

MURRUMBIDGEE COUNTRY CLUB INCORPORATED
(ABN: 39 467 335 688)

FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2009

**MURRUMBIDGEE COUNTRY CLUB INCORPORATED
COMMITTEE'S REPORT**

Your committee members submit the financial report of the Murrumbidgee Country Club Incorporated (the Club) for the financial year ended 30 June 2009.

Committee Members

The names of committee members throughout the year and at the date of this report are:

NAME	PARTICULARS
President	Ron Shepherd
Vice President	Alan Strachan (Appointed 30 September 2008) Alan Strachan (Resigned 25 May 2009) (Position vacant from 25 May 2009 to 29 June 2009) Glenda Sullivan (Acting 29 June 2009)
Director Golf	Ross Lee
Director Finance	Tony Lee
Director House	Alan Strachan (Resigned 30 September 2008) Peter Gibbins (Appointed 30 September 2008)
Men's Captain	Mal Thorp
Women's Captain	Nancye Burkevics
Director	Alan Wheeley (Resigned 30 September 2008) Glenda Sullivan Peter Wines (Appointed 30 September 2008)

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

PRINCIPAL ACTIVITIES

The principal activities of the Club during the financial year were the promotion of the sport of golf and encouragement of social interaction between participants of the sport.

SIGNIFICANT CHANGES

No significant change in the nature of these activities occurred during the year.

OPERATING RESULTS

The loss for the financial year ended 30 June 2009 amounted to \$123,615 (2008: \$46,091).

Signed in accordance with a resolution of the Members of the Committee:

Committee Member.....
Tony Lee - Director Finance

Committee Member.....
Ron Shepherd - President

Dated this day of September 2009

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MURRUMBIDGEE COUNTRY CLUB
INCORPORATED**

Report on the Financial Report

We have audited the accompanying financial report of Murrumbidgee Country Club Incorporated. (the Club) which comprises the balance sheet as at 30 June 2009 and the income statement, statement of recognised income and expenditure and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the statement by members of the committee.

Committee's Responsibility for the Financial Report

The committee of the association is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Associations Incorporation Act (ACT) 1991*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing 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 report is free from material misstatement.

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

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 Australian professional ethical pronouncements.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MURRUMBIDGEE COUNTRY CLUB
INCORPORATED (Cont.)**

Auditor's Opinion

In our opinion:

- (a) the financial statements of the Murrumbidgee Country Club Incorporated are properly drawn up:
- (i) so as to give a true and fair view of its state of affairs at 30 June 2009 and the results of its operations for the financial year then ended and the other matters required by Section 72 (2) of the *Associations Incorporation Act (ACT) 1991* to be disclosed in the financial statements;
 - (ii) in accordance with the provisions of the *Associations Incorporation Act 1991*; and
 - (iii) in accordance with applicable Australian Accounting Standards (including the Australian Accounting Interpretations).
- (b) we have obtained all the information and explanations required; and
- (c) proper accounting records and other records have been kept by the Murrumbidgee Country Club Incorporated as required by the *Associations Incorporation Act (ACT) 1991*.

Uncertainty Regarding Continuation as a Going Concern

Without qualifying our opinion, we draw attention to Note 22 in the financial report which indicates that the Club incurred net losses of \$123,615, \$49,061 and \$94,551 during the years ended 30 June 2009, 30 June 2008 and 30 June 2007 respectively and the working capital has declined over this period. As at 30 June 2009, the Club's current liabilities exceeded its current assets by \$403,786. These conditions indicate the existence of an uncertainty which may cast doubt about the Club's ability to continue as a going concern. The ability of the organisation to continue as a going concern is dependent on successfully achieving the 2010 board endorsed budget and budgeted cash flow.

