

ASHGROVE GOLF CLUB

# ANNUAL REPORT

2019-2020

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ABN: 89 009 667 510

ACN: 009 667 510

[www.ashgrovegolf.com.au](http://www.ashgrovegolf.com.au)

# OFFICE BEARERS & EXECUTIVE COMMITTEE MEMBERS

## 2019-2020

### Patron

R. J. C. MACLEOD

### Captain

J. LANG

### President

P. W. MCLENNAN

### Treasurer

S. J. ASCOUGH

### Vice-Captain

P. BRENNAN

### Vice-President

J. THORNE

### Greens Director

S. PUTRAL

### Director

A. HOMER

### General Manager

M. J. RONAN

### Match Executive

J. LANG  
S. PUTRAL  
A. HOMER  
K. BRETHERTON  
C. LOW  
S. MOLLER  
P. BRENNAN

### Ladies Executive

M. MARSHALL  
S. LEDLIE  
K. BRETHERTON  
C. LOW  
S. LANE

### Finance Executive

S. J. ASCOUGH  
P. W. MCLENNAN  
J. THORNE  
D. MCKAY

### Greens Executive

S. PUTRAL  
P. W. MCLENNAN

THE PRESIDENT, MR P. W. MCLENNAN AND THE GENERAL MANAGER  
ARE EX "OFFICIO" FOR ALL SUB-COMMITTEES

### Delegate to BDGA

M. K. HAND

### Auditor

S. A. BYRNE  
NORCREST BUSINESS  
SERVICES

### Honorary Solicitor

J. J. BURKETT  
DBL SOLICITORS

# **2019-2020 ANNUAL FINANCIAL REPORT**

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**Members,**

We have the pleasure, on behalf of the Board of Directors, to present the 82<sup>nd</sup> Annual Report of Ashgrove Golf Club, together with the Financial Statements for the year ended 31<sup>st</sup> August 2020 and Statement of Financial Position at that date.

<b>MEMBERSHIP (AS AT 31<sup>ST</sup> AUGUST 2020)</b>					
<b>Gentleman:</b>			<b>Ladies:</b>		
	<b>2020</b>	<b>2019</b>		<b>2020</b>	<b>2019</b>
Life	9	9	Life	1	1
Honorary	9	8	Honorary	0	1
Ordinary	410	392	Ordinary	53	44
6 Day	17	16	6 Day	6	5
5 Day	80	68	5 Day	21	22
Pre-Paid Daily	21	9	Pre-Paid Daily	1	1
Country	1	2	Country	1	1
Intermediate 18-23	108	53	Intermediate 18-23	2	0
Intermediate 24-25	43	14	Intermediate 24-25	0	0
Intermediate 26-28	40	8	Intermediate 26-28	2	2
Junior	65	68	Junior	10	9
Leave of Absence	4	1	Leave of Absence	2	2
3 Month Trial	16	11	3 Month Trial	3	3
Social	1064	1124	Social	705	717
<b>Total</b>	<b>1887</b>	<b>1783</b>	<b>Total</b>	<b>807</b>	<b>808</b>
<b>Total All Categories</b>					
<b>2020 -</b>		<b>2694</b>	<b>2019 -</b>		<b>2591</b>

## ***PRESIDENTS REPORT***

In a very difficult year, I am pleased to present the 2019/20 Ashgrove Golf Club Annual Report for members. This has been a challenging year however, the club has withstood these challenges and are in an improved position moving forward.

Intuitively, golf had the potential to serve as an ideal quarantine outlet. We've learned that staying outdoors means a lower risk of transmission, and golf is entirely outdoors. We've learned that keeping other people at a distance helps too, and golf requires no real proximity. We had reasons to be cautiously optimistic that if they were able to reopen, golfers would flock to the fairways. The potential was there.

The Board's main goal during the various restrictions placed on individuals and businesses throughout this period was to commit to a safe approach through the pandemic, following the guidelines supplied by the experts within the various Government, hospitality and golf bodies. Where many clubs limited the number of players (both members and social) and in some instances closed their golf clubs, Ashgrove Golf Club strived to remain open if this was deemed a safe option for staff and players.

There has certainly been some assistance throughout this period. The Club was fortunate enough to secure Jobkeeper payments for a large number of our employees which certainly assisted the Club to maintain the course and then the clubhouse in the early periods of restrictions when we were unsure of potential income levels. We also secured a QLD Government COVID-19 Business Support Loan that enabled the Club to continue paying staff and creditors to ensure the business remained open with lower income levels and in anticipation of reduced restrictions.

This has enabled the Club to emerge from the restrictions in a much stronger position than anyone could have anticipated. One significant negative during this period was the closure and the restrictions to the clubhouse facilities. Once again, we followed guidelines from closure to restrictions, adhering strictly to our COVID Safe plan for the safety of members and staff alike. On both matters I would like to congratulate our General Manager, Michael Ronan, for his ongoing efforts and exemplary communication to directors and members throughout the restrictions.

Prior to the larger scale effects of the pandemic, compared to the prior financial year, the Club was travelling well, with 4% growth in social green fees and 7% growth in membership competition fees. By the conclusion of the financial year, this figure grew to almost 40% growth in social green fees and 10% growth in membership competition fees. A strong start by historical standards strengthened by an abnormal period of growth. Will this continue? We have seen some flattening in growth in recent months as life returns to a version of normal. The level that it has returned to however is a significant increase on prior levels which bodes well for the future.

Last year I commented that the Club was witnessing not only a growth in membership but a changing demographic that will have a profound effect for many years. Analysis of our current membership this year shows a trend that is moving towards a more even demographic of age. We have also been encouraged by much-improved membership renewals.

On this point of retention, it is no secret that one of the reasons for reduced retention from year to year is frustrations experienced from being unable to book a tee time or experiencing a slow game. To counteract this, the Board has completed much research and budgeted for the implementation of a pace of play system in the coming year. These systems are designed to manage field flow, gap intervals and reduce round times to

positively impact the golfers experience and the club's revenue. It however will not be used alone to combat these issues. In the coming months we will be developing a fair and friendly policy that will assist players with adhering to the conditions of membership. Hopefully this will see increased course usage and member retention for many years to come.

Continued growth and improved retention has enabled the Board to continue to invest and plan to invest into both general repairs and maintenance of the Clubhouse and the Course as well as capital projects

Most urgent for the Club was the repair of the Clubhouse roof, a mishmash of extensions across 80 years. Significant rainfall was rendering large parts of the Clubhouse unusable and in need of significant repair. The Board investigated many options, short and long term, minor and intrusive. The fear at the time was the unknown extent of the issues. Fortunately, we were able to complete the repair of the entire Clubhouse roof, well within budget, without any effect on ongoing trade and without the requirement of funding. This will enable the Club to remain operational for a number of years without the urgent requirement of a new clubhouse.

The Club was also able to complete a reconfiguration and renovation of our amenities to allow for the long overdue addition of disabled amenities within the Clubhouse. A majority of the project's costs was funded by success in the Gambling Community Benefit Fund application. This fund is Queensland's largest one-off community grants program, distributing approximately \$57 million per year and allocates grants to not-for-profit community groups, to enhance their capacity to provide services, leisure activities and opportunities for Queensland communities.

Our long overdue upgrade to NBN occurred during the financial year, and we implemented our plan to upgrade our computer systems and this is well underway. We were fortunate once again to also secure grant funding to assist with some of the costs of this upgrade. The Board continues to look to grant funding to assist us with major projects and we currently have a strong application lodged to upgrade our greens mower, an upgrade due in 2021.

Work has continued to progress towards the Club's long-term goal of a Retirement Development that will complete construction of a new clubhouse facility plus ongoing annuities that will ensure investment in course and facility improvements. The past year has been spent testing various concepts to ensure the best outcomes for the Club and the local community. The road towards a final concept has been ever evolving, in both design and process. We are very confident in these concepts giving a better overall outcome. Shortly, we will use these concepts in a comprehensive tender process with multiple developers. This will be followed by an in-depth planning and negotiation process with the right partner for the Club and the local community. Our choice is critical as this partnership will be long term. I look forward to many hours being spent on this in the coming years, I am confident in success and truly excited about the benefits this will bring.

The course continues to be presented in ever improving condition which also assisted the Club in retaining existing members and attracting new visitors. This is despite the long dry spell experienced during the 19/20 year. Over the past 2 years we have investigated many different options to increase water storage whilst increasing efficiency and although no investigation has to this point born much fruit, this will continue. From all accounts Australia's weather is set to enter a period of increased rainfall across much of Australia. Despite the change in cycle, implementing better storage and usage across the course will continue to be of the highest priority for the coming years.

After 8 years our long-term superintendent, Darren Allen chose to pursue a change in employment. We thank him for his tremendous service during this time. Despite multiple strong candidates, the Club was fortunate to

be able to promote our long standing 21C James Melville. Internal promotions show a strong culture from within, improving motivation, retention and quicker adaption. We have every faith in James and his staff in continuing the improvement the Club has seen over the coming years

The continued improvement of our finances, thanks largely to our membership drive, enabled the Board to complete some maintenance and capital improvements to the Course. Significant amounts of tees, fairways, bunkers and paths were improved for the benefit of players. The 3<sup>rd</sup> tee and 16<sup>th</sup> bunker projects have in particular been great successes. With our continued performance in two of our main income drivers being membership and green fees, we are hoping to implement further improvements and projects in the coming year.

The Board has a strong emphasis on course direction and planning. The goal is to be financially responsible whilst managing the balance between proactive and reactive maintenance and development needs. To date, the Board has found that quality planning and analysis involving experts, greatly enhances the outcomes of these improvements.

As announced earlier this year, the Board have assessed the goals, objectives, scope, risks, issues, budget, timescale and approach of the 8th hole project, and committed to the return of the hole to a par 4. We thank members for their financial support earlier this year – this shows the membership's desire and the Board's commitment will follow this. We have spent much time in the past few months planning the project and now executing of the protective fencing aspect of the project. It is hoped the remainder of the project will commence in the new year. Thanks must go to Michael, Simon and Peter for stepping up to take over this important committee towards delivery.

There may be some concerns that the increased levels of debt and the planned expenditure in the near future may be negative. QLD Government COVID-19 Business Support Loan was crucial to generating the momentum we have seen to date and the terms we received were exceptional; great terms of reduced interest, no initial repayment requirements, initial decreased repayments, long term and ability to pay off at any time. Our goal as a Board is to retire debt at the earliest opportunity that it beneficial to us. We have continued to decrease our Business Loan commitments, including the legacy loan from over 15 years ago. The larger commitment is expected to be extinguished in the coming 1-2 years. Upon the conclusion of this loan, the current budgeted figure will be used to commence the repayment of the Government loan. Conservatively we expect to pay out this loan within 4-5 years.

The Club has over time built up significant levels of cash at bank. This has recently been used in completing the Clubhouse roof project and future 8th hole project. At a point in the future these funds may also be used to extinguish the existing Business commitments and new Government loan.

Our equipment mortgage commitments have reduced considerably from our high-water mark of last year. We continue to be committed to our machinery replacement program and this will continue to be funded by finance for the foreseeable future. These current plans have been set up with flexibility to ensure we can adapt to any change in cashflow, both positive or negative or any change in priority.

To this point in my report, I have commented on the positive effects of current conditions have had on the Club. I must note and thank Gareth and Tony for their efforts during this time. As a fellow self-employed in a small to medium enterprise, I can attest to fearing the restrictions placed on businesses in the initial months without the backing of large investments. Gareth and Tony were forced to adapt to survive and must be commended. This has meant many long hours for many months with limited initial reward. Both businesses

continued to improve their products and service during this time. I hope that both enjoy long overdue breaks in the near future.

I'd like to thank our employees for the year they just delivered, and the passion and energy with which they serve our Members and Visitors. This year has posed different requirements during Covid and have changes from month to month and sometimes day to day. They have all adapted and given our Members and Visitors the best possible service possible. All staff members, whether Clubhouse or Course, Full time or Casual, are critical in delivering upon the strategy of the Club.

Most non-profits and small membership organisations would simply be unable to function without volunteers. Volunteers are worth their weight in gold. They share their time and talents without any compensation. Our Club is so fortunate to have so many different volunteers in so many different areas. On behalf of Ashgrove Golf Club, I would like to express my appreciation for your valuable contribution. We are grateful for the energy, enthusiasm and dedication you bring to your roles as volunteers and you make our mission that much smoother. Fellow Board members, thanks you so very much for agreeing to serve in this capacity, your commitment makes a difference. To all committee members, thank you so much for serving on the various committees and your willingness to give so freely of your time and service is greatly appreciated. To all our experts that we draw on both in an official capacity as well as in conversation. Our projects would not be the successes they are without your feedback. And finally, to those who do the light and heavy lifting out on the Course and in the Clubhouse, my appreciation goes to you. No matter how small or large, noticed or unnoticed, your contribution helps make this Club deliver a product that is truly appreciated.

Over the past 2 years we have been fortunate to have a very stable board, and this appears to also be the case in the coming 2 years. As well as the major projects being the 8<sup>th</sup> hole and the development in the coming year, the Board will focus on the formulation of an in-depth strategy for the coming years. I strongly believe that the core to this is the ongoing improvement of our Product and Service proposition former and visitors alike.

The positive message contained within this report would not be possible without the support of one crucial ingredient-the member's support. Many members have commented to me about the continued improvement of facilities, service, engagement and feeling of good will in the past year. Thank you for assistance in achieving this. I feel the support and am truly encouraged by it. I encourage you all to stay the journey for some years to come as we strive to become the best boutique golf course in Australia.

Paul McLennan  
President



## **FINANCE REPORT**

2020 will be remembered in time for the Covid-19 Virus that caused a devastating worldwide pandemic. When faced with a crisis I believe you find out the strength and character of individuals, boards, management teams, governments, and even members of golf clubs. I feel a little bit of pressure to make sure I cover the impact that Covid-19 has had on our golf club and the difficult challenges we faced in unprecedented times. Providing members with an accurate account from the perspective of the treasurer is important. Why is it important? Because it is a great story with a scary and uncertain outcome, when being told to shut down the entire golf club, to navigating rules and restrictions that constantly changed, to realising how engaged members and the community became to play golf, to coming out the other side with complete confidence in our management team. When the dust settled Ashgrove Golf Club is inarguably the strongest financial position in its history.

For members that like numbers I will breakdown the different segments of the business in the first third of my report. I will then cover the Covid-19 impact from my perspective as Treasurer and finish with special project updates and highlighting the invaluable contributions made by so many and the outlook for 2021 and beyond. With covid-19 impacting just after halfway through our financial year, I want to update members on how we were tracking pre- covid-19, how covid-19 impacted the different parts of our business, and how we are performing post covid-19. My annual report is normally quite short so I hope you enjoy a longer version.

A disclaimer from the start is it is not an apples to apples comparison when reviewing and analysing our financial results this year. We had the clubhouse closed for over two months and therefore we can't compare last year's bar and gaming revenue with 12 months of figures against this year with 10 months of trading. Similarly with golf revenue, the impact Covid-19 had on our local economy was a lot of people working from home and there were very few recreational activities you were allowed to do. As playing golf was allowed our golf course benefited immensely and we are grateful for the positive results but we can't look at the growth compared to the last financial year and consider it sustainable.

An overview of how we generate revenue can be broken down into golf course revenue and clubhouse revenue. Five areas relate to the golf course and four areas relate to the clubhouse. It will come as no surprise that we are down in revenue in all areas relating to the clubhouse as it was closed due to Covid-19 from late March 2020 to early June 2020. Bar and gaming revenue represents over 50% of our total revenue and has had a material impact on total revenue being down 8.7% compared to the prior financial year.

While golf revenue was not able to offset the decline in clubhouse revenue with the clubhouse closed, of the five revenue segments relating to golf revenue, four have grown at double digit growth. The only area to decline was another golf revenue that includes course improvement raffles which had to be suspended when the clubhouse closed and didn't resume until after the end of our financial year. The great news is golf revenue is remaining strong and post Covid-19 trading with the clubhouse open is returning to pre-Covid-19 levels.

