetings of other Associations which the Club is a Member.
 - (iii) The reasonable cost of Directors attending seminars, lectures, trade display organized study tours, invitation golf functions and other similar events as determined by the Board from time to time.
 - (iv) Attendance at functions with spouses where appropriate and required to represent the Club.
 - (v) Reasonable expenses incurred by Directors either with the Club or elsewhere in relation to such duties including entertainment or special guest of the Club, other promotional activities approved by the Board on production of documentary evidence of such expenditure.
 - (vi) Reasonable expenditure on an Ashlar Golf Club Ltd. blazer for each Director who does not possess such an item of clothing.
 - (vii) Provision of the existing 12 designated car parking spaces for Directors, Golf President and Golf Captains are maintained.
 - (viii) The lending of keys to Directors to provide access to Club property.

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- (b) Members acknowledge that the benefits in paragraph (a) are not available to members generally, but only for those who are Directors of the Club and those Members of the Club directly involved in the above activities.

RESOLVED that resolution two as presented be received and adopted.

GENERAL BUSINESS

M Young # 1224 - following the delays in reaching agreement with Medallist, what is the expected date that we will be relocating to Stonecutters Ridge.

Chairman- the current relocation date is September 2011 but given that final contracts have not yet been reviewed or signed this is very optimistic.

N Chappell # 3768 - would the club be prepared to formalise a mission statement for where they believe is and where it should be in the future, this should also be supported by a business plan.

Chairman - as is the requirement in the Implementation Agreement, the Board will develop and introduce a business plan that the Board will operate in line with following the move to Stonecutters Ridge.

D Lally # 768 - could the Board please clarify its current position in relation to Stonecutters Ridge.

Chairman - as I mentioned earlier, today we received another version of the contracts for the relocation to Stonecutters Ridge. Neither the Board or our lawyers have had an opportunity to review these latest contracts we hope to in the coming days.

Once the Board is satisfied that the terms of the contract reflect what the members have already approved, they will be signed.

All members are encouraged to approach the General Manager if they would like any information regarding Stonecutters Ridge.

E Sammons # 1555 - will the current dress code be improved and enforced once we move to Stonecutters Ridge.

Chairman - dress code will be part of the business plan that will be developed and introduced by the Board. I accept that largely due to our circumstances our dress standards have slipped a little but assure you it will be addressed in our plan for Stonecutters.

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G Catto #3917 - I am concerned that if the golf course is still not complete how it will be ready for play in 2011. The Board should have been doing more to get the golf course completed.

Chairman - as mentioned earlier, it is not likely the relocation will take place in September 2011 but in terms of the golf course it would work in our favour to allow the course more time to establish before it is played on.

The members will be kept informed of progress including the relocation date.

G Blackman # 3744 - what is the period of transition the club has to relocate its operations. It's not practical to think that the club could relocate its operations in one day.

Chairman - the transition will be a very complicated process that we will manage the best we can. Just like starting any new business it takes time to complete but we will continue to play golf at Ashlar until relocation.

D Rennie # 268 - if the relocation date does slip, will the 50% on membership fees be affected.

Chairman - it is anticipated that the discounts will apply to years 2011, 2012 and 2013 but until such time as the contracts are signed it can not be confirmed.

D Tait # 983 - is it correct that Ashlar will be changing its Constitution to move to Stonecutters Ridge.

Chairman - the constitution will be reviewed but not necessarily changed.

D Tait # 983 - if the club does make any changes to the Constitution it will need to be submitted to the Department of Fair Trading for approval. I would like to see the Constitution amended to only allow the interest from any insurance proceeds to be used at the discretion of the Board. Use of the base amount would require member approval.

Chairman - the Board will consider this when the Constitution is being reviewed.

There being no further business the Chairman declared the meeting closed at 8.45pm

Signed as a true record
Chairperson

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2011 MAJOR RESULTS

EVENT	WINNER	WINNER
Club Champion	A. Downton	
B. Grade	G. Catto	
C. Grade	S. Loader	
A. Grade Nett	D. Robel	
B. Grade Nett	J. Wilson	
C. Grade Nett	I. Lovegrove	
A. Grade Runner Up	A. Lombardo	
B. Grade Runner Up	Y. K. Kim	
C. Grade Runner Up	P. Loader	
Junior Champion	A. Lombardo	
Senior Champion	G. Hind	
Foursomes:		
Club Champions	A. Downton	J. Field
B. Grade	D. Lally	R. Lally
C. Grade	K. Christie	G. Dannoun
A. Grade Nett	A. Lombardo	P. Lombardo
B. Grade Nett	C. Milovanovich	G. Wishart
C. Grade Nett	R. Perkins	J. Dwyer
A. Grade Runner Up	T. Ostler	R. Hall
B. Grade Runner Up	B. Dell	S. David
C. Grade Runner Up	D. Laing	E. Sammons
Mixed Foursomes:		
Club Champions	R. Mead	B. Young
Nett Winners	J. Brennan	D. Williams
B. Grade	P. Sadovy	D. Sadovy
B. Grade Nett	V. Kennerson	G. Wong
Ashlar Cup: Winner	A. Downton Ashlar	
St Andrews Bowl: Winner	F. Concepcion	
Blacktown Cup: Winner	B. Dell	
A.E. Clifton Shield: Winners	P. McGuffie	B. Young
Ashlar Junior Classic: Winner	D. Gale	
Junior Hcp Matchplay: Winner	T. Catto	
Runner Up	A. Lombardo	
Parent & Child Shield: Winners	L. Peters	J. Peters
Father & Son Shield: Winners	P. Frost D Frost	
Australia Day Shield: Winners	K. Spoelder	M. Thomson
Life Members Shield: Winners	B. Walbancke	A. Szady
Cock of the Walk Winners	C. Rohloff	P. Shilcock
Medal of Medals	A. Downton	
Ladies:		
Club Champion A Grade	R. Mead	
Club Champion Bronze 1	J. Brennan	
Club Champion Bronze 2	J. Gates	
Foursomes:		
A Grade	R. Mead	D. Lally
B Grade	V. Duncan	P. Gear
Gold Medal	C. O'Brien	
Sunday Premiership		
A Grade	R. Mead	
B Grade	J. McDonald	

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Membership As at 31st August, 2011

	2010	2011
7 Day	390	404
6 Day	59	55
5 Day	142	140
Intermediate	18	20
Junior	22	32
Non Playing	229	185
Country	8	10
LOA	16	10
Cadet	51	44
Life	6	6
Honorary	4	4
Associate	6	6
Total	<u>951</u>	<u>916</u>

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CHAIRMAN'S REPORT 2011

In March 2011 we signed the agreement for the move to Stonecutters Ridge. This result came at the end of a long and arduous period of negotiation but will, I believe, guarantee the club's future at a time when many in the industry are struggling to stay afloat.

Who would have thought that Ashlar members would one day belong to a club such as Stonecutters which will rank in the top 10 Sydney golf clubs and eventually in the top 50 golf clubs in Australia.

As good as we all feel about the move, now is not the time to relax. We have some difficult decisions to make and a great deal of hard work will be required to ensure the new venture meets and/or exceeds expectations.

The Board will announce full details of staffing levels together with details of our new operations at this year's AGM.

My thanks to Craig for all his continued good work. Also thanks to Cathy and Vicki together with Karen and Alison, to all sub committees my thanks for your work. Dave Applitt and his ground staff continue to impress with the course. I know Dave is looking forward to Stonecutters.

My thanks to my fellow directors and I look forward to making the move to Stonecutters with you.

Lastly on behalf of the Board of Directors we thank our members for their continued support and I trust you are all as excited about Stonecutters as I am.

David O'Brien
Chairman

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TREASURERS REPORT

For the year ended 31st August 2011 the club recorded an operating loss of \$103,793 compared to the previous year of \$345,234. This result, whilst an improvement on 2010, was still reflecting the fall in revenue caused by the loss of the club house due to the fire in November 2009.

It is still extremely difficult at this time to accurately reflect as to what the final result could be as the insurance claim for the loss of profits has not yet been finalised. We have received payments for the loss of the buildings and progress payments on the loss of contents and increased cost of working. We are however of the opinion that the majority of the this years and the previous years losses will be recouped through our claim under the loss of profits insurance.