Shane Bellchambers,
Partner
WalterTurnbull

Canberra, ACT

Dated this.....day of September 2009

MURRUMBIDGEE COUNTRY CLUB INCORPORATED
INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009

	Note	2009	2008
		\$	\$
Revenue	2	1,482,765	1,497,378
Cost of sales	3	(411,144)	(467,912)
Finance costs	3	(33,898)	(34,071)
Employee benefits expense		(615,207)	(560,800)
Depreciation expense	3	(125,308)	(131,016)
Other expenses		(420,823)	(352,640)
		<hr/>	<hr/>
(Loss) before income tax		(123,615)	(49,061)
Income tax expense	1(a)	<hr/> -	<hr/> -
(Loss) from operations		(123,615)	(49,061)
		<hr/>	<hr/>

The accompanying notes form part of these financial statements.

MURRUMBIDGEE COUNTRY CLUB INCORPORATED
BALANCE SHEET
AS AT 30 JUNE 2009

	Note	2009 \$	2008 \$
ASSETS			
Current Assets			
Cash and cash equivalents	4	162,227	317,733
Trade and other receivables	5	37,875	5,515
Inventories	6	10,007	11,836
Total Current Assets		<u>210,109</u>	<u>335,084</u>
Non-Current Assets			
Property, plant and equipment	7	1,786,170	1,780,370
Total Non-Current Assets		<u>1,786,170</u>	<u>1,780,370</u>
Total Assets		<u>1,996,279</u>	<u>2,115,454</u>
Current Liabilities			
Trade and other payables	8	87,245	78,213
Short-term financial liabilities	9	78,879	50,277
Other current liabilities	10	376,122	413,375
Short-term provisions	11	71,417	64,578
Total Current Liabilities		<u>613,663</u>	<u>606,443</u>
Non-Current Liabilities			
Long-term financial liabilities	9	197,533	181,216
Long-term provisions	11	10,359	-
Other non-current liabilities	10	70,809	100,265
Total Non-Current Liabilities		<u>278,701</u>	<u>281,481</u>
Total Liabilities		<u>892,364</u>	<u>887,924</u>
Net Assets		<u>1,103,915</u>	<u>1,227,530</u>
EQUITY			
Retained earnings		<u>1,103,915</u>	<u>1,227,530</u>
Total Equity		<u>1,103,915</u>	<u>1,227,530</u>

The accompanying notes form part of these financial statements.

MURRUMBIDGEE COUNTRY CLUB INCORPORATED
STATEMENT OF RECOGNISED INCOME AND EXPENSE
FOR THE YEAR ENDED 30 JUNE 2009

	Retained Earnings \$	Total \$
Balance at 1 July 2007	1,276,591	1,276,591
Loss attributable to members	(49,061)	(49,061)
Balance at 30 June 2008	<u>1,227,530</u>	1,227,530
Loss attributable to members	(123,615)	(123,615)
Balance at 30 June 2009	<u>1,103,915</u>	1,103,915

MURRUMBIDGEE COUNTRY CLUB INCORPORATED
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009

	Note	2009 \$	2008 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and customers		1,530,505	1,491,794
Payments to suppliers and employees		(1,565,374)	(1,359,792)
Interest received		3,025	3,443
Interest paid		(33,893)	(34,071)
Net cash provided by operating activities	16 (a)	<u>(65,737)</u>	<u>101,374</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(15,504)	(6,012)
Net cash (used in) investing activities		<u>(15,504)</u>	<u>(6,012)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments of borrowings		(74,265)	(27,827)
Net cash (used in) financing activities		<u>(74,265)</u>	<u>(27,827)</u>
Net (decrease) in cash held		(155,506)	67,535
Cash at the beginning of the financial year		317,733	250,198
Cash at the end of the financial year	4	<u>162,227</u>	<u>317,733</u>

The accompanying notes form part of these financial statements.

MURRUMBIDGEE COUNTRY CLUB INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Note 1: Statement of Significant Accounting Policies

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the *Associations Incorporation Act (ACT) 1991*.

The financial report covers the Murrumbidgee Country Club Incorporated as an individual entity. Murrumbidgee Country Club Incorporated is an association incorporated in the Australian Capital Territory under the *Associations Incorporation Act 1991*.

The financial report of Murrumbidgee Country Club Incorporated as an individual entity complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety.

