

# THE WONTHAGGI CLUB



2019

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# ANNUAL REPORT

## Presidents Report 30<sup>th</sup> June 2019

I have much pleasure in presenting my 2019 annual presidents report.

The Club continues to prosper under the guidance of our great management team and stable Board of Directors. We have made a profit of \$3,157 for the 2018-2019 financial year before income tax, and a loss of \$29,941 after tax.

We now have The Clubhouse up and running after quite a long time of limited trading and extensive renovations. It's great to see the improvement in the facility; we now have 2 refurbished venues to make use of.

Remember One Great Club, Two Great Venues.

Socially we have once again had a busy year, the monthly 6oz lunches have been well attended with some very interesting guest speakers, thank you to John Hedley and Aldo Sartori for your organisation. Our Calcutta was once again successful with some interesting entertainment from Mick Sharkie & David Taggart. A big thank you to The Club Cricketers for their ongoing support, the 100 Club Gala night was well attended at the Clubhouse, and the Easter Sunday Easter egg hunt being one of the highlights of our social calendar, a big thankyou to our staff and volunteers,

The Club has made donations of \$78,038.33 and member benefits totalled a whopping \$311,222.10. These figures include donated use of the bus, van and cars, rooms for functions, equipment for various events, the marquee, hundreds of vouchers, and our participation in and coordination of community events.

Major donations went to Wonthaggi Power Football & Netball Club, Club Cricket Club, Kilcunda Bass Football Netball Club, Dalyston Football Netball Club, Wonthaggi Bowls Club, Wonthaggi Rotary and the Wonthaggi Band. Plus, other money that has been distributed through our Wonfund.

This year, The Wonthaggi Club once again sponsored Bass Coast Breakers Women's AFL team who moved up into division 1 and had a tough year, better

luck next year girls. We feel very proud to be involved with this group and they have reciprocated with being great supporters and ambassadors of the club

Membership has seen growth increasing from 4309 to 6179.

Sadly, we said farewell to effective members William (Bill) Robertson, Robert Jeffries, Phillip O'Connor, Maurice Rielly, Thomas Eurell, Geoffrey Johnson, Eileen Trewin, Lee Strosser, Robert Chubb, Phillip Harrop, Bernard McRae, Barbara Watson, Joan Woolfe, Judith Clemann, Yvonne Cowell, Frederick Cowlshaw, Margaret Johns & Ian Montgomery. These members will be missed and our condolences go to their loved ones.

I would like to take this opportunity to thank our Board of Directors, in particular retiring Directors Rob Geyer and Glen Rielly, thank you for your time and commitment to our Club. During the year we saw long time operations manager Allan Smith retire, Allan was a great worker and friend to all. Jaye Foon has returned to us from a few years away with some new and fresh ideas. To Steve Curtis, Bree Stevens, Ben Rookes and the rest of our very dedicated staff, thank you for your work in making the Club a great place to be part of.

Alan Bolding

President



## **Treasurer's Report 2019**

I present the financial report for the year ended 30<sup>th</sup> June 2019. The club has recorded an overall loss of \$29,941 this financial year, arriving at a surplus of \$3,157 before Income Tax of \$33,098 compared to a profit last year of \$62,388.

Total revenue rose from \$8,386,403 to \$8,420,674 whilst Gaming revenue had a small loss of around 1%, down from \$5,577,020 to \$5,462,526 (\$114,494 difference). Total Bar Sales also saw a modest overall growth rising from \$1,312,658 to \$1,425,750 (an additional \$113,092) with the Stage 1 Bar again recording the biggest increase of an additional \$80,615 on last year's figures. For a fourth consecutive year income from Food Sales topped the \$1m mark, with \$1,332,946 compared with \$1,269,525 last year. Some very positive and increasingly valuable work has been done to promote the use of the Club facilities and inform the community of what services the Club can provide in the way of function packages. The Tuesday night meals especially have been very popular and we look forward to the long-term benefits of the Club's promotion and marketing program. The delivery of good quality meals and consistent good service across both venues has seen greater patronage and the Club's reputation as the place to be is steadily growing. Club membership rose from 4309 to 6179. Member benefits and discounts amounted to \$311,242 (up from \$265,615) once again reflecting excellent value for our members.