As can be seen in the attached accounts our gross profit income almost doubled that of the previous year, with a reduction in course costs, an increase in membership, interest income from our insurance payouts that have been invested, and contact delay fees all adding to the improved result. Our expenses increases were kept to a minimum. The current financial position of the club is now extremely sound following the signing of the contracts for our move to Stonecutters and the receipt of the partial payout of the insurance claim on the loss of the old Clubhouse. Our cash position has improved by \$3,500,000, and this is expected to improve further with future payments from the insurance claims, compensation from Sydney water for the creation of an easement. The notes to the financial statements include detailed analysis of the financial performance, financial position and cash flow. These notes are designed to assist members understand the Club's overall financial performance for the year and financial position at year end.

I thank the members of the finance committee (Bill Ghioni, Robert Morgan and David O'Brien) for their commitment and contributions throughout the year and also Laurie Fullerton for his advice and guidance.

I also particularly wish thank all our staff for their efforts in what has again been a most challenging year, the office staff having to work in extreme and sometimes awkward conditions, while maintaining the level of service expected by the members, the bar staff also working in difficult and trying conditions while still providing their normal standard of service and the green staff for their extra efforts in continuing to present the course in excellent condition.

Harold Williamson
Honorary Treasurer

ASHLAR GOLF CLUB LIMITED

ABN 67 000 065 190

GOLF REPORT 2011

A tumultuous year at Ashlar with a lot of challenges as we lost at least one day nearly every month to wet weather & the big decision by members to accept the Stonecutters ridge move. Putting this aside we had some good highlights throughout 2011. Firstly can I thank all the members for their contributions & participation in all our golf events.

All our NSWGA representative teams performed well with the absolute highlight again being the Major Pennant side this year winning their way into the semi final after gaining promotion to div 2. Great job guys & unlucky to post our worst performance of the year in this match, but an outstanding effort in winning the division to qualify with many players having excellent seasons & rarely losing.

The Apperly Shield and Junior Pennant boys are underway at the time of writing & with their record over recent years will be a force to reckon with again. Encourage shield are in sight of winning their division with one game to play.

Warren & Gibson Trophy teams played good golf & the Gibson Steam won their division to narrowly lose in the play offs.

In other pennants both the Mixed & Masters had successful seasons sides right in their divisions right to the last game. Overall another strong year across all pennants the club played in.

To all the players who represented Ashlar & those members who assisted throughout the year as managers, caddies, drivers & supporters thank you very much.

Congratulations to the winners of all major events within the club & those players that put in good performances in State level & Vardon events. The club champion for 2011 is Adam Downton while Alex Lombardo finished runner up & also won the juniors. B Grade went to Greg Catto, C Grade Steve Loader & Seniors by Graham Hind.

The foursomes champions are Adam Downton & Justin Field, B grade Dan Lally & Ray Lally, C grade Kerry Christie & Gus Dannoun.

Two grades in the Mixed Foursomes where the champions are Rebecca Mead & Brent Young, B grade winners Pauline & Doug Sadovy.

The new handicapping system proved a challenge for the members to contend with & in September a review came into effect so member's handicaps are now more a reflection of their ability.

Thank you to all the members of the golf committee, the volunteers who have helped out when called on for things like booking sheets, our office staff Craig, Cathy & Vicki, Col Bishop, the pro shop staff, the David with the change as head greenkeeper and all their green staff. Without the valuable help of these people golf at Ashlar would just not function.

Now it's onwards to the exciting opportunities of a brand new course, clubhouse & money in the bank as we move quickly towards a new future at Stonecutters Ridge. Wishing all our members good golfing & great times in the year 2012.

ASHLAR GOLF CLUB LIMITED

ABN 67 000 065 190

JUNIORS REPORT

Once again 2011 has been a great year for the Juniors and Cadets from Ashlar.

Interest in Ashlars cadet program continues to increase each year.

Although a very high percentage of new recruits had very little or no experience in golf, it didn't take long before they learnt what the game was about and as we have come to expect from all the cadets, had a lot fun learning along the way.

Cadet Championships will be contested by as many as 25 players. Having this many players finishing this year was a better than expected result and one that has given all the parents involved much satisfaction.

A special thank you must go to Gus & Leeann Dannoun and Paul Criss, who gave up the Saturdays regularly this year to co-ordinate the event of the day.

There have been many achievements this year. Congratulations to the Juniors that competed in the Subaru State Age Championship held at The Lakes, Terry Hills and The Australian in the July School Holidays, as a club we were very successful.

Many of our Juniors Boys and Girls have competed in club events and other JNJC events held during the year. Every one of them have done us proud and we would like to congratulate them all.

Ashlar is working hard to build up Junior Boys, Girls and Cadet numbers. 2011 saw the girls represent Ashlar in the Girls Encourage Shield for the first time.

Congratulations to Alex Lombardo 2011 Junior Club Champion and to Travis Catto 2011 Junior Match Play Champion.

Due to the great fund raising support from all the Ashlar members and visitors the Junior Committee is able to support in various ways all the Junior and Cadet members of the club.

I would like to take this opportunity in thanking all the Junior Committee members for all their hard work and diligence throughout the year, and also say thank-you to Colin Bishop for his on-going support of our Juniors and Cadets.

Barry Walbancke
Junior Committee

ASHLAR GOLF CLUB LIMITED

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2011 LADIES GOLF REPORT

2011 has been an interesting year with lots of excitement for Ladies Golf at Ashlar. As I took on the Captain's role half-way through the year, this report has a bias towards the second half of the year.

Before proceeding - on behalf of all Lady Members and myself, our thanks to Carol O'Brien for her unpaid, unselfish and tireless hours of work that she contributed to Ashlar Golf Club and to the success of Ladies Competitions and golfing events over the past 9 years. Of course, Carol's work still continues as a Council Member of Golf NSW.

To the Ladies Committee of Yvonne Bell, Joan Gates, Ruth Williamson and Rebecca Mead – thank you for the support and willingness to step up in my absences – which was most weekdays. And a very special thank you to Deirdre Smith our President, who is as diligent and conscientious a person I have ever had the pleasure to work with.

Thank you also to all Lady Members who placed their trust and faith in me to take on this responsibility, knowing that I have limited time available. To Leanne Peters, thank you. Leanne has shared her knowledge of the MiClub Computer System calmly, logically and quite often repeatedly demonstrating great patience when she was asked if she would show me that “just one more time”.

It was also a delight discovering the depth of golf knowledge that resides within the grey matter of Stephen Buckley, our Men's Captain, who sets our Competitions up on the system. It is also great to have a Ladies Division in our Sunday Medleys - thank you Stephen.

To Craig and the clubhouse team – both office and bar – thank you also for being so welcoming, tolerant and sharing as I continue to learn the ropes.

To David Aplitt and the course team – also thank you. Their cooperation in rearranging the placement of our dolly markers and pruning rose bushes and other such slightly strange requests is greatly appreciated. Even after some of the most horrendous weather conditions, the course has been presented in outstanding condition with lush fairways, penalising rough and challenging quick greens.

Now on to some golf news: Once again we were privileged to have some outstanding golf played throughout the year by our Club Champion, Rebecca Mead. Rebecca won the Ladies Championship, the Sunday Premiership, the Ladies Foursomes (she had a little help from myself with that one) and the Mixed Foursomes.

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The new handicapping system introduced in September saw most handicaps reduce a little after some of the significant increases following the April adjustment.

Congratulations to all winners throughout the year and in particular to the Major Event

Champions:

Club Champion – Rebecca Mead

Ladies Bronze: Division 1 – Julianne Brennan

Ladies Bronze: Division 2 – Joan Gates

Ladies Foursomes: Division 1 – Rebecca Mead & Diane Lally

Ladies Foursomes: Division 2 – Val Duncan and Pat Gear

Sunday Premiership: Division 1 – Rebecca Mead

Sunday Premiership: Division 2 – Jean McDonald

Gold Medal Winner – Carol O'Brien

It has been a privilege to undertake the role of Lady Captain for the past few months and I hope I have been meeting the expectations and performing the role to the satisfaction of everyone and look forward to your support in the future.

2012 will be a very exciting year with Stonecutters Ridge beckoning – I'm sure we will have some teething issues to address, but I am looking forward to being an active participant in this new venture, and particularly looking forward to the golfing challenge posed by some of those imposing bunkers.