The following is a summary of the material accounting policies adopted by the Club in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

Accounting Policies

(a) Income Tax

The Club, in its role of promoting golf and not operating for the profit of members, is in the class of taxpayers exempted from income tax under section 50-45 of the *Income Tax Assessment Act 1997*.

(b) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned to inventory on hand using a first in first out basis and include direct costs and appropriate overheads, if any.

(c) Property, Plant and Equipment

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

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

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

MURRUMBIDGEE COUNTRY CLUB INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Note 1: Statement of Significant Accounting Policies (Continued)

(c) Property, Plant and Equipment (continued)

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

Depreciation

Poker machines, furniture, fittings and equipment are depreciated by the diminishing value method of depreciation at rates to reflect the economic life of the assets. Buildings are depreciated by the straight line method of depreciation over their estimated economic lives.

The cost of course improvements are being amortised over forty years which is less than the period of the current lease.

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

<i>Class of Fixed Asset</i>	<i>Depreciation Rate</i>
Buildings	2.5%
Poker machines	30%
Furniture, fittings and equipment	5% - 40%
Motor vehicles	22.5%
Leased equipment	30%
Leasehold improvements	2.5%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation relating to that asset are transferred to retained earnings.

(d) Leases

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

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

MURRUMBIDGEE COUNTRY CLUB INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Note 1: Statement of Significant Accounting Policies (Continued)

(d) Leases (continued)

Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the Club will obtain ownership of the asset or over the term of the lease.

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

(e) Employee Benefits

Provision is made for the Club's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. 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 Club to employee superannuation funds and are charged as expenses when incurred.

(f) Cash and Cash Equivalents

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

(g) Revenue

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

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Subscription fees received are apportioned over the period to which the fee relates. Fees received for future periods are shown in the financial statements as Other Current Liabilities. Nomination fees are accounted for as income at the time of receipt.

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

(h) Goods and Services Tax (GST)

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

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

MURRUMBIDGEE COUNTRY CLUB INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Note 1: Statement of Significant Accounting Policies (Continued)

(i) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the association commits itself to either purchase or sell the asset (ie trade date accounting is adopted). Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

Classification and Subsequent Measurement

Financial assets at fair value through profit and loss

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. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Loans and receivables

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

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated as such or that are not classified in any of the above categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently recognised at amortised costs.

Impairment

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

Derecognition

Financial assets are derecognised where the contractual right to receipt of cash flows expires or the asset is transferred to another party whereby the association no longer has any significant continuing involvement in the risks and benefits associated with the asset.

MURRUMBIDGEE COUNTRY CLUB INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Note 1: Statement of Significant Accounting Policies (Continued)

(i) Financial Instruments (continued)

Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability, which is extinguished or transferred to another party and the fair value of the consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(j) Impairment of assets

At each reporting date, the Club reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value-in-use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

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

(k) Critical accounting estimates and judgements

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

(l) Key estimates – impairment

The Club assesses impairment at each reporting date by evaluating conditions specific to the Club that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

(m) New Accounting Standards for Application in Future Periods

The AASB has issued new, revised and amended standards and interpretations that have mandatory application dates for future reporting periods. The company has decided against early adoption of these standards. A discussion of those future requirements and their impact on the company is as follows:

AASB 101: Presentation of Financial Statements, AASB 2007-8: Amendments to Australian Accounting Standards arising from AASB 101, and AASB 2007-10: Further Amendments to Australian Accounting Standards arising from AASB 101 (all applicable to annual reporting periods commencing from 1 January 2009). The revised AASB 101 and amendments supersede the previous AASB 101 and redefines the composition of financial statements including the inclusion of a statement of comprehensive income. There will be no measurement or recognition impact on the association. If an entity has made a prior period adjustment or reclassification, a third balance sheet as at the beginning of the comparative period will be required.