It is no secret that we have concentrated on growing the membership base and for the first time, we are discussing and considering what full membership looks like. Having full membership is the centrepiece of our strategic plan and has a positive impact on all other areas of our business. This year I am pleased to report a 13.9% increase in membership fees driven by a relentless pursuit by our General Manager Mick Ronan to execute our strategic plan.

Mick has been enormous in re-inventing membership campaigns and being creative in making subtle changes to attract new members. This year has been our most successful with 228 new members joining our wonderful

golf club in 2020. As mentioned last year we have teamed up with Gareth in the pro shop to offer membership packages to our social golfers and clearly the work that both Mick and Gareth have put into promoting AGC membership has paid big dividends. As members we all benefit when our membership base increases as we can invest more in the course. It is exciting to see so many new faces around the club and I welcome all our new members this year and also from the last few years. I cannot thank Mick enough for his dedication and drive in working towards full membership. We have welcomed over 110 new members in 2018, over 150 new members in 2019 plus as mentioned before well over 200 new members in 2020. I am astonished at how well membership continues to grow in our local demographic and this success has created opportunities to prepare master capital expenditure plans backed by strong cash flow to fund them.

Membership fees pre covid-19 were growing at 7%. Our biggest membership campaigns traditionally happen between February and May which was right when Covid-19 hit. Membership fees grew by 12% during the peak covid-19 period and finished strongly. We have had a strong renewal period and I think that endorses the quality of our product and the members we have. I am normally able to confirm our membership forecast just after halfway through the financial year. Due to the huge support from members renewing their membership early, I was able to confirm our annual forecast after only two months into this new financial year.

Total greens fees which comprise daily green fees from social play, social clubs and corporate days were tracking up 3.8% pre covid-19 with daily greens the major contributor. During the peak covid-19 period the golf course was basically full from dawn to dusk. It is something we may not see again but for a 10 week period, our golf course was near full with golfers playing 7 days a week. During this period total greens were up by 103.6% compared to the same period the previous financial year largely due to daily green fees. I don't think anyone expected green fee revenue to double during the peak covid-19 period but when you consider that playing golf was one of a couple of recreational activities allowed it does make sense. While green fees have not stayed at their peak level we are forecasting growth above normal levels of approximately 20% going forward.

Total competition sponsorship has risen by 19.3% compared to last financial year but this is a very misleading figure. Within our total sponsorship category is donations and this income line is normally under \$1,000 per year. Looking at the major income line of sponsorship alone we have had a disappointing result and our full year result is 23% down on last year. Competition sponsorship was down 23.3% pre covid-19 and got worst during the peak covid-19 period going down 42.2% compared to last year.

If there is an area that needs to improve it is our competition sponsorship. I think we should be striving to cover all competitions over the financial year and to be frank we are not quite there yet. This is something that needs attention and we need to find a way to package sponsorship into corporate memberships or package up sponsorship into weekly packages that offer the sponsor value and added benefits. Competition sponsorship isn't a major revenue line compared to total revenue but I believe it is at the heart and soul of our club when our members can make a valuable contribution to the sponsor.

Bar revenue was 2.8% down on the previous financial year pre covid-19 and 99.9% down during the peak covid-19 period. Obviously due to the clubhouse being closed and the bar not operational. The full year result sees revenue fall by \$185,280 or a 27.1% decline compared with the last financial year. We could not control having to close the clubhouse and we are unsure when bar trade may return to normal levels. I can report that we are forecasting bar trade to return to normal trading in the March 2021 quarter but we are being cautious with our projections as economic conditions change and government assistance and banking loan deferments play out.

I am impressed with all our bar staff and thank them for their hard work during this tough year. All our bar

staff took the covid restrictions seriously and politely enforced them. Even in my own experience of grabbing a beer then heading out onto the deck, I was politely reminded to sit down and not stand on a few occasions. After the clubhouse re-opened, we were able to stay open during the restricted trading conditions because Mick and all the bar staff were diligent in following the rules and keeping members and guests safe. A special mention must go to Aimee who has greeted members with her smiley face for the past eight years and moves onto the next chapter of her career. Thank you Ames and we all hope to see you at the club from time to time on the other side of the bar.

Gaming revenue was going well pre covid-19 and growing at 9.4%. During the peak covid-19 period gaming revenue was down 100% due to the clubhouse being closed and the machines were turned off. Not trading for a little over two months meant that our full result was revenue down by \$150,430 or 23.8% compared to the last financial year. Apples and Oranges.

Our course budget is our biggest cost department and where we are always trying to invest and increase the resources in maintaining and improving our golf course. Pre covid we were tracking 3.2% more than last year and in line with our 2019/2020 course budget. Surprisingly during the peak covid period course expenditure was 13.4% down on last year and looking closer this was mainly due to decreases in chemicals, general R & M and course volunteer expenses all but stopping. Our full year result sees course having an increase in revenue from the last financial year by \$51,154 or 8.5%.

It was a very purposeful and proactive response from the board and management to embark on many course improvement projects in the last quarter of our financial year. Through our finance committee, we were able to confirm that we were heading to a surplus of over \$200,000. This was enough for Simon to work with his committee, Darren and to seek other ideas to formulate several course related projects for the board to consider and approve.

Having funds emerge for the first time in many years was an opportunity to begin several overdue projects. We concentrated on projects that have the nature of repairs as opposed to new capital works initially. Members can see within the course expenditure that we were able to complete \$51,365 of course improvement work with the majority of the expenditure coming in the last quarter. We concentrated on Irrigation maintenance in the last quarter and this is why the expense line is materially higher than last financial year.

Our greens director Simon Putral had an impressive list of course projects that were approved and most were completed by the end of the financial year. The feedback I have heard from members has been overwhelmingly positive, exciting and well received. I am sure members are enjoying seeing lots of new grass in areas that used to be bare patches and new areas such as the cart path on the right hand side of the 14<sup>th</sup> hole that previously looked like a quarry. Perhaps the most successful course project was the expansion and rebuilding of the 3<sup>rd</sup> tee block. When you're playing the 2<sup>nd</sup> hole and the third tee block comes into sight it is a great feeling to see such a professional job and know that we are capable of making incredible improvements to our existing course set up.

Congratulations Simon, it has been a very difficult year for you with many issues to contend with. We put you under a lot of pressure to get course projects fully costed and explained with a limited time to complete. As members, the area we all want to see tangible results is on our golf course. I have no doubt that we have had a great result in doing so many course improvements this financial year and I am excited to see what is next. Maybe some concrete paths instead of gravel. Sorry mate had to include.

We were able to complete so many course projects this year and someone always involved in managing these

and the entire golf course is our course superintendent Darren Allen. After nearly 10 years of service, Darren has decided to make a change and pursue a new challenge. I have worked with Darren during this time and I can certainly say he fought for more course budget each and every year and I commend him for doing so and wouldn't have it any other way.

Darren, on behalf of all members you are a credit to your family, to yourself and your golf club. Your time at AGC has been invaluable and I can honestly say you have lifted the standard and improved our golf course well above what it was way back in 2011. Thank you for a wonderful contribution over so many years and I sincerely hope your new adventure is as successful as this one has been.

Darren had a great team around him including his 2IC James, Adam, Ben, Luke, Maurie and the working bees. Congratulations on presenting the course in great condition despite the dry conditions. I know the course had big fertiliser plans to improve the collars, surrounds, and approach areas, but with such dry conditions and limited water supply this was not possible this year.

It is very much a change of an era with Darren moving on and I know the board was happy and confident after the interview process with the new greens superintendent. James applied for the position and laid out his map of how he would continue the great work of Darren and bring new ideas to maintenance programs and new works. James is excited about his new role and I know he is passionate to work at AGC and being a star in his youtube videos with Simon.

We had a rare year when no major course equipment was due for replacement. The major projects completed on course this year was the 14th concrete cart path (\$6,864) and expansion and rebuild of the 3<sup>rd</sup> Tee block (\$8,974). As mentioned earlier, most course projects were maintenance of existing assets and expended through course improvements to the value of \$51,365.

There is not a year go by that our ladies committee does not support the club through their promotion of ladies golf socially to have fun, building confidence with competition play and through contributions to course projects. I would like to thank all the ladies including ladies President Margaret Marshall, Captain Karen Bretherton and Secretary/Treasurer Sue Ledlie. Thank you for the significant donations towards the cart paths that start on the right hand side of the first hole and flowing all the way along the right hand side of the second hole.

House expenditure declined from \$201,048 in 2019 to \$183,577 in 2020 representing an 8.7% decrease on the last financial year result. The two main areas within house expenditure to contribute to the decline were electricity costs down by \$10,927 and entertainment costs down by \$4,614. Covid has played a part in both costs decreasing due to the clubhouse being closed for over two months. Major capital projects this year include a new combi oven in the kitchen (\$20,065), an upgraded telephone system with 5 x phones (\$1,716), Five new air conditioners (\$17,129), a defibrillator (\$1,713) and all associated works with the new disabled toilets (\$77,810). The roofing project was completed in September 2020 and will be included in next year's report.

Last year Mat Wogan completed his two year term as house director and his position unfortunately remained vacant this year. We joke with Mat that he didn't actually leave because we have benefited from Mat's professional expertise in project managing the disabled toilet renovation that required several variations due to the water damaged walls and project managing the complete renovation of the clubhouse roof. Thank you so much to Mat for helping the club through two complex projects that did throw up difficult challenges that were considered and resolved to make both projects a huge success and received by the members.

As mentioned at the beginning of my report I think it is important that I share with members the difficulty and uncertainty covid brought to our golf club. I will repeat most commentary from my earlier update in the arrow regarding how we dealt with protecting our business and the thought process behind the financial decisions we made.

What made the start of covid that much harder was the sudden closure of our clubhouse and course followed by re-opening, followed by closing again then re-opening the course only. The state government directives were being interpreted differently by golf clubs and even Golf Australia had a different view than most for a crucial period of time. One thing is for sure, we wanted to follow safety protocols and keep members and guests safe when playing golf.

As treasurer and on behalf of the board I quickly set out to prepare financial modelling on what our cash flow would look like with business completely closed and with the clubhouse closed but golf course open. This financial modelling was done even before the government announced their support schemes including the ATO cash boost for employers, job keeper and apprentice subsidies. All I will say is the numbers were in the red and our best case scenario with the golf course open but the clubhouse closed had us with a negative cash flow from April through to the end of our financial year (August) of approximately \$150,000. This modelling included deferring our existing business and equipment loan repayments for six months.

Our focus was to consider all scenarios very early on and stress test our cash position to handle the worst case. I think it is important for members to realise that we were in a situation that no business has ever faced and with complete uncertainty of what would happen next. As a responsible board, our objective was to make sure we planned for the worst and survive to come out the other side. My goodness, the other side is looking pretty good!

The early days were stressful for all, but things changed rather quickly once we had certainty we were going to be able to operate with the golf course open but clubhouse closed. Our General Manager Mick Ronan acted swiftly and did not enjoy having to stand down his administration team and all our wonderful bar staff. I know that was a tough day for Mick but the right decision with being forced to close the clubhouse.

This is where the story changes and we get off rock bottom and Santa Claus, in the form of the government brings lots of presents to the local community who are locked down at home, can now come out to play golf. I can still recall the first government announcement regarding the ATO cash boost and getting very excited at how this would help AGC and small business in general. Then job keeper was announced and we were certainly eligible when 55% of our revenue stops overnight. Getting my head around what this assistance meant for us was a fun exercise. I enjoyed it immensely and updating the board with how the government assistance brought our cash flow closer to break even was a relief.

Our conservative approach to forecasting daily green fees, competition fees and new members was way off the mark. We were faced with only playing two in a group for competition or socially and one person in a golf cart. As we are all aware those restrictions have now been relaxed and we are back to normal playing conditions. BUT the number of visitors playing social golf was far from normal, the number of players in competition fields was at capacity and that isn't normal, the size of fields on Thursdays and Sundays were a lot higher and the number of new members signing up was fantastic.

To put the above in perspective our busiest time for social play is over Christmas and we collect approximately \$5,000 in green fees per week. During covid we were collecting approximately \$9,000 per week for a ten week period. The weekly amount is settling down now to \$4,000 to \$6,000 per week. However, our competition fields are now full most Saturdays and we are still seeing strong interest in membership.

Our objective was to ensure we safeguard our cash reserves and when the opportunity to apply for a Qrida loan for up to \$250,000 presented itself we applied and were successful. Thank you to David McKay who gave us a heads up on when the applications opened up. I can advise our members that Mick prepared the application on the first day it was opened. After assisting and reviewing the application Mick submitted it and we were advised within one week we were successful. After signing the documents, we had \$250,000 deposited into our bank account the following day. Impressive to say the least that funding can move that quickly.

I made it very clear to the board and will express this to members as well that this is a loan. We applied for the loan because of the generous repayment conditions and to have the funds available for the uncertainty we faced. We have used the funds for its sole purpose to pay operational expenses. Our cash reserves were healthy before covid and I can report they are as strong as ever and growing monthly due to the government assistance and extraordinary trading results from the golf course.

Our initial modelling included deferring all our equipment and business loans. Once we had a good understanding of our trading and cash position, we advised our bank to repay all loans deferred and we have maintained the initial loan terms.

Before Covid conditions hit in early March the board had approved restoring our leaky roof. We have persisted with our roof and haven't done major repairs in recent years largely due to the expectation of a new clubhouse and development. We do support a new clubhouse/development but cannot afford for our very old and leaky roof to fail in the meantime. Our clubhouse is an income producing asset and important facility to all members and we can never afford for the structure to fail.

The roof has been completed and tested in heavy rain. Overall we are happy with the outcome but we still have a run off issue near the front entrance and need to look at some design changes to help heavy rain move through the gutter system and not back up under the eave. This was a scary project and I am sure long term members would have been apprehensive like we were once they took the old roofing away to see if there was any major damage.

We did approve a contingency fund of \$25,000 in case there was structural work required for supporting walls. We did need to do some work including replacing all battens and other minor structural work that cost approximately \$12,000. Big thank you to Peter Brennan, Mat Wogan and Mick Ronan who worked closely together to assess and review the quotes in line with our scope of works. The contractor we used did a great job and Mat Wogan was instrumental in assisting Mick and Peter with managing and approving variations and overseeing the project from start to finish.

Another exciting announcement is after a long process and seeking expert advice and trajectory studies we are moving forward with the construction of netting along the right-hand side of the 8<sup>th</sup> hole. This is to protect the residences of the new houses and restore the 8<sup>th</sup> to a very popular par 4 version of the hole. This was approved by members a few years back and we have a development approval in place that expires in May 2021.

We are fast approaching our expiry date and the only reason we haven't constructed the net to date is we are having difficulties with council easements. The easement needs to allow for horse and carriage access???. Worst still the easements have no underground assets but we need to go through the red tape to get additional council approvals and as a result, we also need to submit the new design and documentation. It is very frustrating and thank goodness we have Peter Brennan's expertise to assist Mick with the long drawn out process.

The above projects will cost approximately \$225,000 and we were going to finance this with a new loan over a ten year term. We do not need to finance both these projects as we now have adequate funds to cover both projects.

As our long suffering Treasurer, it is rewarding to see our long term strategic plan of focusing on revenue growth through membership growth coming through with stronger free cash flow. I am normally the bad guy that says no to most projects but the future looks very bright. Surplus funds is a concept and words we basically don't get to say at our club. Previous directors and long term members hopefully have a smile on their faces when reading this.

We are arguably in the strongest financial position our club has ever been. With that comes different challenges, greater responsibility to be fiscally astute and creates opportunities to benefit members. I want to assure all members that I take the role of treasurer seriously and we will continue to focus on the strong operating cash flow that in turn can be invested into the golf course. We all know there are so many course projects that are long overdue such as green rebuilds due to encroachment, bunker rebuilds, tee blocks and concrete cart paths that improve fairways.