Best of the Seasons Greetings to everyone, have a safe and Happy Summer and see you in 2012.

Diane Lally

Lady Captain

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2011 COURSE & GROUNDS REPORT

There is not a lot to report on in regards to the golf course at Ashlar this year. As a result of the pending move to Stonecutters there has been no major course projects undertaken & expenses kept to a minimum, whilst endeavoring to maintain the golf course in good playing condition. I am not sure if the weather has been kind to us or not this year, as we seemed to have long periods of good conditions but when it did rain it was extremely heavy & damaging as many golfers who witnessed it will testify to.

An update on Stonecutters with the impending move scheduled to be in the early part of next year. As many people who took the opportunity to visit the new course at Stonecutters earlier in the year would have observed that 14 of the holes were completed & looked great at the end of the last growing season & will only improve with the extra season. After a site visit in early November the last 4 holes that were constructed (12, 13, 14, & 15) appear to be progressing well & it is predicted that these fairways will also be in great condition by the time we move there. The course is looking good but there are a few unfinished issues that have been identified & these are being addressed.

Prior to the move Dave Aplitt will be spending time at Stonecutters with the construction company gaining some local knowledge & familiarizing himself with the course & the workings. Dave may have to widen his scope of expertise to deal with another possible problem being the control of the local deer which have been causing some damage in the construction phase.

Until the move happens we will be endeavoring to maintain Ashlar in as good a condition as possible (with the best fairways in the West) so that when we do move it will be with fond memories of Ashlar.

In closing, as this will be my last report as there will no longer be a separate Course & Grounds committee as it is now, I would like to thank all the members for their feedback over the years, which was mostly provided in good faith & in a very good manner. Thanks also to my fellow committee members especially Bob Gear who has been on the committee for more than the 15 years that I have served there. Thanks also to Dave Aplitt & his staff & good luck in the future.

Ray Clelland
Chairman Course & Grounds

ASHLAR GOLF CLUB LIMITED

ABN 67 000 065 190

DIRECTORS' REPORT

Your directors present their report on the financial statements of the Company for the year ended 31st August, 2011.

Directors

The names of the directors of the company who held office at any time during or since the end of the financial year are shown below, together with information on each director's experience and special responsibilities and details of attendance at meetings of directors.

David O'Brien (Chairman)	Robert Morgan (Vice Chairman)
Harold Williamson (Treasurer)	Jamie Ginns (Elected 8/12/2010)
Gary Pilling	William Ghioni (Elected 8/12/2010)
Russell Gallard	Michael Collins (Resigned 8/12/2010)
Barry Walbancke	Steven Loader (Resigned 8/12/2010)
Neale Peters	

Information on Current Directors

David O'Brien	Chairman
Qualifications	Insurance Broker
Experience	17 years on Board; 10 years as Chairman; Member of Finance and Course and Grounds Committees
Robert Morgan	Vice Chairman
Qualifications	Lawyer
Experience	6 years on Board, Member of Finance and Combined Golf Committees
Harold Williamson	Treasurer
Qualifications	Secretary Manager
Experience	7 years on Board, Member of Finance Committee
Jamie Ginns	Director
Qualifications	Collections Co-ordinator
Experience	1 year on Board; Member of Course and Grounds Committee
William Ghioni	Director
Qualifications	Lawyer
Experience	8 years on Board, Member of Finance Committee
Barry Walbancke	Director
Qualifications	Managing Director
Experience	6 years on Board, Member of Marketing and Junior Committees

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Gary Pilling	Director
Qualifications	Storerman
Experience	6 years on Board, Member of Course and Grounds Committee
Neale Peters	Director
Qualifications	Operations Manager
Experience	3 years on Board, Member of Marketing, Junior and OH & S Committees
Russell Gallard	Director
Qualifications	Logistics Co-Ordinator
Experience	3 years on Board, Member of OH & S, Marketing and Ladies Golf Committees

Meetings of Directors

During the financial year 13 meetings of directors were held. Attendances were:

	Number eligible to Attend	Number Attended
David O'Brien	13	12
Robert Morgan	13	13
Harold Williamson	13	11
Barry Walbancke	13	13
Gary Pilling	13	13
Neale Peters	13	12
Russell Gallard	13	12
William Ghioni	10	9
Jamie Girro	10	8
Steven Loader	3	3
Michael Collins	3	3

Company Secretary

Craig Scott was company Secretary for the whole of the financial year and continues in office as at the date of this report. Craig was appointed company Secretary in January 2008 and has been Secretary and General Manager since that date.

Corporate Information

The company is a "not for profit" entity registered as a company limited by guarantee, and, as such, it does not issue shares nor pay dividends to its members. If the company is wound up its constitution states that each member is required to contribute a maximum of \$1 towards meeting any outstanding obligations. At 31 August 2011 the number of members was 916 (2010 - 951)

Objectives of the Club

The Club's objectives are to focus on-

- (1) Maintaining the condition of the present golf course and, after relocating to the new golf course and clubhouse at Stonecutters Ridge, maintaining and improving that new course and the clubhouse.
- (2) Promoting the social welfare of its members and developing and delivering premium club facilities and services to its members and guests.

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Strategy

The strategy for achieving the objectives, especially in regards to the present situation of a temporary clubhouse, are somewhat on hold, but upon moving to the new golf course and clubhouse the Club will continually conduct research on members' preference for facilities and services; review promotional activity conducted in the Club and evaluate operational procedures and staff training.

Principal activities

The principal activities of the Club during the financial year consisted of the conduct and promotion of a licensed golf club for its members. No changes in the principal activities of the Club took place during the year.

How the Club measures its performance

The Club continues to evaluate and assess the effectiveness of its operations, assesses its financial performance consistently and evaluates comparisons with industry participants to ensure services offered are contemporary and appropriate.

Results

The operating loss for the year amounted to (\$103,793) compared to a loss of (\$345,234) in 2010. As the company is tax exempt, there is no provision made for income tax.

Review of Operations

Movement in significant areas of trading profit/(loss) were as follows:

	2010	2011
Bar Trading	36,706	68,594
Gaming Activities Trading	51,990	87,866
Course Trading	(759,744)	(686,191)
Golf Trading	452,889	434,458
Motorised Buggies Trading	37,046	34,604
Membership Trading	581,120	724,249
Insurance Claim	424,697	3,726,111
Asset Depreciation Write Off	945,852	-

Significant Changes

- 1) The clubhouse fire that occurred on 10 November 2009 continued to cause a significant down-turn in revenue normally generated from clubhouse facilities
- 2) Members voted to accept the proposed re-location to Stonecutters Ridge which is expected to occur early in 2012.
- 3) Upon re-location, the new clubhouse is expected to considerably increase revenue.

ASHLAR GOLF CLUB LIMITED

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Auditors' Independence Declaration

A copy of the Auditors' Independence Declaration as required under section 307C of the Corporations Act 2001 is included in this report on the following page.

Resolution

This report is made in accordance with a resolution of the Board of directors and is signed for and on behalf of the directors by:

David O'Brien
Director

Harold Williamson
Director

Dated at Blacktown this 8 th November 2011.

AUDITORS' INDEPENDENCE DECLARATION TO THE DIRECTORS OF ASHLAR GOLF CLUB LIMITED

As lead auditor of Ashlar Golf Club Limited for the year ended 31st August, 2011, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Ashlar Golf Club Limited

Dated at Blacktown this 8 th day of November 2011.

L.Fullerton
Registered Company Auditor and Partner
McKEE CHERRY PARTNERS
Chartered Accountants
19 Campbell Street
BLACKTOWN NSW 2148

ASHLAR GOLF CLUB LIMITED

ABN 67 000 065 190

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

We have audited the accompanying financial statements of Ashlar Golf Club Limited which comprise the statement of financial position as at 31st August 2011, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Statements

The directors of the company are responsible for the preparation of the financial statements that give a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001. This responsibility includes designing, implementing and maintaining internal controls that the directors have determined are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Ashlar Golf Club Limited, would be in the same terms if given to the directors at the time of the auditors' report.

ASHLAR GOLF CLUB LIMITED

ABN 67 000 065 190

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS (continued)

AUDITORS' OPINION

In our opinion, the financial statements of Ashlar Golf Club Limited are in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the company's financial position as at 31st August 2011 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2011

Dated at Blacktown this 8 th day of November 2011.

