



mouties
group 

2018 ANNUAL REPORT

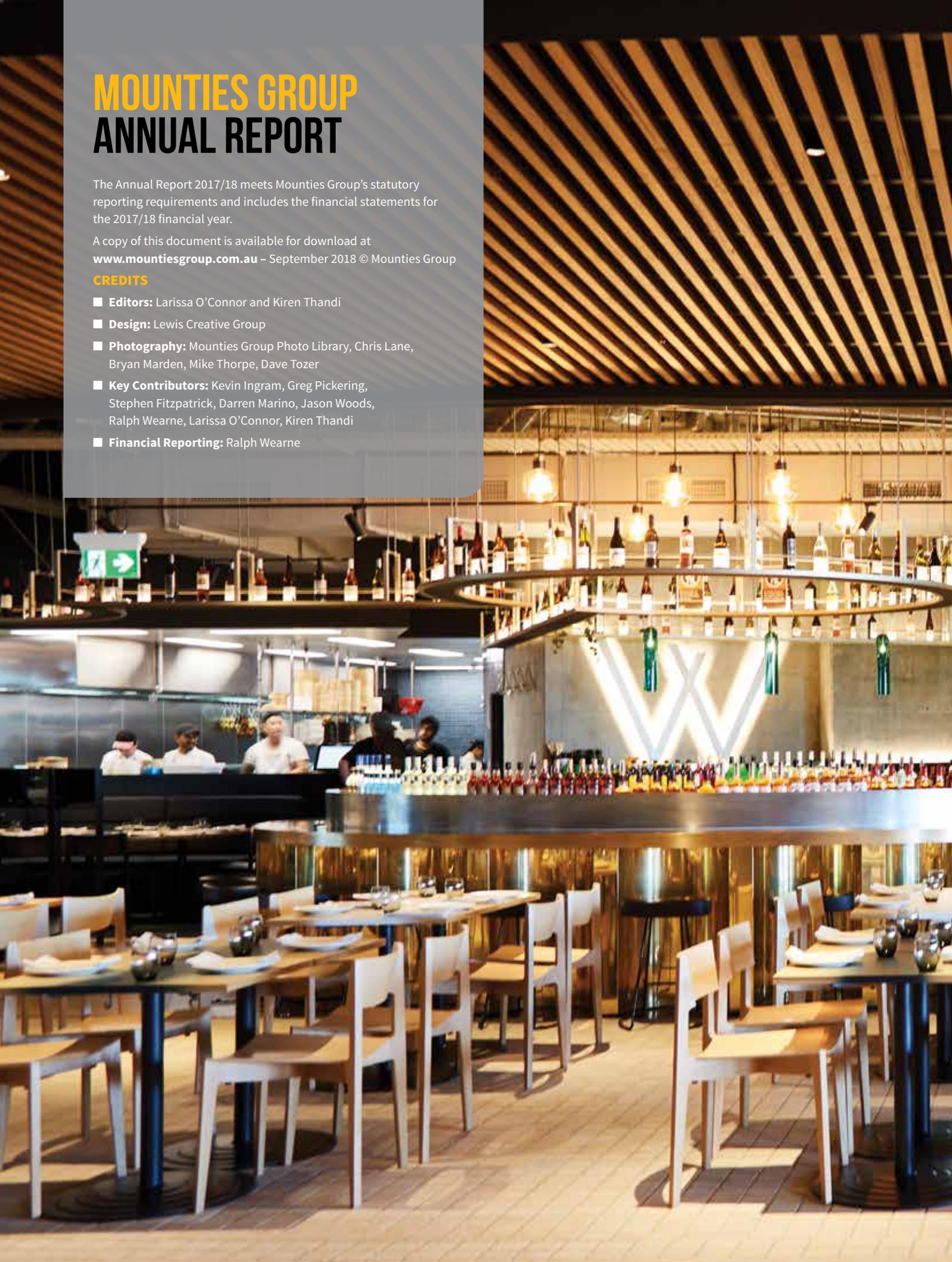
MOUNTIES GROUP ANNUAL REPORT

The Annual Report 2017/18 meets Mounties Group's statutory reporting requirements and includes the financial statements for the 2017/18 financial year.