AASB 2008-5: Amendments to Australian Accounting Standards arising from the Annual Improvements Project (July 2008) (AASB 2008-5) and AASB 2008-6: Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project (July 2008) (AASB 2008-6) detail numerous non-urgent but necessary changes to accounting

MURRUMBIDGEE COUNTRY CLUB INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Note 1: Statement of Significant Accounting Policies (Continued)

- (n) **New Accounting Standards for Application in Future Periods (continued)**
standards arising from the IASB's annual improvements project. No changes are expected to materially affect the company.

The association does not anticipate early adoption of any of the above reporting requirements and does not expect them to have any material effect on the company's financial statements.

	2009	2008
	\$	\$
Note 2: Revenue		
Operating activities		
Poker machine revenue	173,081	188,552
Bar revenue	385,049	378,513
Bistro revenue	283	2,379
Golf revenue		
– Subscriptions	518,873	465,862
– Green fees	185,779	185,708
– Development levy	-	38,786
– Competitions	59,922	69,713
Drought levy	24,695	34,053
Mobile telephone towers	33,411	31,496
Income from developer	10,000	10,000
Sponsorship/ProAm/Gala	52,655	36,869
Other	35,992	52,004
	<u>1,479,740</u>	<u>1,493,935</u>
Non-Operating activities		
Interest	3,025	3,443
	<u>1,482,765</u>	<u>1,497,378</u>

Note 3: Loss

Expenses:

Cost of sales	411,144	467,912
Depreciation and amortisation of property, plant and equipment	125,308	131,016
Net loss on disposal of plant and equipment	2,567	7,498
Finance costs	33,898	34,071

Note 4: Cash and Cash Equivalents

Cash in hand	16,751	19,191
Cash at bank	145,476	298,542
	<u>162,227</u>	<u>317,733</u>

Reconciliation of Cash

Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:

Cash and cash equivalents	<u>162,227</u>	<u>317,733</u>
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MURRUMBIDGEE COUNTRY CLUB INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	\$	\$
Note 5: Trade and Other Receivables		
CURRENT		
Trade debtors	<u>37,875</u>	<u>5,515</u>
All receivables are not past due.		
Note 6: Inventories		
CURRENT		
Bar stock – at cost	<u>10,007</u>	<u>11,836</u>
Note 7: Property, Plant and Equipment		
Leasehold land improvements – at cost	1,333,746	1,333,746
Accumulated amortisation	<u>(564,417)</u>	<u>(544,440)</u>
	<u>769,329</u>	<u>789,306</u>
Buildings – at cost	1,036,045	1,020,541
Accumulated depreciation	<u>(489,759)</u>	<u>(470,356)</u>
	<u>546,286</u>	<u>550,185</u>
Poker machines – at cost	46,190	51,990
Accumulated depreciation	<u>(28,478)</u>	<u>(31,746)</u>
	<u>17,712</u>	<u>20,244</u>
Furniture, fittings and equipment – at cost	1,608,737	1,543,228
Accumulated depreciation	<u>(1,204,342)</u>	<u>(1,145,718)</u>
	<u>404,395</u>	<u>397,510</u>
Motor vehicles – at cost	80,311	42,836
Accumulated depreciation	<u>(38,073)</u>	<u>(28,582)</u>
	<u>42,238</u>	<u>14,254</u>
Leased equipment – at cost	64,355	64,355
Accumulated amortisation	<u>(58,145)</u>	<u>(55,484)</u>
	<u>6,210</u>	<u>8,871</u>
Total Property, Plant and Equipment	<u>1,786,170</u>	<u>1,780,370</u>

MURRUMBIDGEE COUNTRY CLUB INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Note 7: Property, Plant and Equipment (Continued)