L Fullerton
Registered Company Auditor and Partner
McKEE CHERRY PARTNERS
Chartered Accountants
19 Campbell Street, BLACKTOWN NSW 2148

ASHLAR GOLF CLUB LIMITED

ABN 67 000 065 190

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements comprising the statement of financial position, statement of comprehensive income, statement of changes in equity, statement of cash flows and accompanying notes are in accordance with the Corporation Act 2001, and:

(a) comply with Accounting Standards and Corporations Regulations 2001; and

(b) give a true and fair view of the Club's financial position as at 31st August 2011 and of its performance for the year ended on that date.

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 and is signed for and on behalf of the directors by:

Dated at Blacktown this 8th day of November 2011.

David O'Brien
Director

Harold Williamson
Director

ASHLAR GOLF CLUB LIMITED

ABN 67 000 065 190

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST AUGUST 2011

2010	Note	2011
1,855,427 Revenue		2,225,570
<u>122 Other Income</u>	2	<u>64,219</u>
<u>1,855,549 Total Revenue</u>		<u>2,289,789</u>
Expenses		
(183,984) Cost of Goods Sold		(201,578)
(263,542) Depreciation and Amortisation Expense	2	(349,071)
(56,309) Employee Benefits Expense		(72,075)
(30,638) Finance Costs	2	(30,757)
<u>(1,666,310) Other Expenses</u>		<u>(1,740,101)</u>
<u>(2,200,783) Total Expenses</u>		<u>(2,393,582)</u>
(345,234) Profit/(Loss) before income tax		(103,793)
- Income Tax Expense	100	-
<u>\$ (345,234) Profit/(Loss) for the year attributable to members of the company</u>		<u>\$ (103,793)</u>
Other Comprehensive Income		
747,500 Proceeds from fire insurance claim		3,952,346
(322,803) Expenses attributable to re-establishing the club's operations		(226,235)
<u>(945,852) Write off of assets destroyed by fire</u>		<u>-</u>
Total Other Comprehensive Income/(Loss) for the year, net of income tax expense.		3,726,111
(521,155) Revaluation of land	8	6,000,000
<u>(521,155)</u>		<u>9,726,111</u>
<u>\$ (866,389) Total Income/(Loss)</u>		<u>\$ 9,622,318</u>

The accompanying notes form part of these financial statements.

ASHLAR GOLF CLUB LIMITED

ABN 67 000 065 190

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST AUGUST 2011

	<u>RETAINED EARNINGS</u>	<u>ASSET REVALUATION RESERVE</u>	<u>TOTAL</u>
	\$	\$	\$
Balance at 1st September 2009	1,275,515	1,451,880	2,727,395
Profit/(loss) for the year	(345,234)	-	(345,234)
Other comprehensive income/(loss) for the year	(521,155)	-	(521,155)
Balance at 31st August 2010	<u>\$ 409,126</u>	<u>\$ 1,451,880</u>	<u>\$ 1,861,006</u>
Balance at 1st September 2010	409,126	\$ 1,451,880	1,861,006
Profit/(loss) for the year	(103,793)	-	(103,793)
Other comprehensive income/(loss) for the year	3,726,111	6,000,000	9,726,111
Balance at 31st August 2011	<u>\$ 4,031,444</u>	<u>\$ 7,451,880</u>	<u>\$ 11,483,324</u>

The accompanying notes form part of these financial statements.

ASHLAR GOLF CLUB LIMITED

ABN 67 000 065 190

STATEMENT OF FINANCIAL POSITION AS AT 31ST AUGUST 2011

2010		Note	2011
	ASSETS		
	CURRENT ASSETS		
5,700	Cash and Cash Equivalents	3	3,527,123
134,968	Trade and Other Receivables	4	406,465
21,788	Inventories	5	31,005
55,172	Prepayments		91,847
<u>217,628</u>	Total Current Assets		<u>4,056,440</u>
	NON-CURRENT ASSETS		
2,806,632	Property, Plant and Equipment	6	8,459,965
<u>2,806,632</u>	Total Non-Current Assets		<u>8,459,965</u>
<u>3,024,260</u>	TOTAL ASSETS		<u>12,516,405</u>
	LIABILITIES		
	CURRENT LIABILITIES		
25,994	Bank Overdraft	3	-
267,156	Trade and Other Payables		231,114
41,009	Short-term Provisions	7	47,423
72,688	Borrowings	16/17	42,415
590,756	Subscriptions Received in Advance		576,163
7,600	Social Clubs' Deposits Received		7,500
<u>1,005,203</u>	Total Current Liabilities		<u>904,615</u>

ASHLAR GOLF CLUB LIMITED

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2010			2011
	NON-CURRENT LIABILITIES		
82,017	Long - term Provisions	7	94,847
<u>76,034</u>	Borrowings	10:11	<u>33,619</u>
<u>158,051</u>	Total Non-Current Liabilities		<u>128,466</u>
<u>1,163,254</u>	TOTAL LIABILITIES		<u>1,033,081</u>
<u>\$ 1,861,006</u>	NET ASSETS		<u>\$ 11,483,324</u>
	EQUITY		
409,126	Retained Earnings		4,031,444
<u>1,451,880</u>	Asset Revaluation Reserve		<u>7,451,880</u>
<u>\$ 1,861,006</u>	TOTAL EQUITY		<u>\$ 11,483,324</u>

The accompanying notes form part of these financial statements.

ASHLAR GOLF CLUB LIMITED

ABN 67 000 065 190

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST AUGUST 2011

		<i>Note</i>
2010		2011
	CASH FLOWS FROM OPERATING ACTIVITIES	
2,684,879	Receipts from members and customers	5,827,507
(2,161,059)	Payments to suppliers and employees	(2,238,459)
3	Interest Received	64,219
(30,638)	Finance Costs	(30,757)
<u>493,185</u>	Net cash generated from/(used in) operating activities	<u>13 3,622,510</u>
	CASH FLOWS FROM INVESTING ACTIVITIES	
(416,554)	Payments for Property, Plant and Equipment	(2,405)
<u>10,091</u>	Proceeds from disposal of Property, Plant and Equipment	<u>-</u>
(406,463)	Net cash generated from/(used in) investing activities	<u>(2,405)</u>
	CASH FLOWS FROM FINANCING ACTIVITIES	
33,989	Proceeds from borrowings	-
(114,074)	Repayment of borrowings	(72,688)
(80,085)	Net cash generated from/(used in) financing activities	(72,688)
6,637	NET INCREASE / (DECREASE) IN CASH HELD	3,547,417
(26,931)	Cash and Cash Equivalents at the Beginning of the Financial Year	(20,294)
<u>\$ (20,294)</u>	Cash and Cash Equivalents at the End of the Financial Year	<u>\$ 3,527,123</u>

The accompanying notes form part of these financial statements.

ASHLAR GOLF CLUB LIMITED

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are for Ashlar Golf Club Limited as an individual entity, incorporated and domiciled in Australia. Ashlar Golf Club Limited is a company limited by guarantee.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The following is a summary of the significant accounting policies adopted by the company in the preparation of the financial statements.

a) Income Tax –

As the Club's sole undertaking is the encouragement or promotion of the game of golf, it is income tax exempt pursuant to Section 50-45 of the Income Tax Assessment Act (1997). The financial statements have been prepared on the basis of this exemption.

b) Inventories –

Bar inventories are valued at the lower of cost and net realisable value. The stock of course chemicals, fertilisers and fuels is valued at cost, as is the stock of trophies.

c) Employee Benefits –

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 benefits that are expected to be settled within one year have been measured at their nominal amounts. 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 entity to an employee superannuation fund and are charged as expenses when incurred.

ASHLAR GOLF CLUB LIMITED

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2011 (Continued)

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Leases and Hire Purchase Liabilities

Leases of property, plant and equipment where the company has substantially all the risk and benefits of ownership are classified as finance leases and capitalised at inception at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the statement of comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Lease payments for operating leases, where substantially all the risk and benefits remain with the lessor, are charged as expenses on a straight line basis over the lease term.

e) Property, Plant and Equipment –

Property, plant and equipment are measured at cost or at independent or directors' valuation, less where applicable, any accumulated depreciation / amortisation and impairment losses.