On the expense side, Gaming tax was reduced from \$1,630,056 to \$1,606,954 reflecting the decreased income from gaming. Employee costs increased from \$2,200,799 to \$2,233,574 and Income Tax decreased from \$55,730 to \$33,098. Depreciation amounted to \$1,263,304 and the Club's total financial liabilities decreased by \$433,533 from \$5,223,111 to \$4,789,578 (last year \$330k).

As was reported in the previous Annual Report the Wonthaggi Club in partnership with the Wonthaggi Golf Club was committed to vital improvements to the Clubhouse including kitchen, bar and function rooms. It has been a challenging time. These works took longer than expected and so the business was restricted, however the works have been completed and the

facility is open and functioning well. The cost of these works was \$439k, a solid investment for the future.

The financial report outlines the costs in utilities, insurances, security, promotions & entertainment, repairs & maintenance and the cost of goods and services. All these costs are closely monitored, reviewed and reported on at the monthly Finance and Directors meetings and addressed as part the Club's strategic planning.

The Wonthaggi Club continues to have a proud and strong connection with the local community and has again generously supported it through the Wonfund, direct donations and sponsorships, use of the Club's equipment including the Club bus and free use of facilities. It is really a diverse group of community organisations that benefit from this great partnership. This has enabled many groups and organisations to run activities and events, expand participation and generally help them to do the things they do so well. Community donations reached \$88k this year ( last year \$72k) including \$9210 through the Wonfund. The Club again ran a number of very successful events throughout the year, including the hosting of the Easter Family Day at the State Coalmine. What a great day for the Club and the community.

The Board has implemented a new system to manage the many requests for assistance and whilst this is still new and being refined it will make the process and accountability requirements a lot clearer and easy to manage.

I would especially congratulate Alan Bolding for his leadership as Club President, the Board for its hard work and patience and Club Manager, Steve Curtis, for his continued excellent management and guidance. Thank you also to now retired Operations Manager Alan Smith, Bree, Ben, Les, Belinda, Jaye, Melissa, Liam and Trudy who have managed the finances and staff and make the Club successful. What a team!

John Duscher

Treasurer

The Wonthaggi Club

**THE WONTHAGGI CLUB**

ABN 59 004 154 045

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019**

**THE WONTHAGGI CLUB**

ABN: 59 004 154 045

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**TABLE OF CONTENTS**

Directors' Report	3-4
Auditor's Independence Declaration	5
Financial statements	
Statement of Profit or Loss and Other Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Notes to the Financial Statements	10-23
Directors' Declaration	24
Independent Auditor's Report	25-27

## THE WONTHAGGI CLUB

ABN: 59 004 154 045

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### DIRECTORS' REPORT

Your directors present their report on the Company for the financial year ended 30 June 2019.

#### Directors

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

Director		Appointment Date for current term
Alan Bolding	President	11/09/2018
Aldo Sartori	Vice President	12/09/2017
John Duscher	Treasurer	12/09/2017
John Geyer	Director	11/09/2018
Jason Sartori	Director	11/09/2018
Stephen Scimonello	Director	11/09/2018
Glendon Rielly	Director	12/09/2017
David Brown	Director	12/09/2017
Robert Geyer	Director	12/09/2017
Peter Vick	Director	11/09/2018
James Quilford	Director	13/06/2016 (terminated 11/09/2018)

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

#### Principal Activities

The principal activity of the Company during the financial year was to the operation of a registered club for the provision of entertainment, social engagement and community support for its members, the township of Wonthaggi and surrounds.