I want to emphasise that we don't look at what is in the bank at the end of the year and go let's spend it on something. We focus on our strategic plans that are delivering increased revenue which results in stronger cash flow. After approving conservative operational budgets and considering our loan commitments we are left with surplus funds that strengthen our financial position and can be used towards new capital projects. Our Balance Sheet did need to get to where it is today and there is still some way to go. We are very close to eliminating our core business debt which is due to be repaid within two years. We may even consider paying this out one year early depending on a few factors. A major benefit of paying this core debt out early is we would have an additional \$62,500 cash flow that could be deployed to new course projects annually. We are so close to having consistent investment into new capital course projects annually. This can happen due to being prudent with our financial management and focusing on our long term approach to our strategic objectives.

I don't have much of an update about our development concept. Our president Paul McLennan and general manager Mick Ronan have been active in pursuing the board directives. As part of the development committee, we have looked at an amazing concept drawing of a new clubhouse in a prime position and a retirement village concept with big open spaces between buildings and a much better building envelope that maximises the financial outcome for us. As mentioned, several times in previous annual reports we will make sure the concept meets all our needs and engages with community expectations before we present to the members.

So many businesses have been severely impacted by covid especially in the tourism and hospitality sectors. Our clubhouse was closed and in the very crazy first week of covid, our resident Pro Gareth Small said to me I have never been unemployed. I have never been in this situation before. It was a stressful time for us and Shooter too. After realising that golf was going to thrive during covid I had a quiet word with Shooter and said you better buckle up mate you're going to get really busy. I don't think Gareth fully understood but a few short months later he tapped me on the shoulder and said this is unbelievable and you were so right.

This is a great story and I am sure all members are happy that Gareth's pro shop is going great. We all know and love the work that Shooter does in getting our competition fields going and the golf lessons he provides for new members and refreshers for other members. Thank you Gareth, Richard and all your team for your long service and we are all ecstatic your business has thrived this financial year.

Having a great restaurant within our clubhouse has been a mutually beneficial and successful partnership for many years. Covid closed both of us in an instant. I am sure this has been a stressful time for Tony, and I am amazed and proud of how he has re-invented his food offering during the peak covid period while not being able to have customers dine in. I know Mick with the support of the board offered assistance and helped where we could to keep Zegatos trading and come back stronger than ever. Thank you, Tony and your team, for the high quality food and it is great to see the restaurant returning to normal trading conditions.

Covid caused a lot of grant opportunities to dry up as local, state and federal governments concentrated on their relief packages to assist businesses. Jon Thorne our Vice President is tasked with the responsibility to identify grants that we are eligible for and advising on which ones we might be successful to apply for. Jon has worked tirelessly in the difficult covid climate and we have received a couple of small grants. We have acquitted our \$35,000 grant received last year for the disabled toilets project. We currently have some grant applications in progress, and I am sure if we are successful members will be updated through the arrow. Joh will take a lead role over the coming financial year as we embark on a detailed review of our strategic plan. As mentioned throughout my report the landscape is changing positively with new opportunities emerging. As a board, we must stay ahead, be pro-active and make the necessary strategic changes. Thank you Jon for assisting Mick and the President with many tasks this year and I look forward to the coming year.

It has been a tough slog for our Captain Jen Lang and Vice-Captain Peter Brennan this year with dealing with changing conditions and restrictions to competition setups. Playing in groups of two, then four. We are in the middle of a major IT and computer upgrade but our current software makes setting up competitions difficult and having a slow internet connection makes the process long and frustrating. Congratulations to Jen and Pete on an outstanding year with many major challenges and hurdles to overcome.

Water storage remains a high priority as without this precious commodity we don't have a golf course. After another close call last year with an extended dry spell, we were again faced with the possibility of running out of water. Our plan is to understand all our options for water storage and the different methods of delivery should our dams run dry. Our director of everything (DOE) Adrian Homer spent a great deal of time on researching water storage options. Some of the main options included bores, permanent access to town water and new or modified dams. These are only the main options and I thank Adrian for his hard work in seeking out quotes and estimates for the board to consider. We all agree we don't have adequate water storage and need to work towards a master plan that can handle draught conditions. Even a contingency fund is being considered. We are refreshing our strategic plan and this is very high on the agenda.

A major project the board is committed to delivering shortly is software that will objectively analyse our speed of play through GPS technology. Peter Brennan is leading this project and we are currently engaged with two providers that have presented their solutions to the board and management. The primary goal is the speed of play but many other benefits such as heat maps that show the heavy use of the golf course and areas with very little use. This data can assist the course super intendant with maintenance programs that show areas that need more fertiliser for example and even geo fencing off areas that they don't want traffic in due to new works. With a growing membership base and bigger competition fields, the club must execute an objective slow play policy backed by facts so members can have an enjoyable experience when playing golf. Members having a great golfing experience is a key objective of our strategic plan and I am sure no member wants to wait for long periods of time between holes and if we can improve the efficiency of golf rounds I am sure most members support this policy.

My favourite role with the club is chairing the finance committee each month. The official finance executive is made up of Paul McLennan, Jon Thorne, David McKay and myself and we are always joined by Adrian Homer, Jen Lang, Peter Brennan and our general manager Mick Ronan. This year has been different with covid and I



believe our finance committee stood up and made sure we protected our club. Stress testing all scenarios was vital as there was no certainty that we would have our golf course open.

The outcome has been favourable and as we now know we have come out the other side in a strong position with our business flourishing and the atmosphere at the club exciting and vibrant. So many new faces are being welcomed by the many existing members and we are in a great place. We are not 100% out of the woods and there could still be a negative impact if there was to be an outbreak of covid. We need to be vigilant and abide by the covid restrictions so our golf club remains open and members safe.

I have already reported on why it was important to safeguard our club and why we applied and were successful with the \$250,000 Qrida loan. We used the funds for their proper use and together with an enormous lift in trading we ended the financial year with record cash reserves. We are not required to make principal repayments for three years and at that point must repay the loan over seven years. We don't know what happens next with covid but we are prepared for battle and survival with strong cash reserves. If the worst of covid has passed then there is the real possibility that we consider repaying the \$250,000 Qrida loan in full at the three year mark before we start making principal repayments. Factoring in several other considerations at that time.

I don't envy President Paul McLennan's role this past year knowing the many issues we have faced. He has attended meeting after meeting covering so many different types of issues and agendas that a President must. There are some big projects that we would love to have advanced or completed this year but there has been so much more going on. Great job P mac and I know you are desperate to complete so many major projects and I have no doubt over the next two year period there will be an avalanche of exciting announcements that members will be keen to hear.

If re-elected as Treasurer this will be my third last finance report. I certainly understand the inner workings of our business and the majority of the last 15 years have been challenging and rewarding. Having long term strategies can sometimes be frustrating in the short term as it may seem that no major course work happens. The hard work is about to pay off big time. We have got our operational budget to a point that will allow regular investment in new capital projects annually so members will see new things each year with low or no impact on your playing experience. Stronger operational cash flow also allows us to increase maintenance programs on the course and fast track eliminating any bare patches for example. It will be a great time as a member to see big and small improvements each year.

I am preparing for a finance meeting and an email arrives from Mick with a summary of the results from our membership campaigns this financial year. I just stare at the numbers and shake my head. 228 new members! Beating 2018 & 2019 by a long way. It cannot be understated how impressive and important it is for Mick to accomplish the number one board objective of increasing and retaining our membership base. Covid has helped but even without covid, the numbers would have been strong.

I interact with many managers in my day to day life and I haven't worked with someone as focused and determined to exceed expectation as Mick. What is impressive is Mick understands his role and identifies that membership growth and retention is clearly the utmost priority to concentrate on. I will stop shaking my head for a sec and instead with a little nod acknowledge a tremendous job and I thank him.

Together with the President, I have been involved with the review process of our then operational manager Mick Ronan. For a few years, Mick has expressed a desire to increase his administration team to add additional resources to assist with a growing membership base. This would allow Mick to oversee membership growth and manage large projects. Having an additional team member will largely be responsible for

operational matters including a greater focus on setting up golf competitions, working towards full competition sponsorship and being available for any member needs. The board fully supports Mick and it was with great pleasure that the board endorsed the change of Mick's role from operations manager to general manager.

Mick's role as a general manager means he is managing everything now. That includes managing the golf course which was previously managed by Darren. Mick and our course superintendent James are working well together and both are motivated to succeed in their new positions. It is a great occasion for two hard working long term team members to be given an opportunity and I have full confidence they will represent our golf club to the highest standard as they have always done.

I will leave it to the members to decide if the governments, your AGC board, Mick's management team and members have shown strength and character when faced with a crisis. Both State and Federal governments responded with relief and support packages aimed at employees and small businesses. The board assessed the right direction and we were able to safeguard our business with a financial model that resulted in several improvements to the course and strengthened our cash reserves to tackle the next challenge.

General Manager Mick Ronan is our leader and his performance from day 1 of covid has been exemplary when dealing with forced restrictions and the many changing rules. Mick's swift action and timely updates to the board and members is why we were able to successfully navigate covid and assist the club to thrive and remain safe and open. My final comment with covid is regarding our members. Ashgrove has a reputation for being a friendly and inclusive golf club. This remains truer than ever and why I love to represent the membership on the board.

Until next time. Great golfing.

Steven. J Ascough (My work is nearly done).  
Treasurer.

## ***MATCH REPORT***

Wow! What can I say about 2020.

I thought year was going to run smoothly after introducing 'The World Handicap System' and a few rule changes from the R&A in 2019.

The year started off really well and all was going as planned. After a very dry summer the course finally had rain in February and March filling up our much-depleted dams and greening up the course again. Although we had to postpone and cancel a few matches it was nothing compared with what was to come.

23<sup>rd</sup> March. COVID meant the course was closed, no golf allowed! It was time to stay at home and start cleaning and sorting out the photos. But we were saved as the course was reopened two days later.

30<sup>th</sup> March. The course is closed a second time and again reopened two days later. This time with a few restrictions: two players to a tee time and one person in the buggy. The Board reduced tee times from eight minutes to six to help our members continue playing. R&A also introduced temporary rules: no rakes in bunkers, flags to be left in and every player must score their own scorecard.

The course suddenly becomes extremely busy as other clubs remained closed or only opened to their own Members. Also, at that time, golf became one of only a few sports allowed. As a result, AGC's 3 month membership increased significantly and there were a lot of new handicap cards to process. It is really pleasing to see so many men and ladies joining our club this year.

At this point, I would like to thank Ann Hardie who helped me process all the competition cards throughout the clubhouse closure and still continues now that we're open again. I must say, it was very unusual working in the clubhouse without the usual level of activity.

We managed to reschedule all our Honour Board Events and major competitions, which have all been played - congratulations to all winners (a complete list of winners is at the end of this report). To anyone that has sponsored events this year it is very much appreciated by all players and we look forward to your continuing support. Unfortunately, we were not able to play our Men's and Ladies' Pennant seasons, but we look forward to our Men competing in Division 3 next year.

As a Club, we were very keen to participate in the pennant competition organised by the BDGA. After much consultation with clubs the BDGA Management Committee made the tough decision to CANCEL The 2020 BDGA Pennant season. The BDGA decided that in the best interest of all clubs and to uphold the tradition of pennants, the right decision was to cancel this year's competition.

To all the junior golfers who played away in the Glasshouse Mountains competitions, I would like to thank your parents who have driven you all to the different clubs this year. Most competitions were cancelled this year, so it was very pleasing to see you all competing and enjoying the day.

To Gareth, Richard and Brett, it's been a very tough year, but you have always been there to support me and the club. It has been very much appreciated even when the printer misbehaves!

Thanks, must also go to Michael Ronan who has kept us all up to date with the COVID rules and regulations – a very big job as in the early days it seemed to change from one day to the next. Thankfully, we were able to

bring back Philippa and Sylvanus to help with running the office and to get the paperwork back under control and to help with my enquires while the club was closed. It has been great to see the clubhouse back open and all the happy faces of our bar staff once again greeting us as we come in for that much needed drink after our brilliant games!!!

We have been very fortunate to have undertaken a few improvements around the course this year. A big thanks to all our Greens Staff for keeping the course looking great in these trying times, and a special thank you to our previous Course Superintendent Darren Alan who finished in his role in August, and to James Melville who has since replaced him. I am also very grateful to all volunteers and the work we have done this year to keep Ashgrove Golf Club a great course to play on.

Finally, a big thank you to the AGC Board and our sub-committees who have kept the club up and running through these difficult times - we certainly had very interesting meetings through Zoom, which I now know how to use!

We are not sure how long these restrictions will stay in place, but for now, good golfing to all. Let us hope next year may be different.

Stay safe and healthy.

Regards  
Jenny Lang  
Club Captain

## **MAJOR TROPHY WINNERS**

Club Championships

A Grade (Club Champion) – Cameron Pierce

B Grade- Ross Hill

C Grade- Matthew Lund

Seniors- Sean Flanagan

Veterans- Peter Mansini

Juniors- Max Nielsen

Jim Newborough Memorial - David Mack & Hugh Pegler

Mark Winstone Memorial – Sean Wroe

Ashgrove Cup – Stephen Wiseman

Thursday Cup – Michael Ronan

Murray Wenck Memorial – Teja Liebetreau

Ashgrove Jug - Paul McLennan & Peter Moore

Mixed Foursomes – Margaret Marshall & Scott Anderson

Mark Phillips Memorial – Maurie Hand

Men's Foursomes Cup – Simon Blakey & Paul Horgan

Ian Ellis Memorial – Andrew Brain

Medal of Medal 2020 – Callan Heggie

## **JUNIOR TROPHIES**

Col Welch Award – Ashgrove Junior Player of the Year - Henry Coward

Ashgrove – Glasshouse Mountains Tour Player of the Year - Oliver Duffy

Most Improved Glasshouse Mountain Junior – Finlay Pruce

## **GREENS REPORT**

2020 has turned out to be a year of great progress and improvement around the course despite the massive challenges that the impact of COVID-19 has had on the community and course. The course team are very proud of the product they have been able to provide to members this year throughout 2020 and they look forward to continuing this progress in the coming year.

August saw the departure of our Superintendent Darren Allen, who was instrumental in progressively bringing our playing surfaces to new highs during his tenure. As we welcome our new Superintendent James Melville to the role, we look forward to James building on the strong base that we now have in place.

This year has also shown the continuing strength of our volunteer programme, with extensive works being completed across the course. Each Wednesday our crew works to keep the course looking great, and their efforts enable our course staff to focus on our playing surfaces and course upgrades. If you are interested in joining the volunteer team, we would love to hear from you.

### ***The year in review.***

2020 started with completion of new paths from the 1st to the 3rd hole. With great support from the Ladies Committee, these works were able to be completed and have extended our path system to assist in maintaining out playing surfaces. Whilst the paths were generally a success, we have recognised that we tried to achieve too much too quickly. Future path projects will be more progressively staged, with a maximum project time frame from start to finish of 2 weeks.

We have been reviewing the new Zoysia pitching green following its completion late last year. The grass has performed well to date. Any reviews and comments on this surface are most welcome as we consider the future of the course.

Major rain in March broke the drought, providing great relief to all. The drought brought back into focus the limitation of our water storage, which often dictates the way in which we water the course. Whilst we currently have full dams and the hope of significant rain through the summer, we will continue to look at the best ways of ensuring our water security into the future including town water connections, dam expansions and bore prospecting (though this has already come back as improbable!).

The COVID period brought restrictions to group size, but no lack of players! The course has seen extensive use since the onset of COVID, which has brought some challenges to course staff and course wear, but on the upside the increased green fee revenue enabled us to complete a number of much needed course improvements.

These improvements started with a new path to the 14th hole. 60m of new concrete path, along with a new waste area and 600m<sup>2</sup> of new turf has greatly improved the appearance and playability of this area, along with creating a much-improved outlook from the clubhouse.

Following this, we were able to commence works on the 3rd tee. This area was suffering from overuse and limited space, along with an uneven playing surface. As you can now see, the tee is now twice as large, level and extending further into the hill side to give us many tee options. We have trialled two different grass types on this tee to assess the best options for future projects on the course and will be looking at where to utilise this going forward.

Bunkers have been a concern in a number of areas around the course, and we were very pleased to be able to renovate one of our most damaged bunkers this year on the 16th hole. We have significantly reshaped the bunker and installed an asphalt base to assist in high water flow drainage. Following significant rain in October, we are very confident on the performance of this system and will continue to monitor performance over the coming year to assess suitability for use in other bunkers as funds allow.