The depreciable/amortisable amount of all non-current assets including buildings and capitalised leased assets, but excluding freehold land, are depreciated/amortised on a straight line basis over their estimated useful lives commencing from the time the asset is held ready for use.

Depreciation and Amortisation

Depreciation / Amortisation periods are –

Course Machine Shed	2%
Pro Shop	2%
Installation costs of Portable Buildings	67%
Course Improvements	10% to 25%
Course Plant and Machinery	25%
Course Watering System	7% to 10%
Motorised Buggies	14% to 20%
Club House Equipment	7% to 67%

ASHLAR GOLF CLUB LIMITED

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2011

(Continued)

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

e) Property, Plant and Equipment (Continued)

Impairment of Assets

At each reporting date, the company assesses whether there is any indication that individual assets are impaired. Where impairment indicators exist, recoverable amount is determined and impairment losses are recognised in the statement of comprehensive income where the asset's carrying value exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

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

f) Revenue Recognition-

Revenue is recognised at the fair value of consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid. The following specific recognition criteria must also be met before revenue is recognised:

Sale of Goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have passed to the buyer and can be reliably measured. Risks and rewards are considered passed to the buyer when goods have been delivered to the customer.

Rendering of Services

Revenue from services to members and other patrons is recognised when services are provided.

Interest Revenue

Revenue is recognised as interest accrues taking into account the effective yield on the financial asset.

Other Revenue

Other revenue, including subscriptions from members, is recognised when the right to receive the revenue has been established.

g) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset. Financial instruments are initially measured at fair value plus transactions costs.

Classification and subsequent measurement

ASHLAR GOLF CLUB LIMITED

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2011

(Continued)

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Financial Instruments (continued)

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties.

Amortised cost is calculated as:

the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments, plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and less any reduction for impairment.

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

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the statement of comprehensive income.

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2011

(Continued)

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Financial Instruments (Continued)

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the company no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired.

h) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand and at bank, deposits held at call with financial institutions, other short-term highly liquid investments with maturities of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

i) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of GST except where GST incurred is not recoverable from the Australian Taxation Office, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item. Receivables and payables are stated inclusive of GST.

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2011

(Continued)

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

j) Critical Accounting Estimates and Judgements

The directors' estimates and judgements incorporated into the financial statements are based on historical results and the best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data from internal and external sources.

The directors have assessed that the company is a 'not for profit' entity, whose activities were those of a licensed club. In carrying out the assessment at the reporting date as to whether individual assets are impaired, the directors are required to consider and identify assets which are held exclusively to generate cash and those which are held to support the Club's activities. At the end of the reporting period, all of the company's assets have been assessed as held to support the Club's activities.

k) New Accounting Standards and Interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 31st August 2011 reporting periods and which the company has not decided to early adopt. The impact of these new standards and interpretations is not expected to be significant.

ASHLAR GOLF CLUB LIMITED

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST AUGUST 2011

(Continued)

NOTE 2 – OPERATING PROFIT

2010		2011
	a) Revenue from ordinary activities	
1,855,427	Sale of Goods and Rendering of Services	2,225,570
3	Interest Received	64,219
119	Profit (net) on Disposal of property, plant and equipment	-
<u>\$ 1,855,549</u>	Total Revenue	<u>\$ 2,289,789</u>
	b) Expenses from ordinary activities:	
<u>\$ 183,984</u>	Cost of Goods Sold	<u>\$ 201,578</u>
	Finance Costs	<u>\$ 30,757</u>
	Depreciation and Amortisation -	
73,354	Buildings	166,895
190,188	Plant and Equipment	182,176
<u>\$ 263,542</u>		<u>\$ 349,071</u>
	Auditors' Remuneration -	
38,750	Auditing Services	38,700
18,500	Other Services	18,500
<u>\$ 57,250</u>		<u>\$ 57,200</u>

NOTE 3 - CASH AND CASH EQUIVALENTS

5,700	Cash on hand	\$ 6,700
(25,994)	Cash at Bank/(Bank Overdraft)	\$ 120,423
-	Short Term Deposits	\$ 3,400,000
<u>\$ (20,294)</u>		<u>\$ 3,527,123</u>

NOTE 4 –TRADE AND OTHER RECEIVABLES

<u>\$ 134,968</u>	Sundry Debtors	<u>\$ 406,465</u>
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ASHLAR GOLF CLUB LIMITED

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2011

(Continued)

2010		2011
	<u>NOTE 5 – INVENTORIES</u>	
9,303	Bar	12,242
11,670	Course	17,058
815	Trophies	1,705
<u>\$ 21,788</u>		<u>\$ 31,005</u>
	<u>NOTE 6 – PROPERTY, PLANT AND EQUIPMENT</u>	
109,344	Course Machine Shed (at cost)	109,344
152,123	Pro Shop (at cost)	152,123
242,027	Installation Costs for Portable Buildings	242,027
(167,648)	Less: Accumulated Depreciation	(334,544)
1,500,000	Course (at Directors' valuation)	7,500,000
502,335	Course Improvements (at cost)	503,335
(165,316)	Less: Accumulated Depreciation	(197,845)
684,429	Course Plant and Machinery (at cost)	780,325
(589,450)	Less: Accumulated Depreciation	(726,991)
767,134	Course Watering System (at cost)	767,134
(372,844)	Less: Accumulated Depreciation	(405,976)
109,120	Motorised Buggies (at cost)	109,120
(57,813)	Less: Accumulated Depreciation	(84,333)
108,537	Club House Equipment (at cost)	109,942
(20,683)	Less: Accumulated Depreciation	(63,696)
95,897	Capitalised Leased Assets	-
(90,560)	Less: Accumulated Amortisation	-
<u>\$ 2,806,632</u>		<u>\$ 8,459,965</u>

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2011

(Continued)

NOTE 6. PROPERTY, PLANT AND EQUIPMENT (continued)

Movements in carrying amounts for each class of property, plant and equipment between the beginning and end of the current financial year:

	Carrying Amount At Beginning Of Year	Revaluation	Additions	Disposals	Depreciation / Amortisation Expense	Carrying Amount At End Of Year
	\$	\$	\$	\$	\$	\$
2011						
Buildings	335,846	-	-	-	(166,896)	168,950
Course	1,500,000	6,000,000	-	-	-	7,500,000
Course Improvements	337,819	-	1,000	-	(32,529)	306,290
Course Plant & Machinery	94,979	-	-	-	(43,645)	51,334
Course Watering System	394,290	-	-	-	(33,132)	361,158
Motorised Buggies	51,307	-	-	-	(26,520)	24,787
Club House Equip	87,854	-	1,405	-	(43,813)	45,446
Poker Machines	5,337	-	-	-	(5,337)	-
	\$ 2,896,632	\$ 6,000,000	\$ 2,405	\$ -	\$ (249,872)	\$ 8,459,165

2010

Buildings	995,629	-	242,827	(828,456)	(73,354)	335,846
Course	1,500,000	-	-	-	-	1,500,000
Course Improvements	340,094	-	23,962	-	(32,837)	331,219
Course Plant & Machinery	133,432	-	20,802	(9,972)	(49,323)	94,979
Course Watering System	481,514	-	27,191	-	(34,415)	394,290
Motorised Buggies	77,827	-	-	-	(26,520)	51,307
Club House Equip	109,343	-	97,572	(98,378)	(28,683)	87,854
Poker Machines	16,647	-	-	(16,647)	-	-
Assets	1,683	-	-	(1,683)	-	-
Office Furniture	688	-	-	(688)	-	-
Capitalised Leased Assets	32,547	-	-	-	(27,210)	5,337
	\$ 3,699,444	\$ -	\$ 416,554	\$ (915,826)	\$ (263,542)	\$ 2,896,632

Course Revaluation

Application was made on 10th February 2011 and approval was obtained from the Director-General of the Communities Department of the NSW Government on 21st March 2011, allowing the company to enter into an agreement to sell its core property at Springfield Ave, Blacktown without the need to comply with the requirement of Section 41(1) of the Registered Clubs Act 1976. As part of the Club's agreement to move its operation to Stonecutters Ridge, the current land upon which the present golf course is situated will be sold for \$7,500,000 exclusive of Capital Goods And Services Tax.