A copy of this document is available for download at www.mountiesgroup.com.au – September 2018 © Mounties Group

CREDITS

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MOUNTIES GROUP LIFE MEMBERS

1969 - 1970	Edward Thirkill*	1983 - 1984	Stewart Craig*	1996 - 1997	Judith O'Brien*
1970 - 1971	Terry White*	1983 - 1984	Cecil Smith*	1996 - 1997	Kath Whiteley
1972 - 1973	Stanley Jacobs*	1985 - 1986	Jack Summons*	1999 - 2000	Tom Murphy
1975 - 1976	Mervyn Pell*	1985 - 1986	Enid Smith*	1999 - 2000	Doreen Brand*
1977 - 1978	Edwin (Ted) Savage	1985 - 1986	Eva Moore*	2001 - 2002	Don Wilson
1978 - 1979	Michael Dubois*	1986 - 1987	Charlie Lee*	2002 - 2003	Donald Hocking*
1978 - 1979	John Whiteley*	1986 - 1987	Athol Madgwick*	2005 - 2006	Ron Evans*
1978 - 1979	Mrs M McAuliffe*	1987 - 1988	Terry Jackson*	2005 - 2006	Steve Fitzpatrick
1980 - 1981	Ethel Murphy*	1987 - 1988	Robert Penning	2008 - 2009	John Dean
1980 - 1981	John Cather*	1988 - 1989	Ray Pugsley	2008 - 2009	Robin Gould
1981 - 1982	Keith Edwards*	1996 - 1997	Kevin Ingram	2008 - 2009	John Araco
1982 - 1983	Clive Edwards*	1996 - 1997	Daryll Cook*	2011 - 2012	Marilyn Price
1982 - 1983	Harry Turner*	1996 - 1997	Vic Smith*	2011 - 2012	John Baron
1982 - 1983	Robert Ryan*	1996 - 1997	Allan McGlynn	2014 - 2015	Stephen Edwards

* Deceased

BOARD OF DIRECTORS

Back row (left to right): Lorraine Dean, Trevor Forman, Stephen Edwards, Leon Hansen, Thomas Murphy, Jeanette McNevin

Front row (left to right): John Dean (Vice President & Treasurer), Kevin Ingram (President), Steve Fitzpatrick (Vice President)





ABOUT THIS REPORT

Welcome to the Mounties Group 2017/18 Annual Report, a comprehensive account of the Group's performance from 1 July 2017 to 30 June 2018.

Providing an account of the Group's performance and showing how our investments and developments are progressing, the annual report details the ambitious, state-of-the-art, community-first projects that reinforce the Group's position as an industry leader.

This year Mounties celebrated its 50th anniversary, and we take a look back over the years and the road we've travelled to get to where we are today – and where we're headed.

As always, this year's annual report meets our commitment to transparent performance reporting, good corporate governance and a well-planned and prosperous future.



MOUNTIES

THE FOUNDING CLUB OF MOUNTIES GROUP, MOUNTIES BOASTS ONE OF THE HIGHEST MEMBERSHIP OF ANY CLUB IN NSW. ITS GRAND NEW ENTRANCE WAS UNVEILED IN 2015 AND SINCE THEN, THE IMPROVEMENTS KEEP COMING.

OUR VENUES



HARBORD DIGGERS

Occupying the most enviable of positions on the northern beaches peninsula, the Diggers as it is affectionately known, has been redeveloped into Australia's first intergenerational club, bringing together a registered club, child care and seniors living.



MANLY BOWLING CLUB

Our sister club on the northern beaches is treasured by locals for its laid back, relaxed atmosphere. Popular for its summer time bowls, the club offers great-value eats and a beautiful view overlooking the historic Manly Oval.



