



CLUB MACQUARIE LIMITED  
ABN 29 315 070 855

Summary Financial Statements  
For the Year Ended  
30 June 2016

The financial statements and other specific disclosures have been derived from Club Macquarie Limited's (the Club's) full financial statements for the financial year. Other information included in the Summary Financial Statements is consistent with the Club's full financial statements.

The Summary Financial Statements do not, and cannot be expected to, provide as full an understanding of the financial performance, financial position and financing and investing activities of the Club as the full financial statements.

A copy of the Club's 2016 full financial statements, including the independent audit report, is available to all members and will be sent to members without charge upon request

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# Club Macquarie Limited

ABN 29 315 070 855

## Directors' Report

30 June 2016

Your directors present their report on Club Macquarie Limited for the financial year ended 30 June 2016.

### Directors

The names of the directors in office at any time during, or since the end of, the year are:

Name	Position	Occupation	Years Service
L. Peterson	President	Retired	24
G.R. Ford	Senior Vice President	Retired	22
G. Shepherd	Junior Vice President	Electrician	8
G. Clack	Director	Retired	26
C. Moore	Director	Retired	20
B. Stanbridge	Director	Retired	15

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

### Club secretary

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

Mr Bernard McCarthy who is also the Chief Executive Officer of the Club has been the Club secretary since 20 April 2006.

### Members guarantee

Club Macquarie Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of the Club, the amount capable of being called up from each member and any person who ceased to be a member in the year prior to the winding up, is limited to \$1 for all members, subject to the provisions of the Club's constitution.

At 30 June 2016 the collective liability of members was \$ 4,671 (2015: \$ 4,394).

### Principal activities

The principal activity of Club Macquarie Limited during the financial year was the conduct of a Licensed Club.

No significant changes in the nature of the Club's activity occurred during the financial year.

### Operating results

The loss of the Club after providing for income tax amounted to \$ 514,112 (2015: a loss of \$ 272,299).

# Club Macquarie Limited

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## Directors' Report

30 June 2016

### Review of operations

Gross profit from bar trading amounted to \$496,083 and gross profit percentage of 63% was obtained from sales of \$788,560.

Net gaming revenue amounted to \$3,155,188 and compares with \$3,201,140 in 2015.

Net operating profit from Macquarie Inn amounted to \$261,509 and compares with \$378,573 in 2015.

### Meetings of directors

During the financial year, 12 meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
L. Peterson	12	11
G.R. Ford	12	12
G. Shepherd	12	12
G. Clack	12	11
C. Moore	12	11
B. Stanbridge	12	11

### Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Club during the year.

### After balance date events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Club, the results of those operations or the state of affairs of the Club in future financial years.

### Environmental issues

The Club's operations are subject to environmental regulations under the laws of the Commonwealth and State of Australia. The Directors are not aware of any breaches of the legislation during the financial year which are material in nature.

### Short and long term objectives

The Club has established short and long term objectives as outlined in the Club's business plan which is reviewed on an annual basis. These objectives are both financial and non financial and are aimed towards providing a comfortable and secure environment to its members that continues to meet their needs. These objectives are measured through both financial and non financial key performance indicators that have been determined relevant to the Club industry. No information is included on the likely developments in the operations of the club and the expected results of those operations.

# Club Macquarie Limited

ABN 29 315 070 855

## Directors' Report 30 June 2016

### Disclosure of Core and Non-Core Property

Pursuant to Section 41J(2) of the Registered Clubs Act 1976 and for the financial year ended 30 June 2016, the Directors have determined that the property of the Club shall be classified as follows:

Address	Current Usage	Classification
458 Lake Road, Argenton NSW 2284	Club Premises	Core
Unit 15, 15 Bidjigal Road, Arncliffe NSW 2205	Investment Property	Non-Core

### Auditors independence declaration

The lead auditors independence declaration for the year ended 30 June 2016 has been received and can be found on page 4 of the financial report.

### Indemnification and insurance of officers

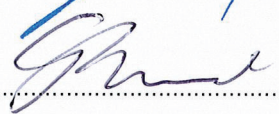
The club has paid premiums to insure each of the Directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director of the Club, other than conduct involving a wilful breach of duty in relation to the Club.