Fairways received around 1200m<sup>2</sup> of new turf to repair areas that suffered severe damage during the drought periods. These repairs have greatly improved the overall appearance of the course, and we are looking to build on this programme into the future. New road-base paths and a small waste area have also been installed on the 7th hole, which has cleaned up a number of problem areas on this hole.

We have also been working on returning the 8th back to a par 4 and are in the execution stage for the installation of a 60m x 25m protective screen. Thank you to everyone who has contributed to the fundraising drive to assist in funding the net. The response to this appeal affirms that this project is strongly supported by the members. We also have a course designer working to finalise revisions to the fairways and tee area, which we are looking to commence works on early in 2021.

We have been fortunate in many ways in 2020 and will be looking to build upon this progress in 2021. We will continue to try and find ways to communicate what is going on around the course to our members, such as course corner and video updates, and look forward to bringing further improvements to you in 2021.

Simon Putral  
Greens Director

## **LADIES PRESIDENT REPORT**

Since our last General meeting, Ashgrove Ladies golf has experienced quite a different year from the usual golf program and fixtures. The year started with high hopes of excellent golf prior to Christmas but then came the disappointment of coping with the lows of the COVID pandemic. For some weeks there was no golf at all, then when play resumed it was golf played under strict COVID restrictions. Fortunately, over the last three months restrictions were somewhat eased enabling us to continue with fixtures played mainly on our home course.

As mentioned before our year started so well when we hosted the Brisbane & District Inter-Committee Golf day. Seventy two players from the District joined us for a most successful event due in part to the assistance and efforts of many Ashgrove members and sponsorship by Alex Gow Funerals.

This event was followed in October, when 24 lady players travelled together by bus to Bribie for a fun day at Pacific Harbour playing a 2 person Ambrose game. A burger lunch was enjoyed by all, before rewarding the winners and returning to Brisbane. Playing as a group on different golf courses continues to be popular with our members and for this trip we all wore our new blue Ashgrove embroidered shirts for the first time.

Towards the end of the year a request was received from our new Greens Director, Simon Putral for a contribution from lady members to the costs of planned improvements to course pathways. Simon then provided a presentation about the possible work that would be carried out on the 2 & 3 hole pathways. After consultation with lady members, a positive decision was made to offer \$4,200 from our funds plus a further \$200 supplied by the Friday Ladies group. Fortunately, we are now experiencing the value of the work undertaken this year with the many paths already upgraded.

Our usual Christmas celebrations on closing day were well attended and reflected the festive spirit. Most ladies presented for their last formal game of the year dressed in a variety of seasonal interpretations of Christmas! Lunch was successfully held in the Ellis Room with great decorations designed by Susan. This proved to be a great venue for us to share memories of the year, catch up with some injured players and enjoy a Zegatos special lunch provided by Tony. A further Christmas lunch was also arranged for a small number of Saturday players on the following weekend.

After a quiet period over December/January with reduced number of players participating in the available competitions, it was exciting to have at least 35 players signed up for Opening day at the beginning of February, sponsored again by Councillor Steven Toomey.

Golfing life was then confronted with inclement weather and heavy storms followed by initial compulsory closing of the golf course with commencement of restrictions as the COVID pandemic reached Queensland. Fortunately, play was made possible after a short while once the safety precautions were introduced and players were asked to make their own decision as to whether they felt comfortable participating. The cancellation of pennants, Open days and other golfing events involving play external to one's own club has continued throughout the winter period.

Despite these challenges, our ladies competitions have continued since July with a gradual return to play for most regular players. I believe it is admirable that our members have adjusted so willingly to the required changes and accommodated all the safety requirements both on and off the course.



The recent successful membership drive has resulted in a number of new lady members, who are already engaging in weekly competitions. Our current ladies membership stands at 90 members (52 - full members, 28 - 5/6 day members and 10 others) with approximately 20 - 35 competitively playing members.

Sadly, we have received the resignations of three long standing lady members, Hilary Heindorf, 52 years membership, Nancy Cox 36 years membership and Lenore Mortimore 19 years membership. While all these ladies contributed significantly to the club as players, I would like to pay particular tribute to Hilary. Apart from being an active golf player, Hilary participated as Board member for a number of years and was a supporter of new members via the Friday afternoon social group giving these members an opportunity to play competitively while gaining their confidence as players.

Despite the hold up in play for some of the year, fortunately all Honour Board events will have been played before the end of October. My congratulations go to all the winners and to those who have generously donated prizes for each of these events. Presentation night in November allows the successful players to be duly recognised by the club. Our sincere thanks also go to every lady golfer who offered to provide sponsorship of various weekly competitions, your generosity goes some way to keeping our club viable

I would like to acknowledge the many people who have enabled and contributed to Ladies golf here at Ashgrove. Firstly, the ongoing support provided by Paul McLennan and the Board is most appreciated and especially for the advancements the Board is putting in place this year making golf at Ashgrove a most positive one. In particular, the installation of a defibrillator was appreciated, following a suggestion made by the ladies committee.

I would like to thank and acknowledge Gareth and Richard in the Pro Shop for their valuable assistance, advice and for any requested coaching. Gareth's team often go out of their way to meet our needs and provide new golf apparel and golf equipment. I wish to thank Michael Ronan for his assistance with operational issues and communication, as well as Philippa Cramond and Syl Richards who readily assist with our queries and office support. On your behalf, I also acknowledge and appreciate the cooperation and willingness of Tony Davis and his staff at Zegatos for the excellent meals and special arrangements provided, as occurred for last year's Christmas luncheon.

Our ladies group is also very lucky to have a number of members who frequently go that extra distance by contributing to the wellbeing of our game and club. Firstly, a big thank you to Rosemary Phillips, Val Lees, Helen Oost, Sue Moller, and Clare Pole for their provision of plants and diligent attention to the garden beds around the course each week. Thanks also go to Mary Livingston and Trish Moore who continue to bring posies of flowers each week and ensure the state of the locker room is maintained in good order.

I would particularly like to thank and acknowledge members of the Ladies Committee - Karen, Chris, Sue and Susan for all their efforts and support this year, especially in covering for me during my absence at the beginning of the year. I very much appreciate the fact that we work collaboratively and harmoniously and have sought to ensure the wellbeing of our members where possible and their golf experience. Our captains, Karen Bretherton and Chris Low have done an excellent job in organising our games so well, this is no easy task and involves much work. They have also represented well our needs at the Match Committee. Sue Ledlie excels as Committee secretary and liaison person with the office. Thanks especially to Susan Lane for deputising during my absence early in the year and for managing the raffle processes once we returned to our lunchtime gathering. I also recognise the efforts of Ann Hardy as a regular back up to the captains.

I wish to thank all members for their loyal contributions to the activities of the club especially in this rather strange up and down year. The Ashgrove ladies continue to function as a friendly and supportive group and this is most evident as we welcome new members. While we may be competitors on the course, when there is a

need we reach out to each other – I believe this is because we all love this great game of golf and the collegiality of our Club.

Margaret Marshall  
Ladies President

## **LADIES CAPTAIN REPORT**

Another year has come and gone and what a year it has been. My biggest learning experience was doing the BDLGA inter-committee day at the end of last year. Doing a draw and linking up walkers with walkers where possible and many more challenges. If we get to hold that event again, I believe all my notes will cover every feasible outcome from nominations to hiring carts.

I think we got our heads around all the new rules which were implemented in early 2019 and the removal of a few local rules, but I am not quite sure about the *World Handicapping System*. Then to top it all off along comes a thing call Covid-19. I am very thankful that we were able to continue playing our great game of golf here at Ashgrove Golf Club (the course was only closed for two of our Tuesday competitions) even though there were many changes to the fixture book and we got to play a lot of Single Stableford games. Luckily, we got our Open days in before the pandemic with a 4BBB team event held on the Tuesday and a Single Stableford on the Saturday sponsored by Councillor Toomey.

Again, this year there have been AGC members who have been an immense help to me, and I take this opportunity to thank them.

- ✔ Jenny Lang, with whom I worked closely again this year, you have been a great help to me and I appreciate all the work you have done as Captain of AGC especially during the height of the pandemic when we did not know whether we would be able to play golf or not.
- ✔ Chris Low, my trusty 2IC. A little like last year, it was like dipping into the deep end again with all the restrictions put in place and the extra work involved in finalising results and getting the information out to our lady members. I appreciate all you have done for the Ladies and myself.
- ✔ My other fellow committee members: Margaret Marshall, Susan Lane and Sue Ledlie. We did not get to meet as frequently as we would have liked, however we still managed to get things done.

I also thank all our Lady members for supporting our ladies Sub Committee and myself.

Our course is suffering now due to the lack of rain and this is evident when you look at the level of our dams, but we all know this is not a permanent thing, and I am sure we will also complain when the rains finally do arrive.

Our volunteers do a fantastic job looking after our course, which we all deeply appreciate.

We also had a change of Course Superintendent, Darren Allan departed at the end of August after 8 years and James Melville has taken up the position after proving to the Board that he was the best candidate. We wish James all the best in his new role.

There have been many improvements around the course this year.

- ✔ Firstly, the most noticeable is the 3rd tee block
- ✔ The new path and turf between the 14th and 15th fairways
- ✔ New turf on a lot of bare patches, between the 1st and 4th fairways, between the 4th and 5th fairways the 7th fairway and at the 18th green.
- ✔ The use of road base on the paths and the new path on the 2nd hole.
- ✔ And so many more little things that we see happening each time we are out there playing

Also, this year a change was implemented with advancement and improvement being the agenda:

- ✓ Changes to how the Prizes were allocated due to the increase in membership. However, this did not affect the ladies except in the 9 Hole competition.

Unfortunately, we never got to hold our annual Open/Back to Ashgrove day nor did we get to travel to other courses for theirs.

Pennants this year would have been played in April and May which would have been better than last year being the cooler months. Unfortunately, due to Covid-19 the BDLGA decided to cancel pennants for this year. However, they did give the clubs a competition where no one had to travel.

The online COVID INTER-CLUB STABLEFORD COMPETITION was created where the TOP 7 scores in Division 1 and Division 2 in a club's weekly competition day were submitted and clubs played against each other for points. However, Ashgrove did not do well due to having to forfeit a couple of times due to the competitions not being able to convert to Single Stableford scores.

With our membership renewals in September, it is with sadness we saw a few of our long standing lady members not renew. I wish them well in their retirement from golf.

But it is pleasing to see our newer members playing on Tuesdays and in the field on Saturdays. I still believe Ashgrove Golf Club is the friendliest around.

The 9 hole competition on Tuesday for our injured, senior, and those not quite ready for the 18 hole competitions, has been successful with the ladies playing in a competition nearly every week. We still need to encourage these ladies to play in our 18 hole competitions when we play the fun games for e.g. Texan fourball, Ambrose etc.

Our Ladies Club Championships are being played this month with two rounds down. One of the better things to come out of the Covid -19 restrictions is the number of ladies who can play in the tournament this year for the honour of being our Club Champion.

## ***SPONSORS***

I thank each one of our sponsors for the 2019/2020 year. They make a huge contribution in keeping our wonderful club afloat.

Please continue supporting our club/lady's competitions by sponsoring an event in 2020/2021.

If you wish to sponsor a competition on either Saturday or Tuesday, please put your name on the sheet provided. Also, the type of game you want played if you are sponsoring a Tuesday.

Thank you to all who have already confirmed their sponsorship for the Honour Board events.

I would also like to take this opportunity to congratulate all our major trophy winners for 2020.

Thank you

Karen Bretherton  
Ladies Captain

## LADIES TROPHY WINNERS

### Ladies Club Championships- Winners:

- ✓ Div 1 Suzanne Jordan
- ✓ Div 2 Michelle Burkitt

### Ladies Club Championships- Runners Up:

- ✓ Div 1 Helen Carfrae
- ✓ Div 2 Karen Bretherton
- ✓

### Ladies Club Championships- Best Nett:

- ✓ Div 1 Jenny Lang
- ✓ Div 2 Katy Lutley

### Ladies Ashgrove Cup:

- ✓ Winner: Lorelle Digan
- ✓ Runner Up: Gail Cartwright
- ✓ Best Gross: Suzanne Jordan

### Ladies Ashgrove Jug:

- ✓ Winners: Berenice Drew and Rosemary Phillips
- ✓ Runners Up: Jenny Lang and Mary Livingston

### Ladies Foursomes:

- ✓ Winners: Kate Muir and Mary Livingston
- ✓ Runners Up: Helen Carfrae and Chris Low
- ✓ Best Gross Winners: Suzanne Jordan and Rosemary Phillips

### Medal of Medals Winners:

- ✓ Saturday: Anne Daunt
- ✓ Tuesday: Kate Muir

## ***Directors, Qualifications and Experience***

The names, qualifications and experience of the Directors in Office at any time during or since the end of the year are as follows. Positions were held since 1 September 2019 unless otherwise stated.

<b>Name</b>	<b>Current position</b>	<b>Qualifications &amp; experience</b>	<b>Meetings eligible to attend</b>	<b>Meetings attended</b>
Paul McLennan	President	Mortgage Broker – Pmac Finance Member of the Club for 23 years	12	12
Jon Thorne	Vice-President	Manager – Private Industry Member of the Club for 5 years.	12	11
Jenny Lang	Captain	Retired, previously with Retail Division of CBA Member of the Club 25 years	12	12
Peter Brennan	Vice-Captain From December 2020	Retired Professional Engineer / Senior Manager Power Industry 40 years. President NFP 7 years. Member of the Club 19 years.	8	8
Steve Ascough	Treasurer	Accountant/Principal – Steven James Accountants. Member of the Club for 18 years.	12	11
Simon Putral	Greens Director	Project Manager Member of the Club for 2 years	12	11
Adrian Homer	Director	Senior Teacher with Department of Education. Member of the Club for 8 years.	12	12
Mathew Wogan	House Director Until December 2020	Senior Manager – private industry Member of the Club for 13 years	4	3

### ***Principal activities***

The principal activity of the Club during the year has been the promotion of the game of golf. There has been no significant change in the nature of those activities during the period.

The principal activity of the Club during the year has been the ownership and conduct of a golf club and promotion of the game of Golf. There has been no significant change in the nature of those activities during the period.

### **Short-term and Long-term Objectives**

The company's short-term objectives are to:

Closely monitor annual operational budgets to ensure a viable, sustainable and profitable club to deliver its vision and support its golfing and community initiatives.

To develop, implement and monitor effective marketing and promotional plans focused on increasing golfing and social memberships

To integrate a new policy that thoroughly researches the full scope of available grants to assist with achieving capital works objectives.

The company's long-term objectives are to:

To develop a master site plan for the club's golf and clubhouse facilities over the next 10 years.

The Board, Management and staff we operate in a framework where the committee will govern the club and the

management and staff will operate the club.

## **Strategies**

To achieve its stated objectives, the company has adopted the following strategies:

Monthly analysis of financial data to correct negative trends.

Through training and development of board, management and key staff to have the ability to understand and utilise financial and performance data.

Board and management to develop concise costings, margin and pricing tools that ensure all areas of the club operate profitably.

Invest resources to develop, implement and monitor a corporate golf marketing strategy.

Ensure the club's website is current and regularly updated with golfing program, club promotions and entertainment guides.

Establish a new subcommittee to focus of the opportunities available to fund capital projects with the assistance of grants.

Board to implement the master site plan as per budgetary guidelines and access current and future needs of water for the club.

Review, research and deliver appropriate director and management training annually to ensure the skills and abilities are adequate to govern the club into the future.

Develop and implement an annual training plan for the management and staff of the club.

## **Key performance measures**

The Company measures its own performance through the use of both quantitative and qualitative benchmarks. The benchmarks are used by the Directors to assess the financial sustainability of the Company and whether the Company's short-term and long-term objectives are being achieved.

## ***Operating results***

The net operating profit of the Club for the year was \$39,889 profit (2018: \$29,530 profit).

## ***Directors' benefits***

Other than for that listed below, no Director has received or become entitled to receive a benefit by reason of a contract made by the Club with a Director or a firm of which a Director is a Member or an entity in which a Director has a substantial financial interest.