MOUNTIES BOWLING CLUB

Mounties Bowling Club prides itself on being the friendliest club in the south west. Whether it be great dining, bowls, entertainment or Futsal, Mounties BC has plenty to offer for everyone.



CLUB ITALIA

The team at Club Italia carries on the dream of the Italian migrants who established this club over 40 years ago. Club Italia remains a bastion for Italian culture which is shared with the wider community.



MEKONG

Popular amongst Sydney’s Vietnamese community, Mekong is set amongst the bustling streets of Cabramatta. Mekong underwent refurbishment in 2016 and its popularity is increasing.



TRIGLAV

Dining, entertainment, school holiday activities, promotions, special events - Triglav has it all! This little gem tucked away in St Johns Park continues to be a hit in the local area – especially with young families and the Slovenian community.

OUR HOLIDAY RESORTS



MOUNTIES@SUSSEX

Situated right on the waterfront of Sussex Inlet and conveniently located within walking distance to clubs, shops and restaurants, Mounties@Sussex offers Mounties Group members cost-effective getaways and fun-filled family adventures.



KOOLORA LODGE

Great for skiers and snowboarders alike, Mounties Group members enjoy special rates and accommodation deals at Kooloora Lodge. Perched just 800m from the lifts and with breakfast and dinner included, Kooloora is the most popular club lodge in Perisher Valley.

BE THE SPARK

AS REPRESENTATIVES OF MOUNTIES GROUP,
OUR PEOPLE MAKE SPARK COME TO LIFE.

Mouties Group upholds the core values of Service, Professionalism, Appearance, Respect and Knowledge. Drawing upon these values, we want to bring an active spark to everything we do.

Service	S	Exceed customer expectations in everything you do.
Professionalism	P	Present and act appropriately in all your interactions.
Appearance	A	Be immaculately groomed and ensure our environment is safe, clean, tidy and comfortable.
Respect	R	Treat everyone with sensitivity and embrace uniqueness.
Knowledge	K	Know your Club, customer, role and product.

OUR PEOPLE

With seven registered clubs, a fitness centre and two holiday resorts, Mounties Group relies on a large workforce that has a constant focus on the SPARK performance objectives: Service, Professionalism, Appearance, Respect and Knowledge.

As one of the largest employers in each of the local government areas where our clubs are located, Mounties Group continues to work with local schools, TAFE and support agencies to provide work experience, work placement and job trials for those studying, looking for work or wanting to return to the workplace.

Mounties Group remains committed to the learning and development of its staff, providing a safe and friendly workplace, and rewarding and recognising employees for their achievements.



OUR VALUES

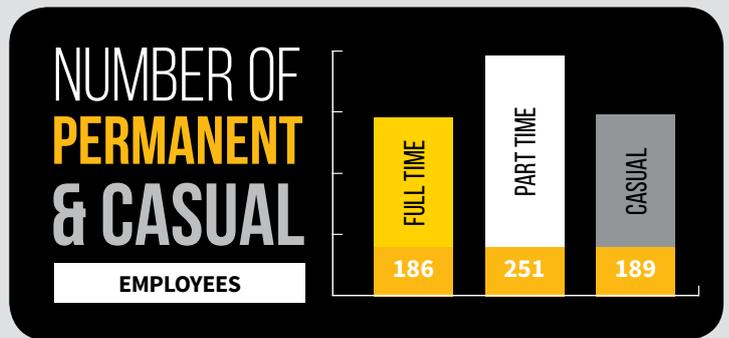
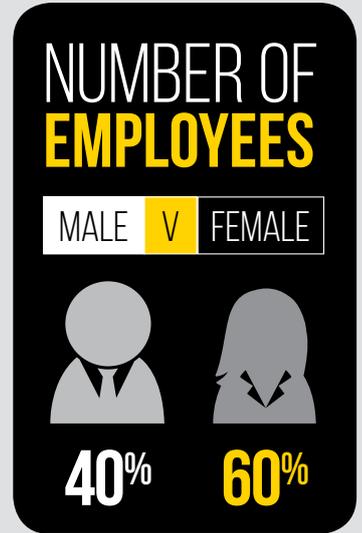
- Community
- Integrity
- Service Focus
- Engagement

OUR VISION

Connecting people with community.