### Directors emoluments

No Director has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the club, with a Director, a firm of which the Director is a member or an entity in which the Director has a substantial financial interest except for those disclosed in note 18 of the full financial statements.

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

Director: .....  


Director: .....  


Dated 18 August 2016

# Club Macquarie Limited

ABN 29 315 070 855

## Auditors Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Club Macquarie Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2016, there have been:

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

Cutcher & Neale  
Chartered Accountants



M.J.O'Connor CA  
Partner

11 August 2016

NEWCASTLE



# Club Macquarie Limited

ABN 29 315 070 855

## Independent Audit Report to the members of Club Macquarie Limited

### Report on the Financial Report

The summary financial statements of Club Macquarie Limited comprises the summary statement of profit or loss and other comprehensive income, summary statement of financial position, summary statement of cash flows, summary statement of changes in equity, notes to the summary financial statements, discussion and analysis of the financial statements, and the Directors' declaration derived from the audited financial statements of Club Macquarie Limited for the year ended 30 June 2016 as set out on pages 6 to 13.

The summary financial statements do not contain all the disclosures required by Australian Accounting Standards – Reduced Disclosure Requirements. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial report of Club Macquarie Limited.

### Directors' Responsibility for the summary Financial Report

The Directors are responsible for the preparation of a summary of the audited financial statements on the basis described in Note 1.

### Auditor's Responsibility

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with Auditing Standard ASA 810: *Engagements to Report on Summary Financial Statements*.

### Auditor's Opinion

In our opinion, the summary financial statements derived from the audited financial statements of Club Macquarie Limited for the year ended 30 June 2016, are consistent, in all material respects with those audited financial statements, on the basis described in Note 1.

Cutcher & Neale  
Chartered Accountants



M.J.O'Connor CA  
Partner

19 August 2016

NEWCASTLE

# Club Macquarie Limited

ABN 29 315 070 855

## Directors' Declaration

The Directors of Club Macquarie Limited declare that the summary financial statements of Club Macquarie Limited for the financial year ended 30 June 2016, as set out on pages 7 to 13:

- (a) comply with Accounting policies as described in Note 1; and
- (b) have been derived from and are consistent with the full financial statements of Club Macquarie Limited.

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

Director ..... 

Director ..... 

Dated 18 August 2016



# Club Macquarie Limited

ABN 29 315 070 855

## Summary Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2016

	Note	2016 \$	2015 \$
Bar sales		788,560	875,439
Less Bar cost of goods sold		(292,477)	(302,060)
Gross profit		496,083	573,379
Poker machine net clearances		3,155,188	3,201,140
Gaming commissions		42,918	40,477
Raffles and bingo revenue		179,860	169,400
Motel revenue		702,559	841,024
Functions revenue		161,509	152,686
Other revenue	2	133,809	127,580
Borrowing cost expense		(14,127)	-
Bar trading expense		(152,309)	(193,365)
Function trading expense		(18,261)	(52,444)
Poker machine trading expense		(833,345)	(849,301)
Gaming commission expense		(102,663)	(107,452)
Raffle and bingo expense		(223,462)	(223,713)
Occupancy expense		(756,731)	(757,753)
Club promotion and entertainment expense		(257,336)	(201,772)
Motel trading expenses		(441,050)	(462,451)
Depreciation of property plant and equipment		(1,056,573)	(1,048,175)
Investment property expenses		(1,576)	-
Administrative expenses		(1,529,849)	(1,464,261)
<b>Profit / (loss) before income tax</b>		<b>(515,356)</b>	<b>(255,001)</b>
Income tax (expense)/benefit		1,244	(17,298)
<b>Profit / (loss) after income tax</b>		<b>(514,112)</b>	<b>(272,299)</b>
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive income / (loss)</b>		<b>(514,112)</b>	<b>(272,299)</b>

The accompanying notes form part of these summary financial statements.