## ***Review of operations & significant changes***

The review of the Club's operations, its results, and significant changes during the year are detailed in the Review of Activities & Achievements and Financial Analysis section that form part of this report.

### ***Dividends***

The payment of a dividend to Members is prohibited by the Club's Constitution. Accordingly, no dividends have been proposed or paid during the year ended 31 August 2019.

### ***Events subsequent to balance date***

There have been no events subsequent to balance date which would materially affect the results for the year ended 31 August 2019.

### ***Environmental regulation***

#### ***Likely developments***

The Directors are not aware of any likely developments, other than those referred to in the financial report that will materially affect the operations of the Club, or the expected results of those operations, in subsequent financial years.

### ***Options***

The Ashgrove Golf Club is limited by guarantee. Accordingly there are no shares on issue over which options were held.

### ***Indemnities***

The Club has not during or since the end of the financial year in respect of any person who is or has been an officer or auditor of the Club:

- indemnified such persons against a liability incurred as an officer or auditor including costs in defending legal proceedings; or
- paid a premium for insuring such persons against a liability incurred as an officer or auditor including costs in defending legal proceedings which have arisen out of conduct involving a willful breach of duty in relation to the Club, or a contravention of section 182 or 183 of the Corporations Act 2001.

### ***Court Proceedings***

No person has applied for leave of Court to bring proceedings on behalf of the Club or intervene in any proceedings to which the Club is a party for the purpose of taking responsibility on behalf of the Club for all or any part of these proceedings. The Club was not a party to any such proceedings during the year. The Club is not subject to any significant environmental regulation of a law of the Commonwealth, a State or Territory.



***Auditor's Independence Declaration***

The lead auditor's independence declaration for the year ended 31 August 2020 has been received and can be found on page 33 of the annual report.

Signed in accordance with a resolution of Directors



President  
Ashgrove Golf Club

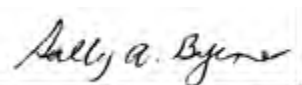
20 November 2020

***AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001***

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
- no contraventions of any applicable code of professional conduct in relation to the audit. This declaration is in respect of Ashgrove Golf Club during the period.

Sally A. Byrne



Brisbane  
Date: 5 November 2020

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASHGROVE GOLF CLUB**

### **Qualified Audit Opinion**

We have audited the accompanying special purpose financial report of Ashgrove Golf Club (the "Entity"), which comprises the statement of financial position as at 31 August 2020, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Directors' declaration.

In our opinion, the accompanying financial report of the Entity is in accordance with the Corporations Act 2001 including:

- a. giving a true and fair view of the Entity's financial position as at 31 August 2020 and of its financial performance and cash flows for the year then ended; and
- b. complying with Australian Accounting Standards to the extent described in Note 1 and the Corporations Regulations 2001.

### ***Basis for Qualified Auditor's Opinion***

Due to the nature of some transactions it was not practicable for the company to establish effective accounting control over all cash transactions prior to their receipt by the financial administrator. Accordingly, it was not possible in our examination to include audit procedures which would allow us to conclude that all revenue transactions in respect of green fees and other transactions via the pro shop have been received and recorded in the accounting records of the company.

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Entity in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants ("the code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors, would be in the same terms if given as at the time of this auditor's report.

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

### **Emphasis of Matter - Basis of Accounting**

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting.

The financial report has been prepared for the purpose of fulfilling the Club's reporting responsibilities. As a result, the financial report may not be suitable for another purpose.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASHGROVE GOLF CLUB (continued)**

### **Information Other than the Financial Report and Auditor's Report Thereon**

The Directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 31 August 2020, but does not include the financial report and our auditor's opinion thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express Any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report and our knowledge obtained in the audit or otherwise appears to be materially misstated.

If based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### ***Responsibilities of Directors and Management for the Financial Report***

Management is responsible for the preparation of the special purpose financial report that gives a true and fair view in accordance with the relevant Accounting Standards in accordance with the Companies Act 2001 and Corporations Regulations and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement whether due to fraud or error.

In preparing the special purpose financial report, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the Entity or to cease operations or have no realistic alternative but to do so.

The Directors and management are responsible for overseeing the Entity's financial reporting process.

### ***Auditor's Responsibilities for the Audit of the Financial Report***

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free From material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatement can arise from fraud or error and are considered material, if individually or in aggregate, they could be reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis of our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may

involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting Estimates and related disclosures made by management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the manner that achieves fair presentation.

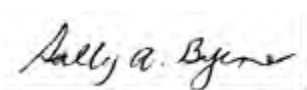
We communicate with the Directors and management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors and management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with the all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

#### **Electronic publication of the audited financial report**

It is our understanding that Ashgrove Golf Club intends to electronically present the audited financial report and auditor's report on its internet website. Responsibility for the electronic presentation of the financial report on the Ashgrove Golf Club website is that of those charged with governance of Ashgrove Golf Club. The security and controls over information on the website should be addressed by Ashgrove Golf Club. The examination of the controls over the electronic presentation of audited financial report on Ashgrove Golf Club website is beyond the scope of the audit of the financial report.

***Sally A Byrne Chartered Accountant***  
**PO Box 510 Chermside South Qld 4032**



**Sally A Byrne CA Principal**  
Dated in Brisbane on 18 November 202

***DIRECTORS' DECLARATION***

The Directors of the Club declare that:

1. The financial statements and notes, as set out on pages 38 - 68 are in accordance with the Corporations Act 2001; and
  - comply with Accounting Standards; and
  - give a true and fair view of the Club's financial position as at 31 August 2020 and of its performance for the year ended on that date of the Club.
2. In the Directors' opinion there are reasonable grounds to believe that the Club 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.

A handwritten signature in black ink, appearing to be the initials 'TM' with a horizontal line above the 'T'.

President  
Ashgrove Golf Club

18 November 2020

**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	2020 \$	2019 \$
<b>Revenues from ordinary activities</b>	2	<b>2,078,197</b>	<b>2,281,388</b>
<b>Revenue from other</b>		<b>20,390</b>	<b>28,364</b>
<b>Total revenues</b>		<b>2,098,587</b>	<b>2,309,752</b>
Raw materials and consumables used		219,312	291,568
Employee/contractor expenses		746,937	719,933
Depreciation and amortization expense	3(b)	183,517	196,317
Borrowing costs expense		22,359	32,060
<b>Other expenses</b>			
Administration		124,381	135,951
Bar		18,044	23,258
Catering/restaurant		9,691	13,871
Gaming		399,965	507,514
Greens and Grounds		217,222	166,821
Ladies		1,855	0
House		94,548	109,044
Match/golf operations		116,078	104,966
<b>Total expenses from ordinary activities</b>		<b>2,153,939</b>	<b>2,301,303</b>
<b>Surplus/Loss from ordinary activities before income tax expense</b>		<b>(55,352)</b>	<b>8,449</b>
Income tax expense	1(f)	0	0
<b>Surplus from ordinary activities after income tax expense</b>		<b>(55,352)</b>	<b>8,449</b>
Other comprehensive income		245,101	26,294
Other comprehensive expenses		0	(675)
<b>Total comprehensive surplus attributable to members of the entity</b>		<b>189,749</b>	<b>34,068</b>

The accompanying notes form part of these financial statements.

**STATEMENT OF FINANCIAL POSITION AS AT 31 AUGUST 2020**

	Note	2020 \$	2019 \$
<b>Current assets</b>			
Cash and cash equivalents	4	1,038,434	458,164
Receivables	5	23,061	9,570
Inventories	6	20,340	25,046
Other assets	7	60,875	52,479
<b>Total current assets</b>		<b>1,142,710</b>	<b>545,259</b>
<b>Non-current assets</b>			
Property, plant and equipment	8	5,144,438	5,108,090
<b>Total non-current assets</b>		<b>5,144,438</b>	<b>5,108,090</b>
<b>Total assets</b>		<b>6,287,148</b>	<b>5,653,349</b>
<b>Current liabilities</b>			
Payables	9	295,594	113,401
Tax Payable	10	51,427	52,026
Income in Advance	11	523,346	391,639
Interest bearing liabilities	12,14	194,322	218,692
Provisions	13	62,734	36,126
<b>Total current liabilities</b>		<b>1,127,423</b>	<b>811,884</b>
<b>Non-current liabilities</b>			
Interest bearing liabilities	13,14	419,826	281,712
Deferred Income		316,409	326,012
<b>Total non-current liabilities</b>		<b>736,235</b>	<b>607,724</b>
<b>Total liabilities</b>		<b>1,863,658</b>	<b>1,419,608</b>
<b>Net assets</b>		<b>4,423,490</b>	<b>4,233,741</b>
<b>Equity</b>			
Revaluation reserve		3,675,944	3,675,944
Retained surpluses – Ladies		7,831	7,831
Retained surpluses		739,715	549,966
<b>Total equity</b>		<b>4,423,490</b>	<b>4,233,741</b>

The accompanying notes form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 AUGUST 2020**

	<b>Retained Earnings \$</b>	<b>Revaluation Reserve \$</b>	<b>Total \$</b>
<b>Balance at 1 September 2018</b>	523,729	3,675,944	4,199,673
Surplus/loss attributable to the entity	8,449	0	8,449
Total net other comprehensive income for the year	25,619	0	25,619
<b>Balance at 31 August 2019</b>	<b>557,797</b>	<b>3,675,944</b>	<b>4,233,741</b>
Surplus/loss attributable to the entity	(55,352)	0	(55,352)
Total net other comprehensive income for the year	245,101	0	245,101
<b>Balance at 31 August 2019</b>	<b>747,546</b>	<b>3,675,944</b>	<b>4,423,490</b>

The accompanying notes form part of these financial statements.



**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	2020 \$	2019 \$
<b>Cash flows from operating activities</b>			
Receipts from operations		2,241,150	2,257,325
Payments to suppliers and employees		(1,534,199)	(2,241,540)
Interest received		1,437	2,002
Borrowing costs		(22,359)	(32,060)
<b>Net cash provided by / (used in) operating activities</b>	20	<b>686,029</b>	<b>235,727</b>
<b>Cash flows from investing activities</b>			
Proceeds on sale of property, plant & equipment/insurance		17,591	41,500
Proceeds from grants		0	35,000
Proceeds from loans		289,812	187,143
Purchase of property, plant & equipment - financed		(35,054)	(213,543)
Purchase of property, plant & equipment - cash		(206,799)	(35,186)
<b>Net cash provided by / (used in) investing activities</b>		<b>65,550</b>	<b>14,914</b>
<b>Cash flows from financing activities</b>			
Repayment of capital – equipment finance		(143,720)	(135,586)
Repayment of capital loans		(27,589)	(50,816)
<b>Net cash provided by / (used in) financing activities</b>		<b>(171,309)</b>	<b>(186,402)</b>
<b>Net increase / (decrease) in cash held</b>		<b>580,270</b>	<b>64,239</b>
Cash at the beginning of the financial year		<b>458,164</b>	<b>393,925</b>
<b>Cash at the end of the financial year</b>	4	<b>1,038,434</b>	<b>458,164</b>

The accompanying notes form part of these financial statements.

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020**

### **NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

#### ***Basis of preparation***

The financial statements cover Ashgrove Golf Club as a not-for-profit individual entity. The Ashgrove Golf Club is a public company limited by guarantee, incorporated and domiciled in Australia.

The financial statements are presented in Australian dollars, which is the Company's functional currency.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and interpretations issued by the Australian Accounting Standards Board ("AASB") and the Corporations Act 2001, as appropriate for not-for-profit oriented entities.

The financial statements, except for the cash flow information, 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 amounts presented in the financial statements have been rounded to the nearest dollar.

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires directors and management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 1 (p).

The financial statements were authorized for issue by the directors on 20 November 2020.

#### Accounting Policies

##### **(a) Revenue Recognition**

###### Revenue from Contracts with Customers

Revenue is recognized at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligation in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the "expected value" or "most likely amount" method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognized as a refund liability.

### Sale of Goods

Revenue from sales of goods comprises revenue earned from the provision of food and beverage facilities, and the sale of golf equipment.

Revenue from the sale of goods is recognized at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

### Rendering of Services

Revenue from rendering services comprises revenue services to Members and other patrons of the Company.

Revenue from a contract to provide services is recognized over time as the services are rendered based on either a fixed price or an hourly rate.

### Interest

Interest revenue is recognized as interest accrues using the effective interest method, which for floating rate financial assets is the rate inherent in the investment.

### Grants

Grants are recognised when the Company obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably. If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

### Membership Subscriptions

Membership subscriptions are recognised as Membership Subscriptions in Advance when the cash is physically received. Subscriptions are transferred to income in one bulk amount on 1 September of each year.

### Other Revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

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

### **(b) Income tax**

No provision for income tax has been raised as the directors consider that the company is exempt from income tax under section 50-45 of the Income Tax Assessment Act 1997.

### **(c) Current and non-current classification**

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: It is either expected to be realized or intended to be sold or consumed in

normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realized within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

#### **(d) Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at-call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

#### **(e) Property, plant & equipment**

##### *Property*

Freehold land and buildings are measured at recent land valuation by the Queensland Valuer General for statutory charge purposes.

##### *Plant and equipment*

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

##### *Course Improvements, Greens and Irrigation Systems*

Course improvements, greens and irrigation systems are stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020**

**NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

*Depreciation & amortization*

The depreciable amount of all fixed assets, including buildings and recognized lease assets are depreciated on the straight line basis over the asset’s useful life to the Club commencing from the time the asset is available for use.

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

<b><i>Class of Fixed Asset</i></b>	<b><i>Depreciation Rate</i></b>
Buildings	2.5 – 4%
Plant & Equipment	5 – 50%
Leased Plant & Equipment	5 – 50%

The assets’ residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period. An item of property, plant and equipment is recognized upon disposal or when there is no future economic benefit to the Company. Gains or losses between the carrying amount and the disposal proceeds are included in the statement of comprehensive income.

**(f) Right-of-Use Assets**

A right-of-use asset is recognized at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date not of any lease incentives received, any initial direct costs incurred and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any re-measurement of lease liabilities.

The company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payment on these assets are expensed to profit and loss as incurred.

## **(g) Leases**

The Company adopted the new standard AASB16 Leases on 1 July 2019. The standard replaces AASB 117 “Leases” and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognized in the Statement of Financial Position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expenses on the recognized lease liabilities (included in finance costs.) In the earlier periods of the lease, the expenses associated with the lease under AASB16 will be higher when compared to lease expenses under AASB117. However, EBITA (Earnings before interest, tax, depreciation and amortization) results improve as the operating expense is now replace by interest expense and depreciation in profit or loss. For classification within the Statement of Cash Flows, the interest portion is disclosed in operating activities and the principal portion of the lease payment are separately disclosed in financing activities. For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

## **(h) Borrowings**

Loans and borrowings are initially recognized at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest rate method.

## **(i) Inventories**

Inventories are measured and carried at the lower of cost, average cost or current replacement cost.

Inventories acquired at no cost or for nominal consideration are measured at the current replacement cost as at the date of acquisition.

## **(j) Employee benefits**

### Short-term employee benefits

Short term employee benefits are benefits, other than termination benefits, that are expected to be settled wholly within twelve (12) months after the end of the period in which the employees render the related service. Short-term employee benefits are measured at the undiscounted amounts expected to be paid when the liabilities are settled.

### Other long-term employee benefits

The company’s liabilities for long service leave are included in other long term benefits as they are not expected to be settled wholly within twelve (12) months after the end of this financial period unless the employee suffers a permanent disability or death.

The company presents employee benefit obligations as current liabilities in the statement of financial position if the company does not have an unconditional right to defer settlement for at least twelve (12) months after the reporting period, irrespective of when the actual settlement is expected to take place.

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020**

### **NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

#### **(k) Goods and Services Tax (GST)**

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included as a separate item in either receivables or payables in the statement of financial position.

Cash flows are presented in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

#### **(l) Receivables**

Accounts receivable and other receivables include amounts due from Members as well as amounts receivable from customers for services provided or goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets.

#### **(m) Payables**

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognized as a current liability with the amounts normally paid within 30 days for recognition of the liability.