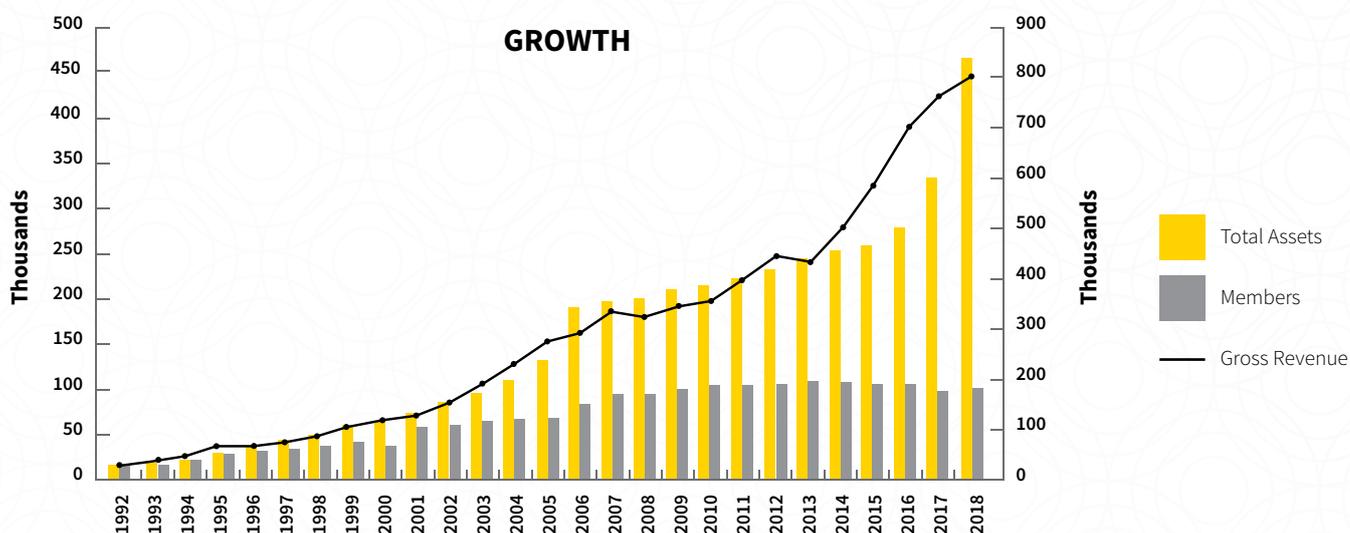
OUR PURPOSE

We will create destinations of choice for the community to trust and enjoy.