# Club Macquarie Limited

ABN 29 315 070 855

## Summary Statement of Financial Position As at 30 June 2016

	2016 \$	2015 \$
<b>ASSETS</b>		
CURRENT ASSETS		
Cash and cash equivalents	1,206,191	1,924,153
Trade and other receivables	60,092	40,350
Inventories	22,006	19,926
Other assets	34,528	29,118
<b>TOTAL CURRENT ASSETS</b>	<b>1,322,817</b>	<b>2,013,547</b>
NON-CURRENT ASSETS		
Property, plant and equipment	9,642,176	9,882,244
Investment property	831,029	-
Intangible assets	162,684	162,684
Deferred tax assets	82,518	82,373
<b>TOTAL NON-CURRENT ASSETS</b>	<b>10,718,407</b>	<b>10,127,301</b>
<b>TOTAL ASSETS</b>	<b>12,401,224</b>	<b>12,140,848</b>
<b>LIABILITIES</b>		
CURRENT LIABILITIES		
Trade and other payables	457,324	509,987
Short-term borrowings	6,996	-
Short-term provisions	243,344	196,948
Other liabilities	109,737	99,475
<b>TOTAL CURRENT LIABILITIES</b>	<b>817,401</b>	<b>806,410</b>
NON-CURRENT LIABILITIES		
Long-term borrowings	416,059	-
Long-term provisions	7,857	20,419
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>423,916</b>	<b>20,419</b>
<b>TOTAL LIABILITIES</b>	<b>1,241,317</b>	<b>826,829</b>
<b>NET ASSETS</b>	<b>10,799,907</b>	<b>11,314,019</b>
<b>EQUITY</b>		
Retained earnings	10,799,907	11,314,019
<b>TOTAL EQUITY</b>	<b>10,799,907</b>	<b>11,314,019</b>

The accompanying notes form part of these summary financial statements.

# Club Macquarie Limited

ABN 29 315 070 855

## Summary Statement of Changes in Equity For the Year Ended 30 June 2016

### 2016

	<b>Retained Earnings</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
<b>Balance at 1 July 2015</b>	<b>11,314,019</b>	<b>11,314,019</b>
Total comprehensive income / (loss)	<u>(514,112)</u>	<u>(514,112)</u>
<b>Balance at 30 June 2016</b>	<b><u>10,799,907</u></b>	<b><u>10,799,907</u></b>

### 2015

	<b>Retained Earnings</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
<b>Balance at 1 July 2014</b>	<b>11,586,318</b>	<b>11,586,318</b>
Total comprehensive income / (loss)	<u>(272,299)</u>	<u>(272,299)</u>
<b>Balance at 30 June 2015</b>	<b><u>11,314,019</u></b>	<b><u>11,314,019</u></b>

The accompanying notes form part of these summary financial statements.

# Club Macquarie Limited

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## Summary Statement of Cash Flows For the Year Ended 30 June 2016

	2016 \$	2015 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers	5,602,238	5,895,107
Payments to suppliers and employees	(5,082,702)	(5,079,618)
Interest received	21,237	41,642
Borrowing Costs	(14,127)	-
Income tax (paid) / received	1,099	37,289
Net cash provided by (used in) operating activities	527,745	894,420
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Payment for Property, Plant & Equipment	(850,733)	(535,619)
Payment for investment property	(831,029)	-
Proceeds from sale of Property, Plant & Equipment	13,000	-
Net cash used by investing activities	(1,668,762)	(535,619)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from borrowings	427,170	-
Repayment of borrowings	(4,115)	(1,683,618)
Net cash used by financing activities	423,055	(1,683,618)
Net increase / (decrease) in cash and cash equivalents held	(717,962)	(1,324,817)
Cash and cash equivalents at beginning of year	1,924,153	3,248,970
Cash and cash equivalents at end of financial year	1,206,191	1,924,153

The accompanying notes form part of these summary financial statements.



# Club Macquarie Limited

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## Notes to the Summary Financial Statements For the Year Ended 30 June 2016

### 1 Summary of Significant Accounting Policies

The Summary financial statements have been prepared from the audited financial report of Club Macquarie Limited for the year ended 30 June 2016. The audited report for the year ended 30 June 2016 is available at request from Club Macquarie Limited.

The financial statements, specific disclosures and the other information included in the summary financial statements are derived from and are consistent with the full financial statements of Club Macquarie Limited. The summary financial statements cannot be expected to provide as detailed an understanding of the financial performance, financial position and financing and investing activities of Club Macquarie Limited as the full financial statements.

The accounting policies have been consistently applied to Club Macquarie Limited and are consistent with those of the previous financial year in their entirety.