Movements in carrying amounts

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

	Leasehold land improvements – at cost	Buildings – at cost	Poker machines – at cost	Furniture, fittings and equipment - at cost	Motor vehicles - at cost
	\$	\$	\$	\$	\$
Balance at 1 July 2007	823,026	576,430	29,158	378,539	18,392
Additions	-	2,896		84,599	
Disposals	(108)	-	-	(14,219)	
Depreciation expense	(33,612)	(29,141)	(8,914)	(51,409)	(4,138)
Balance at 1 July 2008	789,306	550,185	20,244	397,510	14,254
Other Adjustments	108	-	7,650	(588)	-
Additions	-	15,504	1,200	80,509	37,475
Disposals	-	-	(14,650)	(15,000)	-
Acc. Dep'n Write Back	-	-	11,658	7,242	-
Depreciation expense	(20,085)	(19,403)	(8,390)	(65,278)	(9,491)
Carrying amount at 30 June 2009	769,329	546,286	17,712	404,395	42,238

	Leased equipment – at cost	Total
	\$	\$
Balance at 1 July 2007	12,673	1,838,218
Additions	-	87,495
Disposal	-	(14,327)
Depreciation expense	(3,802)	(131,016)
Balance at 1 July 2008	8,871	1,780,370
Other Adjustments	-	7,170
Additions	-	134,688
Disposal	-	(29,650)
Acc. Dep'n Write Back	-	18,900
Depreciation expense	(2,661)	(125,308)
Carrying amount at 30 June 2009	6,210	1,786,170

MURRUMBIDGEE COUNTRY CLUB INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	\$	\$
Note 8 : Trade and Other Payables		
CURRENT		
Accrued Expenses	17,930	16,266
Sundry Creditors	69,315	61,947
	<u>87,245</u>	<u>78,213</u>

Note 9 : Financial Liabilities

CURRENT		
Hire purchase liabilities	46,478	20,206
Bank loan	32,401	30,071
	<u>78,879</u>	<u>50,277</u>
NON-CURRENT		
Hire purchase liabilities	101,720	54,448
Bank loan	95,813	126,768
	<u>197,533</u>	<u>181,216</u>
(a) Total current and non-current secured liabilities:		
Hire purchase	148,198	74,654
Bank loan	128,214	156,839
	<u>276,412</u>	<u>231,493</u>

(b) The bank loan is secured by a registered mortgage over the Club's property and a mortgage debenture over the whole of the Club's assets. The hire purchase liabilities are effectively secured by the assets under the hire purchase.

Note 10: Other Liabilities

CURRENT		
Golf subscriptions in advance	307,058	301,661
Sponsorship in advance	24,727	30,145
Other income in advance	44,337	81,569
	<u>376,122</u>	<u>413,375</u>
NON-CURRENT		
Golf subscriptions in advance	70,809	100,265
	<u>70,809</u>	<u>100,265</u>

MURRUMBIDGEE COUNTRY CLUB INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Note 11: Provisions	2009	2008
Number of employees at year end	<u>11</u>	<u>12</u>

	Employee Entitlements
	\$
Opening balance at 1 July 2008	64,578
Additional provisions raised during year	51,872
Amounts Used	<u>(34,674)</u>
Balance at 30 June 2009	<u>81,776</u>

	2009	2008
	\$	\$

Analysis of Total Provisions

Current	71,417	64,578
Non-current	10,359	-
	<u>81,776</u>	<u>64,578</u>

Provision for Employee Benefits

A provision has been recognised for employee benefits relating to long service leave for employees. In calculating the present value of future cash flows in respect to long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been included in Note 1.

Note 12: Related Party Transactions

The following persons held positions on the committee of the Club during the year ended 30 June 2009.

NAME

Ron Shepherd
 Alan Strachan
 Ross Lee
 Tony Lee
 Peter Gibbins
 Mal Thorp
 Nancye Burkevics
 Alan Wheeley
 Glenda Sullivan
 Peter Wines

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. It is required that all voting members, including board members are financial members of the Murrumbidgee Country Club Incorporated.

MURRUMBIDGEE COUNTRY CLUB INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Note 13: Segment Reporting

The Club operates predominantly in one business and geographical segment, being the sporting industry in the Australian Capital Territory.

Note 14: Contingent Liabilities and Assets

There are no contingent liabilities as at 30 June 2009 which require disclosure in the financial statements.