ASHLAR GOLF CLUB LIMITED

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2011

(Continued)

2010		2011
	<u>NOTE 7 - PROVISIONS</u>	
21,528	Long Service Leave	29,037
49,916	Sick Leave, non vested	61,169
51,582	Annual Leave	52,064
<u>\$ 123,026</u>		<u>\$ 142,270</u>
41,009	Current Liability	47,423
82,017	Non-Current Liability	94,847
<u>\$ 123,026</u>		<u>\$ 142,270</u>
	<u>NOTE 8 - BORROWINGS</u>	
	Current	
68,436	Hire Purchase Liabilities	42,415
-4,252	Lease Liabilities	-
<u>\$ 72,688</u>		<u>\$ 42,415</u>
	Non-Current	
76,034	Hire Purchase Liabilities	33,619
-	Lease Liabilities	-
<u>\$ 76,034</u>		<u>\$ 33,619</u>
<u>\$ 148,722</u>		<u>\$ 76,034</u>

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2011

(Continued)

2010		2011
	NOTE 9 - CAPITAL AND LEASING COMMITMENTS	
	(a) Lease Finance and Hire Purchase Commitments	
	Minimum lease payments payable:	
4,345	- Not later than 1 year	-
-	- Later than 1 year but not later than 5 years	-
<u>4,345</u>		<u>-</u>
(93)	Less: Future Finance Charges	-
<u>\$ 4,252</u>	Present value of minimum lease payments	<u>\$ -</u>
	 Hire Purchase Liabilities Payable	
78,001	Current	46,754
<u>83,259</u>	Non Current	<u>36,505</u>
161,260		83,259
<u>(16,790)</u>	Less: Unexpired Interest	<u>(7,225)</u>
<u>\$ 144,470</u>		<u>\$ 76,034</u>
	(b) Operating Leases' Commitments	
	Non - Cancellable operating leases contracted for but not capitalised in the financial statements	
	Payable	
65,130	- not later than 1 year	134,807
<u>15,006</u>	- later than 1 year but not later than 5 years	<u>9,334</u>
<u>\$ 80,136</u>		<u>\$ 144,141</u>
	 The operating lease commitment of \$134,807 includes the Ricoh Photocopier for a full year to 31 st August, 2012 and, as the move to Stonecutters Ridge is likely to occur in April, 2012, the portable club buildings (including air conditioning), fence and refrigerated container for 8 months to 30th of April, 2012. The commitment of \$9,334, extending beyond 1 year, relates to the photocopier.	
	(c) Capital expenditure commitments -	
	Capital expenditure commitments contracted for	
	Payable -	
-	- not later than 1 year	-
<u>-</u>	- later than 1 year but not later than 5 years	<u>-</u>
<u>\$ -</u>		<u>-</u>

ASHLAR GOLF CLUB LIMITED

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2011

(Continued)

NOTE 10 - SEGMENTAL REPORTING

The company operates in the sporting club industry at Blacktown NSW.

NOTE 11 - REMUNERATION OF KEY MANAGEMENT PERSONNEL

The key management personnel of Ashlar Golf Club Limited during the financial year were the directors and Craig Scott (Secretary and general manager). As the directors receive no remuneration the table below relates to the remuneration of Craig Scott.

	Short-term Benefits (Salary, leave entitlements, fringe benefits)	Post - employment Benefits (Superannation contributions)	Other long- term benefits	Total
	\$	\$	\$	\$
2011 - Total compensation	101,900	8,628	-	110,528
2010 - Total compensation	87,600	7,884	-	95,484

Directors Benefits

Apart from a full-time apprentice salary paid to a relative of a Club director, no director, since the end of the previous financial year, has received or become entitled to receive, a benefit by reason of a contract made by the company with the director or with an entity in which the director is a member, or with a company in which the director has a substantial financial interest.

NOTE 12 - FINANCIAL INSTRUMENTS

a) Terms, Conditions and Accounting Policies

In common with all other businesses, the company is exposed to risks that arise from its use of financial instruments. This note describes the company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The principal financial instruments from which financial instrument risk arises are cash and cash equivalents, receivables, borrowings and payables.

The Board has overall responsibility for the determination of the company's risk management objectives and policies. The company's risk management policies and objectives are therefore designed to minimise the potential impacts of these risks on the results of the company where such impacts may be material.

ASHLAR GOLF CLUB LIMITED

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2011

(Continued)

NOTE 12 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

The overall objectives of the Board are to set policies that seek to reduce risk as far as possible without unduly affecting the company's operations. Further details regarding these policies are set out in the following table.

The principal financial instruments from which financial instrument risk arises are cash and cash equivalents, trade and other receivables, borrowings and trade and other payables.

The Board has overall responsibility for the determination of the company's risk management objectives and policies. The company's risk management policies and objectives are therefore designed to minimise the potential impacts of these risks on the results of the company where such impacts may be material.

The overall objectives of the Board are to set policies that seek to reduce risk as far as possible without unduly affecting the company's operations.

Recognised Financial Instruments	Notes Ref	Accounting Policies	Terms and Conditions
Financial Assets			
Cash and cash equivalents	3	Amounts receivable are stated at cost and net realisable value. Interest is recognised in the statement of comprehensive income.	Cash is on call and the effective interest rate is variable depending upon the balance in the account, and, in respect to term deposits, the length of time of the deposit
Receivables	4	Amounts receivable are carried at nominal amounts due	Receivables are normally settled on 30 day terms
Financial Liabilities			
Borrowings	8,9&17	Hire purchase liabilities are accounted for on a gross basis with the interest capitalised and recognised monthly in the statement of comprehensive income	At reporting date, the company has hire purchase liabilities with an average liability term of 2 years. The average interest rate implicit in the hire purchase liabilities is 8.33% p.a. The security over hire purchase liabilities are the assets under finance.
Payables		Liabilities are recognised for amounts to be paid in the future for goods and services received.	Trade liabilities are normally settled on 30 day terms

ASHLAR GOLF CLUB LIMITED

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2011

(Continued)

NOTE 12 - FINANCIAL INSTRUMENTS (continued)

b) Net Fair Values

Fair value has been determined on the basis of the present value of expected future cash flows under the terms and conditions of each financial asset and financial liability. Significant assumptions used in determining the cash flows are that the cash flows will be consistent with the contracted cash flows under the respective contracts. The information is only relevant to circumstances at balance date and will vary depending on the contractual rates applied to each asset and liability, relative to market rates and conditions at the time. No assets held are regularly traded by the company and there is no active market to assess the value of the financial assets and liabilities.

	2011		2010	
	Fair Value \$	Carrying Amount \$	Fair Value \$	Carrying Amount \$
Financial Assets				
Cash and Cash Equivalents	3,527,123	3,527,123	(20,294)	(20,294)
Receivables	406,465	406,465	134,968	134,968
Total financial assets	<u>3,933,588</u>	<u>3,933,588</u>	<u>114,674</u>	<u>114,674</u>
Financial Liabilities				
Borrowings	76,034	76,034	148,722	148,722
Payables	231,114	231,114	267,156	267,156
Total financial liabilities	<u>307,148</u>	<u>307,148</u>	<u>415,878</u>	<u>415,878</u>

c) Credit Risk

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the company incurring a financial loss. This usually occurs when debtors fail to settle their obligations owing to the company.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognise financial assets is the carrying amount, net of any provision for doubtful debts, as disclosed in the statement of financial position and notes to the financial statements. The company does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments' arrangements.

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2011

(Continued)

NOTE 12 - FINANCIAL INSTRUMENTS (continued)

d) Liquidity Risk (continued)

Liquidity risk is the risk that the company may encounter difficulties raising funds to meet commitments associated with financial instruments, e.g., borrowing repayments or creditor demands.

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through trading and an adequate resource of committed credit facilities.

The company manages its liquidity rate risk by monitoring cash flow daily and reviewing cash flow forecasts which assists in managing its day to day needs, as well as the club's capital purchases and repayment of its borrowing facilities with Westpac Banking Corporation.

Maturity Analysis for Financial Liabilities

Monetary liabilities have differing maturity profiles depending on the contractual term. The table below shows the period in which different monetary liabilities held will mature and be eligible for renegotiation or withdrawal.