### 2 Revenue

	2016 \$	2015 \$
Operating activities		
- Trading revenue	5,030,594	5,280,166
Other Revenue		
- Interest income	21,237	41,642
- Member subscriptions	17,714	22,426
- GST rebate	17,180	17,180
- Net investment property income	22,039	-
- Rent received - Restaurant	27,182	22,186
- Other income	5,134	2,762
- Commissions received	42,790	32,094
- Insurance proceeds	1,761	-
- Profit / (loss) on sale of non current assets	(21,228)	(10,710)
	<u>133,809</u>	<u>127,580</u>
<b>Total Revenue</b>	<u><b>5,164,403</b></u>	<u><b>5,407,746</b></u>

# Club Macquarie Limited

ABN 29 315 070 855

## Discussion and Analysis of the Summary Financial Statements

For the Year Ended 30 June 2016

### Information on Club Macquarie Limited Summary Financial Statements

The financial statements, disclosures and discussion and analysis in the summary financial statements have been derived from the 2016 financial statements of Club Macquarie Limited.

A copy of the full financial statements and auditors report will be sent to any member, free of charge, upon request. The summary financial statements cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the entity as the full financial statements.

The discussion and analysis is provided to assist members in understanding the summary financial statements.

### Summary Statement of Profit and Loss and Other Comprehensive Income

The loss from ordinary activities after income tax attributable to members for the year was \$514,112. The result has decreased \$241,813 compared to a loss of \$272,299 in 2015.

#### Revenue

Total revenue has decreased by 4.5% or \$243,343 compared to 2015. Some notable comparisons include:

- Bar sales decreased by 10% and the gross profit achieved from bar sales decreased from 65.5% to 62.9%.
- Net clearances from poker machine machines decreased 1%.
- Revenue from the Macquarie Inn decreased 17% due to a decrease in occupancy.
- Revenue from functions and weddings increased 6% due to an increase in functions and weddings held.
- Other income increased 5% due to rental income received from the investment property purchased this year.

#### Expenditure

Total expenditure, excluding income tax, has increased by 0.3% or \$17,012 compared to 2015. Some notable comparisons include:

- Bar trading expenses decreased 21% due to a change to the member rewards program;
- Poker machine trading expenses decreased 2% due to a decrease in poker machine duty and clubgrants expenses, as a result of a decrease in poker machine revenue.
- Functions and weddings expenditure decreased 65% due to changes in allocation of expenditure including changes to wage allocations.
- Club promotion and entertainment expenses increased 28% relating to the running costs of the new courtesy bus this year and the purchase of the new Club app.
- Administration expenses increased 5% due to an increase in advertising and additional wage costs.

The EBITDA result as a percentage of revenue for the Club is 10% compared to 14% in the prior year. The industry benchmark for Clubs is 10% at a minimum.

### Summary Statement of Financial Position

The main changes in assets and liabilities included:

#### Assets

Total assets increased to \$260,376. This increase is mainly reflected in the following balances:

- Cash and cash equivalents decreased by \$717,962. This is due to the purchase of an investment property and a decrease in revenue this year.
- Property, plant & equipment decreased by \$240,068, which is the net difference between additions, disposals and depreciation.

# Club Macquarie Limited

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## Discussion and Analysis of the Summary Financial Statements

For the Year Ended 30 June 2016

- Investment property increased \$831,029 this year, due to the purchase of a property this year.

All other assets have remained relatively comparable to the previous year balances.

### Liabilities

Total liabilities increased to \$1,241,317. This is mainly reflected in the following balances:

- The Club financed part of the purchase of the new investment property.

All other liabilities have remained relatively comparable to the previous year balances.

### Summary Statement of Changes in Equity

The equity of the Club has decreased entirely due to the reported loss result of \$514,112.

### Summary Statement of Cashflows

The Club's cash position has decreased during the year by \$717,962.

#### Operating Activities

Net cash inflows from operating activities were \$527,745 compared to \$894,420 in the previous year and is down due to a decrease in revenue.

#### Investing Activities

Net cash invested in the Club premises and equipment during the year totalled \$850,733. Net cash invested in investment property during the year totalled \$831,029. Proceeds from the sale of a motor vehicle totalled \$13,000.

#### Financing Activities

Net cash inflows from financing activities were \$423,055 and relate to the financing of the purchase of an investment property this year.