The Club has a contingent asset of \$30,000 (2008: \$40,000) representing potential future payments to be received under a deed of agreement. Depending upon the success and timing of events under the deed of agreement, the Club will receive annual payments of \$10,000 up to a maximum of \$30,000 (2008: \$40,000).

	2009	2008
	\$	\$
Note 15: Capital and Leasing Commitments		
Hire Purchase Commitments		
Equipment purchased on a hire purchase loan agreement.		
Payable:		
- not later than 12 months	58,028	20,206
- later than 12 months but not later than 5 years	112,076	54,448
Minimum hire purchase payments	170,104	74,654
Less future finance charges	(21,906)	-
	148,198	74,654

Note 16: Cash Flow Information

(a) Reconciliation of Cash Flows from Operations with Loss from Ordinary Activities after Income Tax

Loss after income tax	(123,615)	(49,061)
Cash flows excluded from loss attributable to operating activities		
- Depreciation and amortisation	125,308	131,016
- Loss on disposal of property, plant and equipment	2,567	7,498
Changes in assets and liabilities:		
Decrease/(increase) in inventories	1,829	(2,684)
Decrease in receivables	(32,360)	(2,141)
(Increase)/decrease in other current assets	-	1,600
(Decrease) in payables	10,045	9,603
Increase/(decrease) in other liabilities	(66,709)	16,445
Increase in provisions	17,198	(10,902)
	(65,737)	101,374

MURRUMBIDGEE COUNTRY CLUB INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Note 16: Cash Flow Information (Continued)

(b) Credit Stand-by Arrangements and Loan Facilities

The Club does not have any credit stand-by arrangements or financing facilities in place.

Note 17: Financial Instruments

(a) Financial Risk Management

The club's financial instruments consist mainly of cash and deposits with banks, bank loans, hire purchase agreements, accounts receivable and accounts payable.

Treasury Risk Management

The Board of Directors meet once a month and inter alia consider financial risk exposure and treasury management strategies in the context of the most recent economic conditions and forecasts.

The Board of Directors overall risk management strategy seeks to assist the Club in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

The Board of Directors risk management policies are approved and reviewed on a regular basis. These include the use of credit risk policies and future cash flow requirements.

Financial Risk Exposures and Management

The main risks the Club is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

Interest rate risk

Interest rate risk is managed with a mixture of fixed and floating rate debt. At 30 June 2009 approximately 9.07% of debt is fixed. For further details on interest rate risk refer to Note 17(b).

Liquidity Risk

The Club manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

The Club does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Club.

MURRUMBIDGEE COUNTRY CLUB INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Note 17: Financial Instruments (continued)

(b) Interest Rate Risk

The Club's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate		Non – Interest Bearing		Fixed Interest Rate Maturing			
	2009	2008	2009	2008	2009	2008	Within	1 year	1 to 5 years	
							2009	2008	2009	2008
Financial Assets	%	%	\$	\$	\$	\$	\$	\$	\$	\$
Cash and cash equivalents	0.172	4.40	163,658	298,542	16,751	19,191	-	-	-	-
Receivables	N/A	N/A	-	-	37,875	5,515	-	-	-	-
Total Financial Assets			163,658	298,542	54,626	24,706	-	-	-	-

	Weighted Average Effective Interest Rate		Floating Interest Rate		Non – Interest Bearing		Fixed Interest Rate Maturing			
	2009	2008	2009	2008	2009	2008	Within	1 year	1 to 5 years	
							2009	2008	2009	2008
Financial Liabilities	%	%	\$	\$	\$	\$	\$	\$	\$	\$
Trade and Other Payables	N/A	N/A	-	-	69,316	78,213	-	-	-	-
Hire Purchase Liabilities	9.071	8.67	-	-	-	-	46,478	20,206	101,720	54,448
Bank Loan	6.550	7.75	166	-	-	-	32,235	30,071	95,813	126,768
Total Financial Liabilities			166	-	69,316	78,213	78,713	50,277	197,533	181,216

(c) Net Fair Values

No financial assets and financial liabilities are readily traded on organised markets.