#### **(n) Critical accounting estimates and judgments**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgement, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

##### **Estimation of useful lives of assets**

The company determines the estimated useful lives and related depreciation and amortization charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortization charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020**

### **NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

#### **(o) Comparative figures**

Where required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Comparative figures, where necessary, have been reclassified in order to comply with the presentation adopted in the current financial year.

#### **(p) Impairment of assets**

At the end of each reporting period, 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 see 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 statement of comprehensive income.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the Club would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of the asset.

Where it is not possible to estimate the recoverable amount of a class of assets, the entity estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

Where an impairment loss on a revalued asset is identified, this is debited against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

#### **(q) Economic dependence**

Ashgrove Golf Club is not dependent on any government department for any of its revenue used to operate the business.

#### **(r) Financial instruments**

Financial assets and liabilities are recognized when the entity 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 (i.e. trade date is adopted). Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are recognized in profit or loss immediately.



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020**

**NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

(Continued)

2020	2019
\$	\$

**(s) Going Concern**

The financial statements have been prepared on a going concern basis, which assumes that the company will be able to continue trading activities. The company has recognized a profit of \$189,749 (2019: \$34,068) and positive net operating cash flows of \$686,029 for the period ended 31 August 2020.

The large positive net operating cash flow is due in part to the ATO job keeper and ATO cash boosts of \$231,500 received during the year.

The going concern basis is considered appropriate.

**(t) Contingent Liabilities**

A contingent liability is dependent on the outcome of an uncertain event. No liability is recognized if an outflow of economic resources as a result of a present obligation is not probable and the amount cannot be reasonably estimated.

**(u) New Accounting Standards**

Certain new and revised standards are mandatory for the current or future reporting periods.

Information on these new standards is presented below:

**AASB16: Leases (effective application for the Company is 1 July 2019)**

Refer to (g) above.

Several amendments and interpretations apply for the first time in 2020, but do not have an impact on the financial statements of the company.

**AASB: 1058 Income of Not-for-Profit Entities**

The standard replaces AASB1004 “Contributions” in respect to income recognition requirements for not-for-profit entities. The timing of income recognition under AASB1058 is dependent upon whether the transaction gives rise to a liability or other performance obligation at the time of receipt. Income under the standard is recognized where: an asset is received in a transaction, such as by way of grant or donation; there has either been no consideration transferred, or the consideration paid is significantly less than the asset’s fair value; and where the intention is to principally enable the entity to further its objectives.

## AASB: 15 Revenue from Contracts with Customers

The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that the Company shall recognize revenue to depict the transfer of promised goods or service to customers at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods and services.

## Other New Standards

A number of other new standards have been published that are not effective for the 2020 year. None of these other standards, when they become effective, are expected to have any impact on the Company.

## NOTE 2 – REVENUE AND OTHER INCOME

Revenue	2020	2019
	\$	\$
<b>Gross revenue from:</b>		
- Bar trading	497,633	682,913
- Bar other	<u>17,475</u>	<u>22,345</u>
Total Bar	515,108	705,258
- Catering & restaurant	33,312	38,025
- Gaming	482,927	633,358
- Course	6,951	1,501
- House	10,465	20,805
- Match/Golf Operations	502,475	415,092
- Administration – Membership	525,421	463,285
- Administration – other – trading	1,362	2,062
- Administration – other – gain/loss on disposal of property, plant and equipment	17,591	28,364
- Administration – ATO – Cash flow Boost and Job keeper	231,500	0
Ladies	1,538	0
	<hr/>	<hr/>
	2,328,650	2,307,750
<b>Other revenue</b>		
Interest received	1,437	2,002
	<hr/>	<hr/>
	2,330,087	2,309,752
<b>Other income</b>		
Deferred income – administration	<u>13,601</u>	<u>26,294</u>
	<hr/>	<hr/>
	<b>2,343,688</b>	<b>2,336,046</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020**

	<b>2020</b>	<b>2019</b>
	\$	\$
<b>NOTE 3 – EXPENSES</b>		
<b>Employee Benefits Expense</b>		
Provision for employee entitlements	26,609	2,682
<b>Depreciation and amortization</b>		
Land and buildings	49,779	49,808
Plant and equipment	131,462	144,239
Leased plant and equipment	2,277	2,270
<b>Total depreciation and amortization</b>	<b>183,518</b>	<b>196,317</b>
<b>Remuneration of auditors</b>		
Audit	7,383	7,653
<b>Finance costs</b>		
Bank overdraft	3	244
Borrowing expenses	519	560
Business loans	8,496	11,638
Chattel mortgages and general	13,341	19,618
<b>Total finance costs</b>	<b>22,359</b>	<b>32,060</b>
<b>NOTE 4 – CASH AND CASH EQUIVALENTS</b>		
Cash at bank & term deposits	1,011,787	431,319
Cash on hand	26,647	26,845
<b>Total cash and cash equivalents</b>	<b>1,038,434</b>	<b>458,164</b>
<b>NOTE 5 – CURRENT RECEIVABLES</b>		
Accounts Receivable	10,561	9,570
Sundry Receivables	12,500	0
<b>Total current receivables</b>	<b>23,061</b>	<b>9,570</b>

The Company relies heavily on its membership subscriptions and green fees.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 6 – CURRENT INVENTORIES</b>		
Bar	12,652	20,012
Greens and Grounds supplies	7,688	5,034
<b>Total current inventories</b>	<b>20,340</b>	<b>25,046</b>
<b>NOTE 7 – OTHER CURRENT ASSETS</b>		
Borrowing expenses	890	1,059
Prepayments	38,399	35,559
Other	21,586	15,861
<b>Total other current assets</b>	<b>60,875</b>	<b>52,479</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 8 – PROPERTY, PLANT AND EQUIPMENT</b>		
Land – Greens and Greens – Directors and Dept of Natural Resources Valuation	1,785,937	1,694,400
Leasehold land improvements – at cost	657,426	657,426
less: Accumulated depreciation	(197,078)	(174,990)
less: Accumulated depreciation	(473,375)	(452,846)
	<u>1,772,910</u>	<u>1,723,990</u>
Club House /Parking Bay/ Cold Room/Shed/Fuel Depot	3,394,118	3,308,365
less: Accumulated depreciation	(428,486)	(400,796)
	<u>2,965,632</u>	<u>2,907,569</u>
Course Plant and equipment – at cost	519,232	517,281
less: Accumulated depreciation	(324,906)	(260,026)
	<u>194,326</u>	<u>257,255</u>
Furniture & Fittings	249,835	209,211
less: Accumulated depreciation	(166,886)	(151,299)
	<u>82,949</u>	<u>57,912</u>
Leased Plant and equipment	33,060	33,060
less: Accumulated depreciation	(33,060)	(33,060)
	<u>0</u>	<u>0</u>
Gaming machines – at cost	424,466	424,466
less: Accumulated depreciation	(295,845)	(263,102)
	<u>128,621</u>	<u>161,364</u>
<b>Total Property, plant and equipment</b>	<b><u>5,144,438</u></b>	<b><u>5,108,090</u></b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020**

**2020**                      **2019**  
\$                                      \$

**NOTE 8 – PROPERTY, PLANT AND EQUIPMENT (continued)**

**Movements in Carrying Amounts**

Movement in the carrying amounts of property, plant and equipment between the beginning and the end of the financial year are as follows.

Balance at start of financial year	5,108,090	5,097,343
Additions – cash	187,999	31,988
Additions – finance leases (non-cash)	31,867	194,130
Disposals	0	(19,054)
Depreciation and amortization expense	(183,518)	(196,317)
<b>Balance at end of financial year</b>	5,144,438	5,108,090

**NOTE 9 – CURRENT PAYABLES**

Accounts payable	196,186	43,469
Other payables and accruals	99,408	69,932
<b>Total current payables</b>	295,594	113,401

**NOTE 10 – TAX PAYABLE**

GST payable	39,967	43,669
PAYG payable	11,460	8,357
<b>Total tax payables</b>	51,427	52,026

**NOTE 11 – INCOME IN ADVANCE**

Subscriptions in advance	407,846	300,932
Buggy/Locker/Levy's in advance	18,595	15,891
Personal insurance – members	32,051	23,625
Member buggy deposits	3,000	3,000
Member locker deposits	2,404	1,696
B&LDGA WGA affiliation fees	6,556	5,874
BDGA QGU affiliation fees	52,894	40,621
<b>Total income in advance</b>	523,346	391,639



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020**

2020	2019
\$	\$

**NOTE 15 – REMUNERATION OF KEY MANAGEMENT PERSONNEL**

Key Management Personnel (KMP) of the Club have been identified as the Operations Manager and Course Superintendent. The total remuneration paid (including all superannuation) to these persons in 2020 was \$240,875 (2019:\$217,582).

**NOTE 16 – RELATED PARTY TRANSACTIONS**

Transactions between related parties are on normal commercial terms and conditions no more favorable than those available to other persons unless otherwise stated.

- a. During the year entities (Synergy Bookkeeping/Steven James Accountants) controlled by Steven Ascough, treasurer, provided accounting/bookkeeping services for \$25,300 ex GST (2019: \$25,420 ex GST).

**NOTE 17 – SUBSEQUENT EVENTS**

- a. The impact of Coronavirus (COVID-19) pandemic is ongoing. It is not practicable to estimate the potential impact, positive or negative, after the reporting period. The situation is rapidly developing and is dependent on measures imposed by the Australian Government, State Governments and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.
- b. The August 2020 job keeper income claim was made in September 2020 for \$58,500.00. As per the ATO job keeper website, the legal entitlement to the job keeper income is triggered when a legal, valid claim is lodged.
- c. During the pandemic the club was offered a payment deferral of its bank loans. 5 months repayments on each of the two loans totaling \$25,469.05 were deferred at 31 August 2020. The total of deferred loans and interest adjustments have been repaid in full since 31 August 2020.

**NOTE 18 – COMMITMENTS & CONTINGENCIES**

The Club is not aware of any contingencies which exist against it at 31 August, 2020.



## NOTE 19 – RESERVES

a. Revaluation Surplus

The revaluation surplus records the revaluations of non-current assets.

b. Financial Assets Reserve

The financial assets reserve records revaluation increments and decrements (that do not represent impairment (write-downs) that relate to financial assets that are classified as available for sale.

## NOTE 20 – CLUB DETAILS

The Club is a public company limited by guarantee and licensed under Section 383 of the Corporations Law. The company has not issued any shares, and its capital is represented solely by accumulated funds.

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

Ashgrove Golf Club  
863 Waterworks Road  
The Gap Qld 4061

The Club had 18 employees as at 31 August 2020.

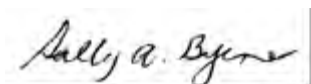
## NOTE 21 – CASH FLOW STATEMENT RECONCILIATION

	2020	2019
	\$	\$
Total comprehensive surplus/deficit for year	189,749	34,068
Borrowing expenses	22,351	32,060
Depreciation & amortization expense	183,517	196,317
Interest received	(1,437)	(2,002)
Other non-cash	(13,601)	(26,294)
Profit on Disposal of Assets	(17,591)	(28,364)
Sub-Total	362,988	205,785
Movement in receivables	13,491	1,601
Movement in inventories	(4,706)	771
Movement in other assets	8,396	22,417
Movement in payables and income tax	181,594	(12,904)
Movement in provisions	26,608	2,682
Movement in other liabilities	97,658	15,375
<b>Net cash provided by / (used in) operating activities</b>	<b>686,029</b>	<b>235,727</b>

**DETAILED INCOME STATEMENT FOR THE YEAR ENDED 31 AUGUST 2020**

**DISCLAIMER TO THE MEMBERS OF THE ASHGROVE GOLF CLUB ABN: 89 009 667 510**

The additional financial data presented on pages..... is in accordance with the books and records of the company which have been subjected to the auditing procedures applied in our statutory audit of the company for the period ended 31 August 2020. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Ashgrove Golf Club) in respect of such data, including any errors or omissions therein however caused.



Sally A Byrne  
Chartered Accountant

Sally A. Byrne  
18 November 2020

**DETAILED INCOME STATEMENT FOR THE YEAR ENDED 31 AUGUST 2020**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>BAR SEGMENT</b>		
Sales – Bar	497,633	682,913
Cost of sales	(219,312)	(291,568)
Gross profit	<u>278,321</u>	<u>391,345</u>
<i>Gross margin</i>	<i>55.93%</i>	<i>57.30%</i>
<b>Expenses</b>		
Freight	3,338	3,855
Gas	1,601	2,688
Consumables and replacements	1,201	1,705
Liquor licence	538	757
Promotions	399	7,181
Repairs and maintenance	4,395	3,742
Salary & wages – bar	153,791	139,502
Superannuation - bar	9,758	12,178
Staff uniforms	6	878
Work Cover - bar	1,229	1,504
Wastage	6,391	3,523
Unders/overs	175	(193)
Total expenses	<u>182,822</u>	<u>177,320</u>
<b>Net result – bar segment</b>	<b>95,499</b>	<b>214,025</b>
<b>Other Bar Income</b>		
TAP Rebate	13,465	18,572
Sponsorship	2,000	1,000
ASM Fund	2,010	2,773
	<b>17,475</b>	<b>22,345</b>
<b>Total Net result – bar segment</b>	<b><u>112,974</u></b>	<b><u>236,370</u></b>

**DETAILED INCOME STATEMENT FOR THE YEAR ENDED 31 AUGUST 2020**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>CATERING &amp; RESTAURANT SEGMENT</b>		
Room Hire	9,555	10,473
Function Income	7,263	11,850
Restaurant Income	114	38
Restaurant Rent	16,380	15,664
Sundry Income	0	0
	<hr/> 33,312	<hr/> 38,025
<b>Expenses</b>		
Fees & Permits	0	750
Function expenses	4,756	11,301
Repairs & Maintenance	4,911	1,820
Sundry expenses	24	0
Total expenses	<hr/> 9,691	<hr/> 13,871
<b>Net result – catering and restaurant segment</b>	<hr/> <b>23,621</b>	<hr/> <b>24,154</b>
<b>LADIES SEGMENT</b>		
Meal Income	914	0
Raffles	624	0
	<hr/> 1,538	<hr/> 0
<b>Expenses</b>		
Function expenses	1,299	0
Pennant expenses	347	0
Raffle expenses	167	0
Sundries	72	0
Total expenses	<hr/> 1,855	<hr/> 0
<b>Net result – Ladies</b>	<hr/> <b>(347)</b>	<hr/> <b>0</b>

**DETAILED INCOME STATEMENT FOR THE YEAR ENDED 31 AUGUST 2020**

	2020 \$	2019 \$
<b>GAMING MACHINE SEGMENT</b>		
Gaming machine revenue	482,927	633,358
Less: Payouts and Jackpots	(375,432)	(473,955)
<b>Total revenue</b>	<b>107,495</b>	<b>159,403</b>
<b>Expenses</b>		
Bank Fees	82	30
Depreciation	32,743	37,042
Interest - Finance	4,162	6,270
Maintenance - TABQ	10,201	14,179
Monitoring - TABQ	5,156	7,184
Promotions	252	123
QOGR Tax	8,842	11,178
Repairs and Maintenance	0	865
Salary & Wages – gaming	30,090	29,796
Superannuation – gaming	2,859	2,831
Work cover – gaming	275	332
Unders / overs	0	0
<b>Total expenses</b>	<b>94,662</b>	<b>109,830</b>
<b>Net result – gaming machine segment</b>	<b>12,833</b>	<b>49,573</b>