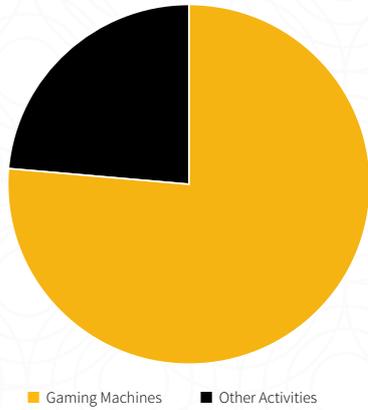
CLUBS PROGRESS AT A GLANCE

Year	No Members	Gross Revenue	Total Assets	Total Liabilities	Investments	Membership Equity	Membership Equity Per Member
		\$	\$	\$	\$	\$	\$
2018	101,175	792,986,999	461,612,885	209,856,861	553,400	251,756,024	2,488
2017	97,456	758,448,005	331,013,315	90,066,800	552,780	240,946,515	2,472
2016	105,015	689,684,228	276,641,811	38,234,717	7,538,552	238,407,094	2,270
2015	104,956	584,672,586	256,973,099	17,906,306	16,251,750	239,066,793	2,278
2014	106,849	493,262,583	250,886,705	17,430,492	13,830,798	233,456,213	2,185
2013	108,114	435,960,287	242,834,614	18,091,562	7,229,040	224,743,062	2,079
2012	105,574	438,442,613	230,849,006	14,269,786	37,486,651	216,579,254	2,051
2011	104,136	391,438,675	220,552,777	13,452,852	26,703,918	207,099,925	1,989
2010	103,639	352,580,053	212,895,264	14,029,104	24,460,915	198,866,160	1,919
2009	99,925	342,877,227	209,064,065	14,906,301	22,020,865	194,157,764	1,943
2008	94,505	322,233,574	199,086,561	15,210,120	24,170,000	183,876,441	1,946
2007	94,597	331,118,057	195,157,034	17,740,617	26,164,703	177,416,417	1,875
2006	82,949	291,938,051	189,284,877	18,315,705	25,758,169	170,969,172	2,061
2005	67,676	268,590,382	131,523,972	10,686,670	42,036,349	120,837,302	1,786
2004	66,544	230,470,480	109,874,597	7,772,391	36,500,000	102,102,206	1,534
2003	64,999	189,943,144	95,336,020	7,414,288	26,550,000	87,921,732	1,353
2002	60,516	157,316,645	85,243,204	9,117,844	19,750,000	76,125,360	1,258
2001	57,964	131,864,083	74,018,488	7,919,527	14,835,740	66,098,961	1,140
2000	38,110	118,990,523	64,969,108	5,377,643	10,143,772	59,591,465	1,564
1999	41,829	107,963,620	60,412,442	5,653,519	6,274,019	54,758,923	1,309
1998	38,044	87,503,031	49,733,021	3,848,108	265,255	45,884,913	1,206
1997	34,327	71,319,118	43,625,522	3,447,893	2,771,315	40,177,629	1,170
1996	32,528	69,431,193	37,068,953	2,562,973	9,077,575	34,505,980	1,061
1995	28,730	67,075,259	29,463,266	3,071,239	4,283,835	26,392,027	919
1994	22,651	48,397,341	21,974,299	2,305,170	1,300,105	19,669,129	868
1993	17,095	38,471,739	18,885,165	2,107,982	2,082,746	16,777,183	981
1992	16,954	35,007,001	16,988,357	1,691,127	883,070	15,297,230	902