Financial assets where the carrying amount exceeds net fair values have not been written down as the Club intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to the financial statements.

MURRUMBIDGEE COUNTRY CLUB INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Note 17: Financial Instruments (continued)

(d) Sensitivity analysis

Interest rate risk:

The Club has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on current year results and equity which could result from a change in this risk.

As at 30 June 2009, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

	2009	2008
	\$	\$
Change in profit		
Increase in interest rate by 2%	3,274	5,971
Decrease in interest rate by 2%	(3,274)	(5,971)
Change in equity		
Increase in interest rate by 2%	-	-
Decrease in interest rate by 2%	-	-

This sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

No sensitivity analysis has been performed on foreign currency risk as the Club is not exposed to foreign currency fluctuations.

Note 18: Auditors' Remuneration

	2009	2008
	\$	\$
Remuneration of the auditor for:		
- auditing or reviewing the financial report	<u>12,060</u>	<u>12,050</u>

Note 19: Key Management Personnel Compensation

	Short Term	Post-	Total
	Benefits	employment	
	\$	Benefits	\$
	\$	\$	\$
2009			
Total compensation	76,416	37,970	<u>114,386</u>
2008			
Total compensation	68,640	6,600	<u>75,240</u>

MURRUMBIDGEE COUNTRY CLUB INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Note 20 – Events after Balance Sheet Date

There have been no events subsequent to reporting date, which require disclosure in the financial statements.

Note 21 – Company Details

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

Murrumbidgee Country Club Incorporated
Kambah Pool Road
Kambah ACT 2902

Note 22 – Uncertainty Regarding Continuation as a Going Concern

The Club incurred net losses of \$123,615, \$49,061 and \$94,551 during the years ended 30 June 2009, 30 June 2008 and 30 June 2007 respectively and the working capital has declined over this period. As at 30 June, the Club's current liabilities exceeded its current assets by \$403,786. These conditions indicate the existence of an uncertainty which may cast doubt about the Club's ability to continue as a going concern. The board believes that appropriate budgetary controls have been implemented and the 2010 board endorsed budget and budgeted cash flows are achievable. The ability of the organisation to continue as a going concern is dependent on successfully achieving these budget targets.

MURRUMBIDGEE COUNTRY CLUB INCORPORATED
STATEMENT BY THE MEMBERS OF THE COMMITTEE

In the opinion of the committee the financial report as set out on pages 19 to 41:

1. Presents a true and fair view of the financial position of the Murrumbidgee Country Club Incorporated as at 30 June 2009 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that the Club will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:

Committee Member.....
Ron Shepherd - President

Committee Member.....
Tony Lee – Director Finance

Dated this day of September 2009

MURRUMBIDGEE COUNTRY CLUB INCORPORATED
COMPILATION REPORT TO
MURRUMBIDGEE COUNTRY CLUB INCORPORATED

Scope

On the basis of the information provided by the Committee of Management of Murrumbidgee Country Club Incorporated we have compiled, in accordance with APS 9 Statement of Compilation of Financial Reports the special purpose financial report of Murrumbidgee Country Club Incorporated for the period ended 30 June 2009 comprising the attached Income and Expenditure Statement.

The specific purpose for which the special purpose financial report has been prepared is to provide financial information to the members. Accounting Standards and other mandatory professional reporting requirements have not been adopted in the preparation of the special purpose financial report.

The Committee of Management is solely responsible for the information contained in the special purpose financial report and has determined that the accounting policies used are consistent with the financial reporting requirements of the Association's Constitution and are appropriate to meet the needs of the Committee of Management for the purposes of complying with the Association's Constitution.

Our procedures use accounting expertise to collect, classify and summarise the financial information which the Committee of Management provided into a financial report. Our procedures do not include verification or validation of procedures. No audit or review has been performed and accordingly no assurance is expressed.

To the extent permitted by law, we do not accept liability for any loss or damage which any person, other than the Association, may suffer arising from any negligence on our part. No person should rely on the special purpose financial report without having an audit or review conducted.