#### Objectives

The Company's short-term objectives are:

- Providing discounted entertainment and hospitality products and services for members.
- Providing entertainment and hospitality products and services for the community.
- Providing distributions to the community at regular intervals.
- Providing turnover, cash flows and profit to meet the financial objectives of the Company.

The Company's long-term objectives are:

- Providing discounted entertainment and hospitality products and services for members.
- Providing entertainment and hospitality products and services for the community.
- Providing distributions to the community at regular intervals.
- Providing turnover, cash flows and profit to meet the financial objectives of the Company.
- Providing improved facilities for members and the community.

#### Strategies

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

- Take a customer centric approach to our product mix, asking our members what they want, and delivering the goods.
- To extend an open invitation to the greater community and actively encourage tourists and non members to participate.
- To employ key staff that will operate the company in the interests of the Company's long and short term goals.
- To maximize growth in all revenue streams in order to put the Company in a financial position, whereby it can expand.
- To establish long term relationships with the community in order for community support donations to be sustainable.

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**Meetings of the Directors**

The table below provides details of the number of meetings of the board held and the attendance by each of director:

Director	Number of meetings eligible to attend	Number of meetings attended to 30 June 2019
Alan Bolding	12	12
Aldo Sartori	12	12
John Duscher	12	10
John Geyer	12	12
Jason Sartori	12	9
Stephen Scimonello	12	9
Glendon Rielly	12	12
David Brown	12	11
Robert Geyer	12	9
Peter Vick	10	7
James Quilford	2	2

**Indemnification of Officer or Auditor**

The Company has paid an annual premium to insure the directors and officers against liabilities incurred in their respective capacities. Under the policy, details of the premium are confidential.

**Proceedings on Behalf of the Company**

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

**Contributions on winding up**

The Company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the Company is wound up the constitution states that each member is required to contribute a maximum of \$20 towards meeting any outstanding obligations of the Company. At 30 June 2019 the total amount that each member of the company is liable to contribute if the Company is wound up is \$20.

**Auditor's Independence Declaration**

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 5 of these financial statements.

**THE WONTHAGGI CLUB**

ABN: 59 004 154 045

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2019**

	Note	2019 \$	2018 \$
<b>Continuing operations</b>			
Revenue	2	8,420,674	8,386,403
Cost of sales		(1,006,487)	(954,009)
Employee benefits expenses		(2,233,574)	(2,200,799)
Depreciation and amortisation expense		(1,263,304)	(1,259,607)
Gaming tax		(1,606,954)	(1,630,056)
Finance costs		(94,596)	(95,043)
Other expenses	3	<u>(2,212,602)</u>	<u>(2,128,771)</u>
<b>Surplus before income tax</b>		<b>3,157</b>	<b>118,118</b>
Income tax expense	11	<u>(33,098)</u>	<u>(55,730)</u>
<b>(Deficit)/surplus for the year</b>		<b><u>(29,941)</u></b>	<b><u>62,388</u></b>
<b>Other comprehensive income, net of income tax</b>			
Other comprehensive income for the year, net of income tax		-	-
<b>Total comprehensive (deficit)/income for the year</b>		<b><u>(29,941)</u></b>	<b><u>62,388</u></b>
<b>(Deficit)/surplus attributable to:</b>			
Members of the Company		<u>(29,941)</u>	<u>62,388</u>
<b>(Deficit)/surplus for the year</b>		<b><u>(29,941)</u></b>	<b><u>62,388</u></b>
<b>Total comprehensive (deficit)/income attributable to:</b>			
Members of the Company		<u>(29,941)</u>	<u>62,388</u>
<b>Total comprehensive (deficit)/income for the year</b>		<b><u>(29,941)</u></b>	<b><u>62,388</u></b>

The accompanying notes form part of these financial statements.