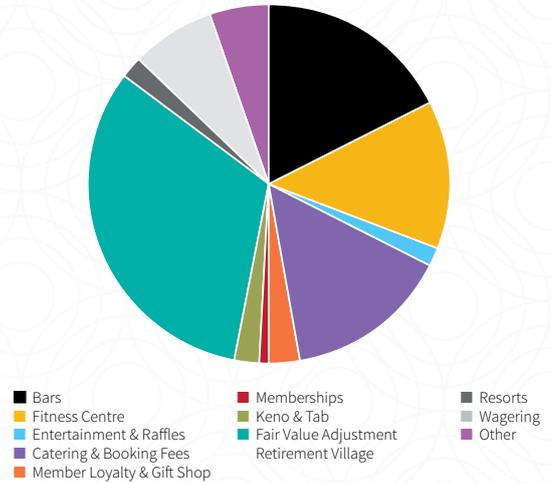


SOURCE AND APPLICATION OF FUNDS

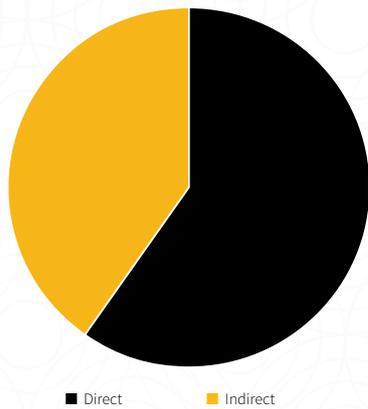
SOURCE OF FUNDS



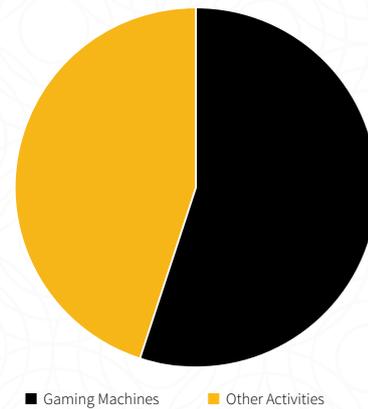
SOURCE OF FUNDS - OTHER ACTIVITIES



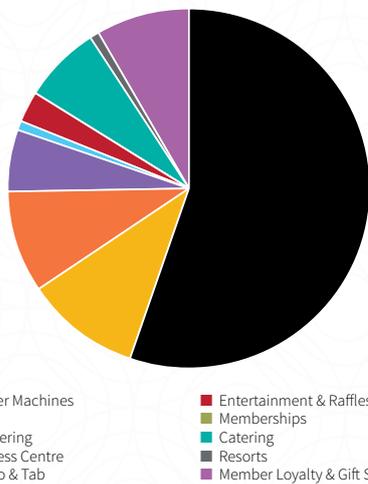
APPLICATION OF FUNDS



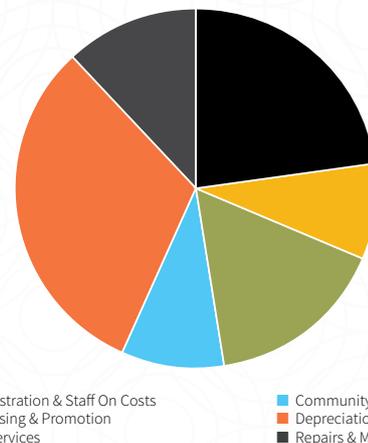
APPLICATION OF FUNDS - DIRECT



APPLICATION OF FUNDS - DIRECT, OTHER ACTIVITIES



APPLICATION OF FUNDS - INDIRECT



**LOOKING BACK ON THE
PAST 50 YEARS, OUR
BIGGEST ACHIEVEMENT
REMAINS OUR
CONTRIBUTION TO
THE COMMUNITY.**





PRESIDENT'S REPORT

I am pleased to deliver the following report to our Members in what is the 50th anniversary year of Mt Pritchard & District Community Club.

The Group's commitment to a long and sustainable future has resulted in a net profit of almost \$7 million this year. Finally, some of our longer-term plans are delivering to our finances. Whilst this is a strong result, we expect further and more significant gains for the next 12 months and beyond.

Over the last 10 years, the club has experienced significant growth:

- Total assets \$461.1m (compared to \$199.1m in 2008)
- Gross revenue \$793m (\$322.2m)
- Total members 101,175 (94,505)

The success of the Group this year has been the opening of the new Harbord Diggers – a \$200m development which has now set the benchmark for the industry and has begun to realise the Board's vision of bringing all generations together in what is a lively intergenerational community hub.

Stage 1 of the seniors living component of the Diggers is almost sold out, with construction of Stage 2 well underway and scheduled for delivery mid-2019. This report details a contribution of \$11.1m from Stage 1 of the development and will confirm that the diversification strategy developed by the Board back in 2006 was a positive step for the Group's future.

I would particularly like to thank our Members on the Northern Beaches for your patience, support and patronage. This has been a long project, some 10 years in the making, and the Board are delighted to see this exceptionally ambitious project beginning to provide benefit to the club and Members.

Mt Pritchard – or club headquarters – continues to deliver its own masterplan of improvements.

Since last year's report, we have launched a new, multi-sensory Sports Bar which has become a destination of choice for the viewing of live sports viewing and meeting some of the country's finest sports stars.