The special purpose financial report was prepared for the benefit of the Association and the purpose identified above. We do not accept responsibility to any other person for the contents of the special purpose financial report.

Shane Bellchambers,
Partner
WalterTurnbull

Canberra, ACT

Dated this.....day of September 2009

**MURRUMBIDGEE COUNTRY CLUB INCORPORATED
 DETAILED INCOME AND EXPENDITURE STATEMENT
 FOR THE YEAR ENDED 30 JUNE 2009**

	2009	2008
	\$	\$
INCOME		
Water fund	-	34,053
Course Maintenance Fund	24,695	-
Bank interest	3,025	3,443
Bar Gross Sales	385,049	378,513
Development Contributions	-	38,786
Food Gross Sales	283	2,379
Functions income	9,271	9,761
Grants	11,966	-
Green Fees	185,779	185,708
Poker Machines	173,081	188,552
Raffle proceeds	1,895	(2,258)
Sponsorship/Pro Am/Gala	52,655	36,869
Subscriptions	518,873	465,862
Major Competitions	18,126	21,230
Daily Competitions	41,796	44,489
Nine Hole Competition	-	795
Women's Golf Income	2,799	3,198
Other Income	53,472	85,998
	<hr/>	<hr/>
TOTAL INCOME	1,482,765	1,497,378
EXPENDITURE		
Advertising	7,970	14,766
Affiliation fees	24,575	17,170
Audit	12,060	12,050
Bank Charges & Interest	33,898	34,071
Consultancies	1,227	91
Donations	1,455	800
Green fee Commissions	20,664	20,883
Insurance General	32,342	30,634
Depreciation Expense	125,308	131,016
Legal	7,379	1,505
Minor Asset Purchases - Admin	-	6,359
Office Expenses	2,073	3,045
Postage	1,976	1,786
Printing	7,481	11,802
Rates & Taxes	33,305	30,507
Sponsorship / Pro-Am / Gala Expense	41,055	37,755

Staff Appreciation	100	471
Stationary	3,940	4,610
Telephone	7,785	8,360
Travel	1,783	436
Other Expenses	11,147	8,402
Cleaning	24,871	29,327
Consumables	8,036	5,882
Electricity & Gas	24,885	21,861
Club Promotions Expense	2,105	2,938
Functions Expenses	13,485	10,626
House Surrounds	-	510
Repairs and Maintenance (House)	14,357	28,255
Security	8,371	8,253
Water & sewage	13,422	12,174
Cost of Goods Bar	178,500	173,468
Liquor License	2,952	2,832
Other Costs Bar	9,255	6,183
Cost of Goods Food	10,057	13,144
Other Costs Food	1,703	3,902
Other Expenses PM	5,803	5,695
PM Tax	3,791	5,914
Competition Starting	21,600	20,148
Daily Comp Expense	54,812	33,450
Junior Development	273	-
Major Comp Expense	15,858	20,445
Other Comp Expense	9,374	(2,222)
Pennant Expense	4,306	3,081
Golf Promotions	-	171
Electricity & Gas (Course)	14,270	15,830
Chemicals	38,140	33,558
Fuel & Oils	29,704	36,942
Sundry Course Costs	15,800	16,190
Irrigation	27,765	18,820
Minor Equipment Purchases	3,741	2,500
Minor Capital Works	3,484	3,483
Protective Clothing	3,107	5,288
Machinery Repairs & Maintenance	24,064	25,467
Sand, Soil & Mulch	13,371	12,321
Seed & Turf	-	11,199
Sundry Purchases	39	2,122
Telephone (Course)	556	1,693
Waste Removal	9,227	9,100
Water Cost inc Desilting	-	1,069
Salaries	548,180	495,949
Superannuation	52,697	53,627
Staff Development	1,279	1,710

Worker Comp	13,050	9,514
Loss on Sale of fixe Asets	2,567	7,501
TOTAL EXPENSE	<u>1,606,380</u>	<u>1,546,439</u>
Net Loss	<u><u>(123,615)</u></u>	<u><u>(49,061)</u></u>