	Within 1 Year \$	1-5 Years \$	After 5 Years \$	Total \$
2011				
Liabilities				
Borrowings	42,415	33,619	-	76,034
Payables	231,114	-	-	231,114
Total financial liabilities	273,529	33,619	-	307,148
2010				
Liabilities				
Borrowings	72,688	76,034	-	148,722
Payables	267,156	-	-	267,156
Total financial liabilities	339,844	76,034	-	415,878

ASHLAR GOLF CLUB LIMITED

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2011

(Continued)

e) Interest Rate Risk

Market risk arises from the use of interest bearing financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates.

The company's main interest rate risk arises from borrowings. Borrowings issued at variable rates expose the company to cash flow interest rate risk. Borrowings issued at fixed rates expose the company to fair value interest rate risk.

Interest rate Sensitivity

The company performs a sensitivity analysis to measure market risk exposures at the time of each maturity of its financial assets and liabilities so as to assess the renegotiation opportunities. There is no interest rate sensitivity for trade and other receivables or trade and other payables. Interest rate sensitivity arises on the investments of liquid funds and borrowings.

The company manages its cash flow interest rate risk by using a mix of floating and fixed rate borrowings components. Interest rate risk is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates.

The effective weighted average interest rates on those financial assets and liabilities are summarised in the table below.

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NOTE 12 - FINANCIAL INSTRUMENTS (continued)

	Weighted Average Effective Interest Rate %	Floating Interest Rate \$	Fixed Interest Rate Within 1 Year \$	Maturing 1 To 5 Years \$	Non - Interest Bearing \$	Total Carrying Amount As Per Statement of Financial Position \$
2011						
FINANCIAL ASSETS						
Cash and Cash Equivalents		-	3,400,000	-	127,123	3,527,123
Trade & Other Receivables		-	-	-	406,465	406,465
TOTAL		-	3,400,000	-	533,588	3,933,588
FINANCIAL LIABILITIES						
Borrowings						
- Hire Purchase agreements	8.33	-	42,415	33,619	-	76,034
Trade & Other Payables	-	-	-	-	231,114	231,114
TOTAL		-	42,415	33,619	231,114	307,148
2010						
FINANCIAL ASSETS						
Cash and Cash Equivalents		-	-	-	5,700	5,700
Trade & Other Receivables		-	-	-	134,968	134,968
TOTAL		-	-	-	140,668	140,668
FINANCIAL LIABILITIES						
Bank Overdraft						
Borrowings	9.92	25,994	-	-	-	25,994
- Hire Purchase agreements	8.33	-	68,436	76,034	-	144,470
- Finance Lease agreements	8.04	-	4,252	-	-	4,252
Trade & Other Payables	-	-	-	-	267,156	267,156
TOTAL		25,994	72,688	76,034	267,156	441,872

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST AUGUST 2011

(Continued)

2010		2011
<u>NOTE 13 - RECONCILIATION OF PROFIT/(LOSS) TO NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES</u>		
(866,389)	Profit/(loss) after income tax	3,622,318
	Non-Cash flows in profit/(loss)	
263,542	Depreciation and Amortisation	349,071
945,733	Net profit/(loss) on disposal of Property, Plant and Equipment	-
	Changes in Assets and Liabilities	
42,864	Decrease/(Increase) in Trade and Other Receivables	(271,496)
13,292	Decrease/(Increase) in Inventories	(9,217)
(39,672)	Decrease/(Increase) in Prepayments	(36,675)
98,714	Increase/(Decrease) in Trade and Other Payables	(36,041)
(3,871)	Increase/(Decrease) in Provisions	19,244
38,872	Increase/(Decrease) in Subscriptions Received in Advance	(14,594)
100	Increase/(Decrease) in Social Clubs' Deposits Received	(100)
<u>\$ 493,186</u>	Net Cash Generated From/(Used In) Operating Activities	<u>\$ 3,622,510</u>

NOTE 14 - CAPITAL REQUIREMENTS

As a company limited by guarantee, there is no subscribed capital. There are no regulatory requirements to maintain a minimum level of capital. The club does not have a capital management plan.

All capital requirements are met through the annual membership subscriptions which form part of the net revenue of the club, and the profits generated by the club operations.

NOTE 15 - CONTINGENT LIABILITIES AND ASSETS

Sydney Water Corporation has notified the Club that it requires to create an easement on the land the Club presently owns and for this a Goods and Services Tax inclusive compensation amount of \$318,000 is payable to the Club.

Since the destruction of the clubhouse by fire on 10th November, 2009, clubhouse trading operations have been significantly effected. This situation will continue until early in the 2012 calendar year and will have an impact on cash flow.

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST AUGUST 2011

(Continued)

NOTE 16 - SUPERANNUATION COMMITMENTS

The company's superannuation plan has been established for the provision of benefits to employees of the company on retirement, death or disability. Benefits provided under the plan are based on contributions for each employee. Employees contribute various percentages of their gross income and the company also contributes at least the minimum percentage as required by relevant legislation. There is a legally enforceable obligation on the company to contribute to the superannuation plan.

The superannuation plan is managed and controlled by large public insurance groups, independent of the club management. The plan is operated in a manner that complies with statutory requirements and this compliance, coupled with periodical actuarial assessment, ensures adequacy of funds to satisfy all benefits payable in the event of the termination of the plan or the services of employees.

NOTE 17 - BORROWINGS SECURED

The overdraft facility is secured by the company's property at Lot 1 Springfield Ave, Blacktown and all other assets.

The hire purchase liabilities are secured by certain plant and equipment purchased with these borrowings.

NOTE 18 - COMPANY DETAILS

The registered office and principal place of business of the company is Lot 1 Springfield Avenue, Blacktown NSW 2148

ASHLAR GOLF CLUB LIMITED

ABN 67 000 065 190

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ABN 67 000 065 190

COMPILATION REPORT

Scope

We have compiled the accompanying special purpose financial statements of Ashlar Golf Club Limited which comprise the Profit and Loss Account. The specific purpose for which the special purpose financial statements have been prepared is to provide information relating to the performance of the entity that satisfies the information needs of the Directors.

The Responsibility of the Directors

The Directors are solely responsible for the information contained in the special purpose financial statements and have determined that the basis of accounting used is appropriate to meet their needs and for the purpose that the financial statements were prepared.

Our Responsibility

On the basis of information provided by the Directors we have compiled the accompanying special purpose financial statements in accordance with the basis of accounting adopted and APES 315: Compilation of Financial Information.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the Directors provided, in compiling the financial statements. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

The special purpose financial statements were compiled exclusively for the benefit of the Directors. We do not accept responsibility to any other person for the contents of the special purpose financial statements.

Dated at Blacktown this 8 th day of November 2011.

L Fullerton
Registered Company Auditor and
Partner
McKEE CHERRY PARTNERS
Chartered Accountants
19 Campbell Street
BLACKTOWN NSW 2148

ASHLAR GOLF CLUB LIMITED

ABN 67 000 065 190

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST AUGUST 2010

2010		2011
	<u>Income:</u>	
36,706	Gross Profit from Bar Trading	68,594
51,990	Gross Profit from Gaming Activities Trading	87,866
(759,744)	Gross Profit/(Loss) from Course Trading	(686,191)
452,889	Gross Profit from Golf Trading	434,458
37,046	Gross Profit from Motorised Buggies Trading	34,604
581,120	Gross Profit from Membership Trading	724,249
6,689	Function Room Rent and Hire	3,909
21,779	Market Nights, Raffles, Club Functions and Promotions	26,212
3	Interest Received	64,219
-	Contract Delay Fees	75,000
2,645	Sundries	537
431,123		833,457
	<u>Less Expenses:</u>	
8,888	Advertising	4,930
20,356	Employee Benefits Provided	22,099
57,270	Audit and Accountancy Fees	57,200
15,003	Bank Charges	14,976
2,169	Bad Debts	-
3,790	Catering Maintenance	-
39,229	Cleaning	49,757
12,523	Club House Service and Security	6,871
2,761	Commission – Credit Cards	2,534
19,954	Computer Expenses	17,366
11,570	Council Rates and Levies	11,949
94,037	Depreciation	209,909
3,276	Directors' Expenses	4,686
-	Donation	1,217
290,826	Carried forward	403,494

ASHLAR GOLF CLUB LIMITED

ABN 67 000 065 190

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST AUGUST 2010

(Continued)