**THE WONTHAGGI CLUB**

ABN: 59 004 154 045

**STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2019**

	Note	2019 \$	2018 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	652,700	905,997
Trade and other receivables	5	21,260	9,556
Other assets	6	57,879	118,289
Income tax	11	9,475	
Inventories	7	71,634	57,416
<b>TOTAL CURRENT ASSETS</b>		<b>812,948</b>	<b>1,091,258</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	8	4,759,270	4,808,185
Intangible assets	9	1,912,389	2,358,889
Loan receivable	5	235,073	
<b>TOTAL NON-CURRENT ASSETS</b>		<b>6,906,732</b>	<b>7,167,074</b>
<b>TOTAL ASSETS</b>		<b>7,719,680</b>	<b>8,258,332</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	10	627,378	627,165
Income tax	11	-	18,970
Borrowings	12	4,056,260	4,488,673
Provisions	13	253,333	326,050
Other liabilities	14	43,525	26,688
<b>TOTAL CURRENT LIABILITIES</b>		<b>4,980,496</b>	<b>5,487,546</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	12	105,940	107,273
Provisions	13	10,522	10,850
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>116,462</b>	<b>118,123</b>
<b>TOTAL LIABILITIES</b>		<b>5,096,958</b>	<b>5,605,669</b>
<b>NET ASSETS</b>		<b>2,622,722</b>	<b>2,652,663</b>
<b>EQUITY</b>			
Retained surplus		2,313,203	2,343,144
General reserve		309,519	309,519
<b>TOTAL EQUITY</b>		<b>2,622,722</b>	<b>2,652,663</b>

The accompanying notes form part of these financial statements.

**THE WONTHAGGI CLUB**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2019**

	Retained surplus \$	General reserve \$	Total \$
<b>Balance at 1 July 2017</b>	2,280,756	309,519	2,590,275
Surplus for the year	62,388	-	62,388
Other comprehensive income for the year	-	-	-
Total comprehensive deficit for the year	<u>62,388</u>	<u>-</u>	<u>62,388</u>
<b>Balance at 30 June 2018</b>	<u>2,343,144</u>	<u>309,519</u>	<u>2,652,663</u>
<b>Balance at 1 July 2018</b>	2,343,144	309,519	2,652,663
Deficit for the year	(29,941)	-	(29,941)
Other comprehensive income for the year	-	-	-
Total comprehensive deficit for the year	<u>(29,941)</u>	<u>-</u>	<u>(29,941)</u>
<b>Balance at 30 June 2019</b>	<u>2,313,203</u>	<u>309,519</u>	<u>2,622,722</u>

The accompanying notes form part of these financial statements.

**THE WONTHAGGI CLUB**

ABN: 59 004 154 045

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2019**

	Note	2019 \$	2018 \$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Receipts from customers		8,424,059	8,365,227
Payments to suppliers and employees		(7,095,733)	(7,014,299)
Income tax (paid)/received		(52,068)	(71,037)
Interest received		1,749	1,132
Finance costs paid		(94,596)	(95,043)
<b>Net cash provided by operating activities</b>	21(b)	<b>1,183,411</b>	<b>1,185,980</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for plant and equipment		(643,074)	(433,526)
Proceeds for sale of plant and equipment		90	11,671
Payments for intangible assets		(130,620)	(58,500)
Proceeds for sale of intangible assets		5,715	27,500
<b>Net used in investing activities</b>		<b>(767,889)</b>	<b>(452,855)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Net repayments of borrowings		(158,962)	(7,649)
Payments for gaming machine entitlements		(274,784)	(226,325)
Advancement of loan		(235,073)	-
<b>Net cash used in financing activities</b>		<b>(668,819)</b>	<b>(233,974)</b>
Net increase in cash and cash equivalents		(253,297)	499,151
Cash and cash equivalents at beginning of year		905,997	406,846
<b>Cash and cash equivalents at end of year</b>	21(a)	<b>652,700</b>	<b>905,997</b>

The accompanying notes form part of these financial statements.