**DETAILED INCOME STATEMENT FOR THE YEAR ENDED 31 AUGUST 2020**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>HOUSE SEGMENT</b>		
<b>Revenue</b>		
Commissions	4,604	9,297
Raffles	4,840	9,878
Sundry	1,021	1,630
Total revenue	<u>10,465</u>	<u>20,805</u>
<b>Expenses</b>		
Cleaning	6,287	5,541
Depreciation – Clubhouse	21,188	21,785
Depreciation – Fixtures	15,586	22,607
Electricity	28,688	39,615
Entertainment	6,329	10,941
Interest – Finance	727	938
Laundry and Linen	0	0
Members draws	2,052	2,998
Pest control	1,340	1,282
Promotions	6,164	9,208
Raffle prizes	6,243	4,430
Repairs & maintenance & replacements	16,708	17,166
Repairs & maintenance – insurance	0	0
Salaries & wages – house	47,887	42,863
Superannuation - house	3,238	3,378
Work cover – house	403	432
Security	6,552	7,350
Sundry expenses	666	131
Waste removal	10,539	8,616
Volunteer expenses- house	2,980	1,767
Total expenses	<u>183,577</u>	<u>201,048</u>
<b>Net result – house segment</b>	<u><b>(173,112)</b></u>	<u><b>(180,243)</b></u>

**DETAILED INCOME STATEMENT FOR THE YEAR ENDED 31 AUGUST 2020**

	<b>2020</b>	<b>2019</b>
	\$	\$
<b>MATCH/GOLF OPERATIONS SEGMENT</b>		
<b>Revenue</b>		
Competition fees – members	195,103	164,318
Competition fees - ladies	18,967	23,626
Competition sponsorship	18,146	23,561
Course Improvement Raffles	11,000	20,624
Donations	16,700	930
Green fees – daily	212,047	140,615
Green fees – social clubs	27,341	28,390
Green fees – corporate days	1,336	6,769
Pennant fundraising	0	3,037
Junior development program	1,500	3,000
Other golf income	335	222
<b>Total revenue</b>	<b>502,475</b>	<b>415,092</b>
<b>Expenses</b>		
Advertising	0	2,125
Corporate Day expenses	1,750	755
Course Improvement prizes	5,720	6,316
Fixture Book	405	361
Junior golf	438	3,348
Pennants	0	6,304
Printing & stationery	1,800	1,817
Pro commission	27,873	16,400
Pro retainer	15,232	14,123
Promotions	30,840	24,856
Salary and wages – golf	32,640	32,240
Superannuation – golf	3,101	3,063
Work cover – golf	298	367
Score Cards	1,927	2,059
Sponsor expenses	0	0
Sundry expenses	0	2,202
Trophies & balls	30,093	24,303
<b>Total expenses</b>	<b>152,117</b>	<b>140,639</b>
<b>Net result – golf operations segment</b>	<b>350,358</b>	<b>274,453</b>

**DETAILED INCOME STATEMENT FOR THE YEAR ENDED 31 AUGUST 2020**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>GREENS AND GROUNDS/COURSE SEGMENT</b>		
<b>Revenue</b>		
Apprentice Subsidy	5,531	0
Fuel tax credits	1,420	1,501
Gain on disposal of property, plant & equipment	0	0
Total revenue	<u>6,951</u>	<u>1,501</u>
<b>Expenses</b>		
Amortization – leased assets	0	0
Bridges and Pathways	241	2,069
Depreciation – Land	23,259	22,459
Depreciation – Machinery, Plant & Shed	90,741	92,424
Electricity	20,400	19,259
Interest – finance	9,179	12,409
Lease of land	2,438	3,148
Machinery Hire	1,568	2,034
Motor Vehicle expenses	820	0
Rates – general	15,883	15,551
Rates - water	3,628	7,804
Repairs & maintenance – fuel & oil	17,467	21,418
Repairs & maintenance – general	8,678	9,940
Repairs & maintenance – greens	117,423	64,472
Repairs & maintenance – machinery & equipment	11,170	11,021
Repairs & maintenance – waste removal	538	1,128
Salaries & wages - greens	282,287	267,943
Salaries & wages – casual labour	6,136	5,104
Superannuation - greens	24,559	23,866
Work cover – greens	2,433	3,085
Staff – protective clothing & uniforms	1,325	1,847
Staff training	1,688	2,569
Sundry expenses	692	158
Telephone	1,220	1,252
Volunteer expenses – course	5,907	7,565
Total expenses	<u>649,680</u>	<u>598,525</u>
<b>Net result – greens and grounds segment</b>	<b><u>(642,729)</u></b>	<b><u>(597,024)</u></b>



**DETAILED INCOME STATEMENT FOR THE YEAR ENDED 31 AUGUST 2020**

	<b>2020</b>	<b>2019</b>
	\$	\$
<b>ADMINISTRATION - MEMBERSHIP SEGMENT</b>		
<b>Revenue</b>		
Membership fees	488,768	431,010
Social membership	804	1,792
TPG membership	5,083	1,277
Buggy/locker rents	24,109	22,674
Buggy path levy	5,793	5,395
Nomination fees	864	1,137
Total revenue	525,421	463,285

	<b>2020</b>	<b>2019</b>
	\$	\$
<b>ADMINISTRATION - OTHER SEGMENT</b>		
<b>Revenue</b>		
Deferred income	13,601	26,294
Fixture Book Advertising	1,362	1,362
Interest received	1,437	2,002
Profit on Disposal of Assets	17,591	28,364
ATO Cashflow Boost (COVID-19)	87,500	0
ATO Jobkeeper Income(COVID-19)	144,000	0
Tee signage	0	700
Total operating revenue	265,491	58,722
<b>Total Membership and other revenue</b>	<b>790,912</b>	<b>522,007</b>

<b>Expenses</b>		
Accounting services	25,300	25,420
Advertising	2,647	6,119
Audit fees	7,384	7,653
Bank fees & merchant fees	7,457	6,165
Borrowing expenses	519	560
Committee expenses	120	39
Computer software & support	21,273	18,112
Donations	1,120	870
Fees and charges	928	2,327
Insurance – general	26,092	38,386

Interest charges – bank loan	8,493	11,638
Interest charges – bank overdraft	3	244
Internet expenses	2,156	1,874
Loss on disposal of assets	0	6,326
Postage	1,575	931
Printing & stationery	1,752	2,650
Repairs & maintenance	246	424
Salaries & wages - administration	136,433	129,661
Superannuation	14,469	13,886
Staff amenities	2,279	1,089
Staff training	2,268	13
Staff uniforms	41	43
Work cover	1,187	1,463
WPH&S	2,321	1,499
Subscriptions & licences	11,354	9,665
Sundry expenses	0	387
Telephone & fax	7,344	7,103
Total operating expenses	<u>284,761</u>	<u>294,547</u>
Non-operating expenses – Development consultancy fees	0	0
Non-operating expenses – Development Legal costs	0	675
Total expenses	<u>284,761</u>	<u>295,222</u>
<b>Net result – administration</b>	<b><u>506,151</u></b>	<b><u>226,785</u></b>

**DETAILED INCOME STATEMENT FOR THE YEAR ENDED 31 AUGUST 2020**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>SEGMENT SUMMARY - INCOME</b>		
Bar segment	515,108	705,258
Catering and restaurant segment	33,312	38,025
Gaming machine segment	482,927	633,358
House segment	10,465	20,805
Ladies	1,538	
Match/golf operations	502,475	415,092
Course segment	6,951	1,501
Administration - membership	525,421	463,285
Administration – deferred income	13,601	26,294
Administration - other trading income	20,390	32,484
Administration – ATO	231,500	0
	<hr/>	<hr/>
<b>Income – all segments</b>	<b>2,343,688</b>	<b>2,336,046</b>

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>SEGMENT SUMMARY - EXPENDITURE</b>		
Bar segment	402,134	468,888
Catering and restaurant segment	9,691	13,871
Gaming machine segment	470,094	583,785
House segment	183,577	201,048
Ladies	1,885	0
Match/golf operations	152,117	140,639
Course segment	649,680	598,525
Administration	284,761	294,547
Administration – non trading	0	675
	<hr/>	<hr/>
<b>Expenditure – all segments</b>	<b>2,153,939</b>	<b>2,301,978</b>

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>SEGMENT SUMMARY</b>		
Net result – ladies	347L	0
Net result – bar segment	112,974P	236,370P
Net result – catering and restaurant segment	23,621P	24,154P
Net result – gaming machine segment	12,833P	49,573P
Net result – house segment	173,112L	180,243L
Net result – match/golf operations	350,358P	274,453P
Net result – course segment	642,729L	597,024L
Net result – administration	<u>261,050P</u>	<u>226,785P</u>
Net result – trading	55,352L	34,068P
Net result - other – deferred income	13,601P	
Net result – administration – ATO cash boost and job keeper	231,500P	0
	<hr/>	<hr/>
<b>Net result – all segments</b>	<b>189,749P</b>	<b>34,068P</b>
	<hr/>	<hr/>

## **NOTICE OF 82<sup>ND</sup> ANNUAL GENERAL MEETING OF ASHGROVE GOLF CLUB**

6 November 2020

This is to advise that the 82nd **Annual General Meeting** of the Club will be held on **Sunday 29<sup>th</sup> November 2020 commencing at 9.00am**. The meeting will be held in the Clubhouse of Ashgrove Golf Club, 863 Waterworks Road, The Gap, Queensland. You are cordially invited and urged to attend.

### **Notification of Proxy Rights**

Please find enclosed a blank proxy form.

Any member who is eligible to attend and vote at this meeting but is unable to attend shall have the right to appoint a proxy.

An instrument appointing a proxy shall be in the form of the enclosed Proxy Form or in a form that is as similar to the enclosed Proxy Form as the circumstances allow.

An Instrument appointing a proxy shall not be treated as valid unless the instrument is deposited with the General Manager not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting at which the member named in the instrument proposes to vote, and is given under the following conditions: -

- (i) The Instrument of Proxy Vote can only be given to a financial member of the Club who will be present and entitled to vote at said meeting;
- (ii) Should any other business arise which may require a poll, the Power of the Proxy can only be exercised after the resolution to call a poll by show of hands has been carried.
- (ii) A Proxy Vote cannot be exercised in a vote by show of hands, only in a poll by ballot.
- (iii) Postal Votes are not permitted, accepted or counted. A form of Proxy is not a Postal Vote

Please note that for your proxy to be valid, the completed Proxy Form must be lodged with the office before 9.00am Friday 27<sup>th</sup> November 2020.

### **Annual Reports**

A copy of the Annual Report and Financial Statements should be available from the Administration Office from 10.00am on Saturday 21<sup>st</sup> November 2020. Should you have any questions relating to financial matters, please lodge them for the attention of the Treasurer by 5.00pm on Tuesday 24<sup>th</sup> November 2020.

### **Nominations for Positions on the Board of Directors**

Nominations are called for the positions on the Board of Directors as detailed in Item 4 of the Agenda below. Nomination Forms are available from the office during office hours. All nominations must be in the hands of the office by 5.00pm on Sunday 15<sup>th</sup> November 2020.

## AGM AGENDA

1. Confirmation of Minutes of the Annual General Meeting held on 8<sup>th</sup> December 2019.
2. Receive, consider and adopt the Financial Statements of the Company for year ended 31<sup>st</sup> August 2020 and the reports by the Directors and Auditor thereon.
3. General business relating to the past year 2019/2020.
4. Election of Board of Directors – Elections shall be held for the positions of President (2-year term); Treasurer (2-year term); Vice-Captain (2-year term); and Greens Director (2-year term) House Director (1-year term. Director positions with a 1-year term are as a result of the position being vacant, casually filled during the year or the present elected Director resigning to nominate for a different Director position.
5. Appointment of Patron for ensuing year.
6. Appointment of Auditor for ensuing year.
7. General Business relating to ensuing year 2020/2021.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'PM', written in a cursive style.

Paul McLennan (President)  
For Board of Directors  
Ashgrove Golf Club

**MINUTES OF THE 81<sup>st</sup> ANNUAL GENERAL MEETING  
OF THE MEMBERS OF ASHGROVE GOLF CLUB  
ON SUNDAY 8<sup>TH</sup> December 2019**

Present: Messrs P. McLennan (President and Chairman), J. Thorne (Vice President), A. Homer (Director), S. Putral (Greens Director), M. Wogan (House Director), Mrs J. Lang (Captain), M. Ronan (Secretary) and 42 members from the Member Register

Apologies: Steven Ascough, Phil Moschella, Mary Livingston & Graham Schneidewin

*The Chairman*, Paul McLennan welcomed members and thanked them for their support over the past year with special mention to the new members and life members in attendance – Mitch Koroloff, Bruce Parmenter and Bruce Gill.

*The Chairman* thanked long term scrutineers Dave Lewis and Pat Franks who confirmed 42 members in attendance. A quorum was declared, and the meeting opened at 9.05am

*The Chairman* advised the following proxy votes received:

Chairman	1
Maurie Hand	1

*The Chairman* read the following message from Steve Ascough in his absence –

Ladies and Gentlemen, I would dearly love to be there today, but I have a prior commitment that finishes at 10.30. I hope we have a good turnout, Jim Mulgrew, Bobby Mcleod, Life Members, Lady Members and many new Members. If I was in attendance today, I would have liked to speak about some important topics to our members. Financially we are working towards achieving surpluses of \$60,000 a year including depreciation and amortisation. This target can handle unexpected events and keep a balanced budget. We are always trying to be fiscally responsible and work with the philosophy of earning before spending. We are a not for profit organisation but if we don't run our Club like a business with a strong cash flow, we can't achieve our main objectives of providing and maintaining golf facilities and promoting golfing activities. If we achieve higher than this figure, we have more funds towards long overdue capital projects. If we finish on the low side, we are under pressure and have spent more on operational expenses. We could easily spend another \$50,000 on the golf course including tree pruning, improving soil profiles, aeration of fairways and increase fertiliser and chemical programs to name a few. The good news is we are growing revenue and I am confident we can get to this range in the 20/21 year. Another important item for members is that we are on track to have our long-term debt paid in full in the next 2 years. The core debt relates to when we substantially renovated the Clubhouse and built offices for the course staff. The great news is that once completed, we will have approximately \$60,000 every year to spend on the course. For members that read the annual report, you will know I speak about our focus on membership and its important. Some years ago, Dave Lewis asked me at an AGM what are our financial risks were going forward. That financial year we had reported membership fees in the low \$300,000's. My response to Dave was that we would face difficult times ahead if we dropped below \$300,000. It would mean cutting expenditure that would affect the course budget. Fast forward to this year and we have smashed through the \$400,000 barrier ahead of budget and I expect us to improve and report a higher figure in this financial year. Back in late 2015 the board at the time and Mick brainstormed and produced a strategic plan. The number one strategy and focus point was membership growth. Active membership is the foundation of our Club. The Club needs more members to establish a stronger financial position and to enable the investment in course and facility improvement. Having a business background, I supported the plan unconditionally because it would assist all other income producing areas and drive the additional funds required for our golf course. The 3<sup>rd</sup> of March 2014 will prove to be an important date in the Clubs History. This was Michael's first day leading and managing the Club. We sit here today with strong financial results and all indicators suggest this strength will continue. Without Mick's dedication and drive to execute what is asked of him each day we would not have a thriving golf club that we all enjoy being a part of. Could all members please be upstanding and join me in thanking Mick for his service and achievements. Over to you PMac, have a great AGM, don't get roasted too much. You're integral to our back to back VW Scramble team. See you all soon.

Steven Ascough  
Part time golfer and winner of back to back VW Scramble's.

Agenda Item 1 – Confirmation of Minutes of the Annual General Meeting on Sunday the 25<sup>th</sup> of November 2018

*The Chairman* - moved the motion to accept the minutes of the previous AGM as a true and accurate record.

Seconded: *Jon Thorne*

CARRIED

Agenda Item 2 – Receive, consider and adopt the Financial Statements of the Company for year ended 31<sup>st</sup> August 2019 and the reports by the Directors and Auditor thereon.

Seconded by *Jim Mulgrew*

CARRIED by show of hands.

Agenda Item 3 – General Business relating to the past year 2018/2019

*The Chairman* thank you to all management, staff, contractors and volunteers for a tremendous year with special mention to the current and past board members. In the absence of questions in relation to the financials, I will pass comment that the Club made a profit of \$34,000 meaning we have achieved a profit for 8 years running. Pleasingly we have achieved an increase of 15.4% in gross revenue. I would like to ask the floor if there are any questions relating to the 2018/19 financial year?