2010		2011
290,826	Brought forward	403,494
37,070	Electricity	9,902
873	Entertainment	350
9,518	Foxtel Expenses	18,190
28,835	General Expenses	5,831
-	Fringe Benefits Tax	1,461
13,527	Finance Costs	21,100
71,911	Insurance	76,003
-	Insurance Excesses and Uninsured Damage Costs	27,001
-	Legal Expenses	4,097
1,631	Licences	1,141
36,634	Market Nights, Raffles, Club Functions and Promotions	38,700
17,280	Members Refreshments and Requisites	16,892
-	Payroll Tax	2,668
4,854	Postages	23,699
24,728	Printing and Stationery	-
429	Protective Clothing and Uniforms	51,514
24,519	Repairs and Maintenance	10,551
7,493	Staff Meals, Refreshments and Amenities	4,711
1,295	Staff Training and Recruitment	7,902
16,955	Superannuation	19,435
7,974	Telephone	5,725
<u>180,005</u>	<u>Salaries and Emolments</u>	<u>186,883</u>
<u>776,357</u>		<u>937,250</u>
<u>\$ (345,234)</u>	<u>Operating Profit/(Loss) from Ordinary Activities</u>	<u>\$ (103,793)</u>

ASHLAR GOLF CLUB LIMITED

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BAR TRADING ACCOUNT FOR THE YEAR ENDED 31ST AUGUST 2010

2010		2011
	<u>Income:</u>	
389,777	Sales	448,382
	<u>Less Cost of Goods Sold:</u>	
19,240	Opening Stock	9,303
174,047	Purchases	204,517
(9,303)	Closing Stock	(12,242)
183,984		201,578
205,793	Trading Profit	246,804
	<u>Less Expenses:</u>	
3,535	Gas	3,477
21,592	Bar Food Expenses	1,871
1,266	Maintenance	1,121
14	Waste	3,616
115,273	Wages	126,725
3,102	Employee Benefits Provided	7,752
518	Staff Meals and Refreshments	791
510	Stocktaking Fees	180
9,080	Superannuation	8,908
14,197	Discount on House Account	23,769
169,087		178,210
\$ 36,706	Gross Profit transferred to Profit and Loss Account	\$ 68,594

ASHLAR GOLF CLUB LIMITED

ABN 67 000 065 190

GAMING ACTIVITIES TRADING ACCOUNT FOR THE YEAR ENDED 31ST AUGUST 2010

2010		2011
	<u>Income:</u>	
63,542	Poker Machine Takings less Payouts	85,686
339	Commission - Tab Trading	3,768
15,045	GST Rebate – Gaming Activities	9,156
3,926	Net Keno Commission and Bonus	14,350
82,852		112,960
	<u>Less Expenses:</u>	
5,587	Central Monitoring Service – Poker Machines	320
3,236	Amortisation – Leases	-
59	Lease Interest	-
6,290	Rent of Poker Machines	-
3,550	Repairs and Maintenance	3,105
635	Promotions	2,519
-	Printing and Stationery	2,830
867	Finance Costs	455
7,561	Wages	-
52	Employee Benefits Provided	-
649	Superannuation	-
2,376	Sky Channel Expenses	15,865
30,862		25,094
\$ 51,990	Gross Profit transferred to Profit and Loss Account	\$ 87,866

ASHLAR GOLF CLUB LIMITED

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COURSE TRADING ACCOUNT FOR THE YEAR ENDED 31ST AUGUST 2010

2010		2011
	<u>Income:</u>	
-	Apprenticeship Rebate	3,293
7,971	Soil Tipping Fees (net)	-
9,920	Sponsorship	13,814
119	Profit on Disposal of Fixed Assets	-
18,010		17,107
	<u>Less Expenses:</u>	
115,775	Depreciation	107,306
23,974	Amortisation - Leases	5,337
12,105	Electricity	5,987
9,745	Finance Costs	6,742
184,786	Supplies and Maintenance	120,761
28,898	Fuel	29,330
1,382	Lease Interest of Equipment	93
3,246	Staff Training and Recruitment	2,862
4,135	Staff Meals and Refreshments	5,910
-	Security	1,163
8,757	Protective Clothing and Uniforms	5,603
301,057	Wages	321,776
16,227	Water Rates	13,203
32,799	Employee Benefits Provided	42,225
7,392	Telephone	7,053
27,476	Superannuation	27,947
777,754		703,298
\$ (759,744)	Gross (Loss) transferred to Profit and Loss Account	\$ (686,191)

ASHLAR GOLF CLUB LIMITED

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GOLF TRADING ACCOUNT FOR THE YEAR ENDED 31ST AUGUST, 2010

2010		2011
	<u>Income:</u>	
307,228	Green Fees	311,234
338,368	Competition Fees	334,434
20	Locker Rental	-
<u>645,616</u>		<u>645,668</u>
	<u>Less Expenses:</u>	
645	Members Amenities	-
52,000	Professional Retainer	53,000
3,940	Property Damage Claims	345
112,448	Trophies	129,692
19,931	Pennant Costs	24,209
1,843	Staff Meals and Refreshments	2,044
1,920	Telephone	1,920
<u>192,727</u>		<u>211,210</u>
<u>\$ 452,889</u>	Gross Profit transferred to Profit and Loss Account	<u>\$ 434,458</u>

ASHLAR GOLF CLUB LIMITED

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MOTORISED BUGGIES TRADING ACCOUNT FOR THE YEAR ENDED 31ST AUGUST, 2010

2010		2011
	<u>Income:</u>	
78,239	Hire Fees	79,134
<u>78,239</u>		<u>79,134</u>
	<u>Less Expenses:</u>	
26,520	Depreciation	26,520
1,850	Electricity	954
5,058	Finance Costs	2,368
7,765	Repairs and Maintenance	14,688
<u>41,193</u>		<u>44,530</u>
<u>\$ 37,046</u>	Gross Profit transferred to Profit and Loss Account	<u>\$ 34,604</u>

MEMBERSHIP TRADING ACCOUNT FOR THE YEAR ENDED 31ST AUGUST, 2010

2010		2011
	<u>Income:</u>	
576,991	Subscription Income	682,572
5,570	Administration Levy Income	5,913
20,733	Affiliation Income	20,402
1,891	Golf Link Income	3,652
4,750	House Account Forfeitures	27,021
-		12,883
<u>609,935</u>		<u>752,443</u>
	<u>Less Expenses:</u>	
26,422	Affiliation Fees paid	26,226
2,393	Golf Link Fees paid	1,968
<u>28,815</u>		<u>28,194</u>
<u>\$ 581,120</u>	Gross Profit transferred to Profit and Loss Account	<u>\$ 724,249</u>

ASHLAR GOLF CLUB LIMITED

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MEMBERSHIP CARDS

Membership cards must be shown when entering the Club.

It is a rule of Ashlar Golf Club (as it is of all clubs) that your membership card must be carried whenever visiting the Club. It is also a rule of the Club that membership cards must be shown when entering the Club, to the office or bar staff, or a door person, when one is in attendance. If you do not have your card, you may be refused entry.

Do not be offended if asked for your membership card. The staff member asking is only doing their job and if the card was shown in the first place then there would be no necessity to ask.

MEMBERSHIP CARDS ARE NOT TRANSFERABLE

Lending cards is strictly contravening the Constitution and Rules which you agreed to abide by when your Application for Membership was signed. It doesn't matter whether you lend your card to your son, daughter, mother, father, brother, sister, friend or spouse
IT IS CONTRAVENING THE RULES

RESPECT YOUR MEMBERSHIP AND DO NOT TRANSFER YOUR CARD TO ANYONE, FOR ANY REASON.

If you live within five (5) kilometers (as the crow flies) of Ashlar Golf Club (refer to the map display in the foyer) and are not a Member of the Club, not participating in a golf competition organised by the Club, or not a Member of another golf club then you ARE NOT permitted to enter the Club under state legislation (refer to sign in foyer) unless signed in as a Member's Guest.

THE SNACK BAR, BAR, ETC. ARE ALL INCLUDED IN THIS LEGISLATION.

If you know of any person who resided within the 5 kilometre limit, who is not a Member of the Club, but has visited the Club, please encourage them to join.



Don't forget to visit our webpage:

www.ashlargolfclub.com.au

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