*Jim Mulgrew* - First of all, congratulations Michael on a wonderful year for membership. A particular mention to the Board, Michael and his two assistants in the office – Philippa and Sylvanus who do a terrific job. I note we paid affiliation fees this year to the BDGA, QLD Golf and Golf Australia a total of \$46,000. I'm asking what the \$46,000 is for? We pay this as the hierarchy in these organisations run pennants, sponsor a day here and a few other things. My point is what do they do to promote golf clubs? I've thought about this and I came up with an answer – nothing... has anyone ever seen an ad or a promotion from these organisations? I doubt it. The golf hierarchy in Australia from Junior golf up do not promote golf clubs. I believe Mr Hand, our delegate, needs to ask the question what is being done for membership at this golf club.

*Sue Moller* – is there a portion of those funds towards member insurance?

*The Chairman* – No, there is a separate line item for insurance.

*Maurie Hand* – There are some upcoming mergers in the hierarchy of Golf in Australia. The BDGA affiliation fee is \$10 with most funds being used to promote junior golf. There is much work done to communicate changes in the game such as the rules as well. There is a frustration from the BDGA that Clubs don't take them up on their support and offerings for junior golf.

*Geoff Altmann* – Long-time social player, 12-year member. I've got a query about our bark situation. Thank you, Simon. I hear we are looking to extend our award-winning bark program? The problem I've got is safety, I'm not sure how long you've been here but I've been here a long time and when you hit into the tree roots you were able to see them. Now they are covered up with bark there's a safety issue as you're unable to see the roots. If I have a full swing and hit a root, I could snap in half. Exposed roots have been part of the course for a long time. Politely put, the members are frustrated with the bark. The other issue I've got, being just a mower man, I know that when the storms come the bark will flow directly to the fairways. There needs to be some thought about this. Get that into you son.



*Simon Putral* – This is my first time at the Clubs AGM. I have been a member here for 18 months now. Prior to that I was a member at Keperra for a long time until I took up children and looking after them which affects my ability to golf greatly. I've been involved in golf courses for a long time. When I initially put in my application to become Greens Director, one of the things I spoke about was one of the aspects of the course I believe needs extra work and improvement and extension which was the wasteland program. The benefits of the wasteland is to achieve better definition on the course and to improve our overall offering. We aren't a course with unlimited funds, if you look at a lot of the high level courses, they groom their waste land areas. They also have trees that grow to ground level, one of the things I would like to see here is the ability to find your ball when off the fairway but I don't want that to come at the expense of running across the entire course. In my report I've highlighted that the wastelands define fairways and help stop balls running onto other holes. This is part of my philosophy for how this course should best be set up. In regards to roots, the way we make wastelands is the area is covered with dirt and progressively over the years we cover the roots further and further which reduces the risk to players. The problem with bare areas is that a ball will run until it rests on a root. I know there is still a risk of hitting a root in wastelands, but I believe this risk will reduce over time with the program in place. The long-term plan is for better course definition. As always, I am happy to talk to anyone about how best to improve the course. When washouts occur, we will be able to identify the path of the water and mitigate it by redirecting it where suitable.

*Shane Corbett* – Is it possible to have a better-quality bark as opposed to the chunks we have out there now?

*Simon Putral* – The biggest problem we have now is that we get our bark for free from contractors. If we decided to only accept a higher grade, there would likely be a cost involved.

*Shane Corbett* – Maybe we could introduce a free drop in the bark?

*Bob Mcleod* – Can I say something in support of what Simon is trying to do. Geoffrey don't take a foot-deep divot like you usually do. Seriously, we heard Simon say that he covers the exposed roots before the bark goes down. I support what you are trying to do. We have over the years had a problem with roots coming to the surface caused by spraying instead of whipper snipping which causes the roots to come to the surface. I think in future we should be stopping the spraying around trees which over time will send the roots back under ground. Quite frankly I get sick of my ball being jammed in tree roots and having to take an unplayable. I think in the longer term, we must address the issue of why the roots are coming to the surface.

*Dave Lewis* – Going back to the finance report, I know Steve mentioned we spoke some years ago. I know that if we don't make enough money, we can't do the things we need to maintain the course. I know we feel we have done well this year, but I believe we haven't done well enough. We should have made a lot more. We had a big increase in membership however it all flowed out by under-pricing at the bar. Michael tells me that this year we will have over 60% gross profit from the bar, to me that will produce about \$40,000 extra profit from the bar. I know Steve said, we need \$60,000 a year, that was a few years ago, it's more like \$75,000 a year now. I ask that the Board be vigilant with things like bar pricing. Another thing that affects me as one of the old fogeys around here is the big discount we receive on our subscription. I think this discount is affecting the Clubs ability to return better profits. Most of us older people have got the financial capacity to pay and the Board should be looking at this. One other thing, I'm involved with the Brisbane Vets and we struggle to get players to come and play here, we get the 2<sup>nd</sup> lowest numbers of all courses in Brisbane. We get 75 players turning up to Ashgrove for the two fixtures here creating about \$1500 green fees on a Monday which is fantastic for us. Because some people don't like the course for reasons mentioned today, this costs us revenue. At a recent Vets meeting, Ashgrove nearly lost one of the fixtures which would have been a big loss for the club of \$1500 green fees plus bar takings. It's really important we look at the golf course and determine what's stopping the vets and other players from playing here.

*Jim Mulgrew* – I'd like to ask about the bar business, what is the discount for members at the bar?

*The Chairman* – It equates to approximately 50 cents a schooner or approximately 10%.

*Jim Mulgrew* – is it worth having?

*The Chairman* – Bar prices are reviewed twice a year in line with tax increases. The other side is remaining competitive with local competition, it’s a fine line. Member fees are reviewed every year. There is a discount for those members who have been here for a set amount of time which qualifies them for the discount. Our GP showed a less than 60% return however this was down to a system error not reporting revenue correctly. The golf course is something we are looking to continue to improve. A few years ago, the course wasn’t in good shape and green fees and social clubs reduced significantly. Once again, we have improved these areas, unfortunately they are still not back to previous levels, but this is a focus as it’s an important part of our revenue.

*Bob Mcleod* – Just before we move on there was appreciation given to everyone as we should do in the directors. There was appreciation given to Darren and his staff. I think it would be remiss if I didn’t mention the work Darren has been putting in recently and I wish to express my personal thanks for the work he and his team have done. Yesterday for example, Darren was here at 5am hand watering greens, he was back again at 5pm doing exactly the same thing. This is the dedication he and his staff are showing us. It’s a great example of his dedication.

*Neil Phillips* – A finance related question – what is happening with the \$100 raffle?

*Michael Ronan* – It’s being drawn on New Year’s Eve. It’s been advertised in the Arrow the past few months that the draw will occur regardless of how many tickets have been sold.

*Dave Lewis* – How many tickets have we sold, and will we sell them all?

*Michael Ronan* – About 35, we’d like more members to purchase them.

*Sue Moller* – Every time I buy a soda water, I expect to pay a few dollars as I’m getting a glass, garnish and ice. I don’t get it free anywhere else.

*Michael Ronan* – many venues also provide free soda water. Some members may not be happy to pay for soda water.

*Dave Lewis* – I support a charge for soda water. We should also put in the Arrow that we need more volunteers for the bar. Our bar wages increased by 8% last year and I’d like to make a special plea to the ladies to help here because at present there are no lady volunteers assisting with the bar.

*The Chairman* – Is there any further business relating to the last financial year?

Agenda Item 4 - Election of Board of Directors – Elections shall be held for the positions of Vice President (2-year term); Captain (2-year term); House Director (2-year term); Director (2-year term); Vice-Captain (1-year term) and Greens Director (1-year term). Director positions with a 1-year term are as a result of the position being vacant, casually filled during the year or the present elected Director resigning to nominate for a different Director position.

POSITION	CANDIDATE	NOMINATOR	SECONDER
VICE PRESIDENT	J. Thorne	S. Anderson	P. Mansini
CAPTAIN	J. Lang	A. Hardie	D. Lewis

<b>VICE CAPTAIN</b>	P. Brennan	R. Van Herwaarde	P. McLennan
<b>GREENS DIRECTOR</b>	S. Putral	P. McLennan	J. Thorne
<b>DIRECTOR</b>	A. Homer	L. Harrison	R. McKibbin

*The Chairman*- welcome back to the unopposed Directors, as well as new Vice-Captain Peter Brennan who is not here today.

*The Chairman* – I'll thank outgoing House Director, Mathew Wogan for his efforts as House Director.

Agenda Item 5 – Appointment of Patron for ensuing year

*The Chairman* – asked if Bob Mcleod would continue in his role as Club Patron whilst thanking him for his efforts particularly his role within the Development Sub-Committee.

*Bob Mcleod* – Confirmed he would be happy to continue in the role and assist the Club wherever possible.

*The Chairman* moved a motion for Bob Mcleod to remain as the Clubs Patron for the ensuing year.

Seconded: Adrian Homer.

CARRIED.

*Bob Mcleod* – Thank you to all members I'd like to highlight that the individual members are the lifeblood of this Club. I think we're all very lucky, I hope the new members support the Club in the manner many long-term members do. If there is anything, I can do to assist in regards to the development or any other matter, I am happy to do so.

Agenda Item 6 – Appointment of Auditor for ensuing year

*The Chairman* – put forward a motion to retain the services of Sally Byrne of Norcrest Business Services at auditor for the upcoming year.

Seconded: Mathew Wogan

CARRIED

Agenda Item 7 – Appointment of Honorary Solicitor for ensuing year

*The Chairman* - thanked Jason Burkitt as the Club's Honorary Solicitor, a position he has held for many years. The Club asks many questions which Jason is always happy to assist with whether he be on the course or midway through a pennant game.

*The Chairman* – put forward a motion to retain the services of Jason Burkitt of DBL Solicitors for the upcoming year.

Seconded: Bruce Gill

CARRIED

Agenda Item 8 – General Business relating to ensuing year 2019/20

*The Chairman* – I would like to start this off by commenting on our current water situation. We have experienced two major dry events this year and we are now into our third which is worse than before. As members, you will have noticed as well as been advised via the Arrow that we have made significant changes to the way we use water on the course. Reducing cycles, regularity and areas of irrigation. Without significant rain we are not far, possibly one to two months from exhausting our reserves. We are investigating all options including tapping into QUU supply, trucking in supply and hot spot watering to name a few. If anyone has any further options, please speak to us. Unfortunately, water that doesn't come from the sky has significant costs. To fund these requirements, the board is currently looking into the use of funds accumulated in prior years profits, extending credit facilities, redirecting funds set for other uses or increasing member contributions to fund the options. We must ensure that this is done in a responsible fashion that does not handicap the Club in future. Many hours of debate and investigation has happened with more to come. We will communicate any news or decisions as they occur. As per our communications during the year we are formulating plans to significantly increase our water storage in the future. Initial estimates indicate increased capacity of 35% with further options to boost it by 100% - 200%. These stages would require significant funding and approvals. At this time, I'd like to open it up to the floor for any business relating to this financial year.

*Shane Corbett* – I'd like to raise the issue of the Clubhouse roof which has been an issue for a number of years but was postponed due to the development. It looks unlikely now that the development will occur as planned. Are we looking at upgrading the roof as it's a very high risk to the Club.

*The Chairman* – The development work is certainly ongoing and not finished. In terms of the roof and any other Clubhouse related projects any funds the Club makes will be directed towards these projects.

*Shane Corbett* – Is any consideration given to imposing a levy to complete the roof and maybe net?

*The Chairman* – As per the annual report, considerable time and effort have been put into the 8<sup>th</sup> hole. We still have a DA for the net. Funding options and priorities are the next steps.

*Shane Corbett* – Are you going to put forward a motion today for a levy?

*The Chairman* – I don't believe in rushing a decision. More work is required before a levy can be imposed. And I don't want to hamstring the Club for years to come over a rushed decision.

*Jim Mulgrew* – Can I ask what's going on up there? Is it going to fall in? Will it last a few more years?

*Mathew Wogan* – Over the past couple of years there have been a number of patch jobs. One of the main issues was the water not being able to get away quick enough due to a lack of down pipes. The work done to date has improved the situation significantly. There are some rusty parts which still cause leaks. We are trying to maintain it for a few years, not forever. A roof replacement is a considerable cost. We might be best served to investigate a more holistic approach including renovation.

*John Shaw* – Question, how are we covered by insurance if the roof has a significant fail? I'm aware that we won't be covered. It's a wear and tear issue through age and degradation. If it's in poor condition, we are in very high risk. Previously we put it off because of the future development. The development is ongoing but with no time frame, so our risk has increased now. While Mat makes a good point. The risk of the roof jeopardises the whole operation. It should be put high on the Boards agenda, holistically or not. The risk factor is huge.

*The Chairman* – And I would like that clarification from our insurers.

*Shane Corbett* – The problem is, once you ask them you are then put on notice.

*John Shaw* - I think we've had that clarification before

*The Chairman* – Any more questions?

*John Shaw* – The water issue, you've made good points and it's a significant issue for us. You mention we've done pairing back on the water program. But now as you see during the week, the conditions are that bad that the course is in jeopardy. The point – we've gone and played Kooralbyn, the place is on the verge of going bankrupt. I believe we should be focused on keeping greens and tees alive and keeping them alive by providing adequate water. We know there will be a cost. It probably should be considered to have a levy, and this is the right forum. Are the members prepared to pay a levy to fund water required to keep greens and tees alive? We should be funding this through contributions from the members. Such a levy wouldn't be that big and it shouldn't be transitioned through the different layers of membership, all categories should pay the same, that's my belief. It's up for discussion. At \$100 a member for each of the 500 members would create enough. Most members wouldn't think this is too harsh given we all enjoy the facilities. I would like to put this forward now so it's up for discussion, so the Board have some idea of what to do. It's at critical levels now. Fortunately, we have been through this before and every time we've got to the 11<sup>th</sup> hour it's rained. I think it's time we sorted the funding issue. I know behind the scenes there is work going on to diligently work through this and many other issues but now is the time to think about funding it.

*The Chairman* – Thanks for the comment John.

*Maurie Hand* – For the cost of four or five coffees a week, it's a small cost to our members to keep the course alive.

*Bob Mcleod* – Mr. Chairman, I think the discussion needs to be had with the members about a levy and it needs to cover whether any funds raised will be for immediate water for the course or for increased water storage. The board needs to be very clear to the members how any funds would be used. John, I don't think anyone will growl at a \$100 levy. In the past we have called a levy in the form of a debenture. What happened then was most people gave their debenture to the Club. The board needs to be very clear about whether funds are for short- or long-term solutions.

*Mitch Koroloff* – I'm probably the longest serving member in the Club and I can remember many years ago we had a similar situation with no rain. Back then the course was in much worse condition with no grass on the fairways, just bare dirt. The committee at the time brought in an excavator and dug a hole 20 feet deep in the creek down there and it filled up with water overnight without fail. This would have been 40 years ago at least. There is a lot of water running under the creek bed.

*Simon Putral* – We've been speaking with the relevant authorities around what we can do with the creek. Touching the creek bed is sacrosanct and if we tried to do it, we'd be shot.

*John Shaw* – The laws have changed.

*Simon Putral* – The area is very sensitive as many other organisations use water from the creek.

*John Shaw* – I'd like to raise the condition of play at present. What is the Board considering? Whether we'll be playing tee up, preferred lie or another option. I'd like you to consider that tee up is not an option as the ground is too hard, preferred lie isn't as option as there's no grass so possibly something like members are provided a carpet square or artificial grass to provide cushioning effect. Whilst we all respect, we should be playing on the fairway proper, I think we all agree that the conditions are such that it's virtually impossible to hit a golf shot. We must be close to making a decision now.

*The Chairman* – I agree

*Simon Putral* – Similarly, winter conditions in Europe, players get issues a strip of artificial grass. We don't want to put these things in play and alienate our members. They want to play the conditions.

*John Shaw* – you're probably alienating them more by not being reactive to the conditions- I think you've gone past that point. Balls are running off that badly they're going into your wastelands, it's so dry out there. You risk injury and you risk pissing a lot of people off. We've got people like Keith Dudgeon who supply this stuff and could help us out.

*The Chairman* – Thanks John

*The Chairman* – Asked if there were any more questions or comments before thanking members present and inviting them to the bar for refreshments.

Meeting closed at 10.03am