In October, we will unveil the first stage of our exciting gaming floor refurbishment and we will open the doors to our new administration office which will be a place of inspiration and modern technology to transform our culture and inspire our large workforce. Future works are well into the planning phases and include an underground car park, entertainment and events precinct, retail space and more.

Our western community sites – particularly Triglav and Mekong – continue to hold more than their weight in revenue contribution. Their success and popularity amongst Members have challenged the Board and management to identify growth opportunities and plan for the realisation of some of these between now and 2021.

Looking back on the past 50 years, our biggest achievement remains our contribution to the communities in which our clubs operate and serve. I am delighted to report that we lent support totalling \$5.2m this year.

Of this, \$4.7m was channelled towards our sub clubs, sporting groups and the maintenance of local sporting fields – part of the core of what our great club was founded on back in 1968.

In a period where heavy investment in infrastructure and amenity had to be balanced with the endeavour to minimise the impact on Members, I would like to thank CEO Greg Pickering and the Management Team for their support and dedication in delivering for our Members and guests and striving to place Mounties Group at the forefront of the club industry. More recently Mounties was recognised as the 400th largest company in Australia, this is no accident, the foresight of the Board and Management over an extended period has delivered us to this enviable position.

I would also like to thank my colleagues on the Board and our advisory committees for their continued dedication to achieving enduring success for the clubs and Members we serve.

This 50th year has been a landmark for Mounties Group and it is both humbling and exciting to think that our future will unfurl even greater success that can be shared by all Members.

KEVIN INGRAM
President

YOUR CLUB IN NUMBERS

42,612

TRIGLAV TUMMIES FED



101,175

TOTAL
MEMBERS

\$355,730

IN BINGO & RAFFLE
PRIZES



8,003

PEOPLE ATTENDED THE
HARBORD DIGGERS LAUNCH

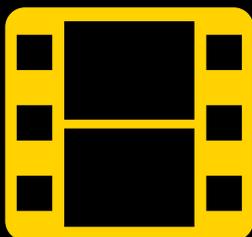


MEKONG BADGE
DRAW TOTAL

\$573,102

VISITS TO IGNITE:

434,308



1,342

TRIGLAV KIDS
ENTERTAINED



580,000

UNIQUE WEBSITE
VISITS ACROSS
MOUNTIES GROUP

WESTERN SITES: 1,054 FUNCTIONS WERE HELD

MOUNTIES: **10,000** CHILDREN AND PARENTS ENTERTAINED AT THE **CHRISTMAS CARNIVAL** AND **FOOD TRUCK FESTIVAL**

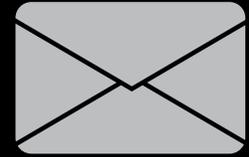


57,000
SOCIAL MEDIA
FANS

OVER

300,000

SCHOONERS SOLD



3.4

MILLION

EMAILS AND SMS
SENT TO
OUR MEMBERS



592

BOOKINGS AT OUR
HOLIDAY RESORTS

\$1,482,398

IN PROMOTION PRIZES
AND GIVEAWAYS AT
MOUNTIES



5,390

BOX OFFICE TICKETS SOLD

\$14.60

**AVERAGE SALE
PER TRANSACTION**



**MEKONG
SERVED
29,389
ICED COFFEES**

1,000 WENT TO
THE WIGGLES



107,117

ATTEND
GROUP FITNESS



A WORD FROM OUR CEO

2018 has been an exciting year for everyone at Mounties Group. Those major developments I mentioned last year have worked their way through to reality and have advanced the club to another level in terms of its relationship with its Members and the community.

The buzz word in the club industry for some time now has been diversification, and I am pleased to report that we have been able to bring a very significant diversification project into being. I speak, of course of the Harbord Diggers, which opened its very new doors to the world on 30 June 2018.

OPENING OF HARBORD DIGGERS

After some 16 years, it was indeed a pleasure to see “the old girl” blossom into new life with Special Events for VIPs and Members over the course of that opening weekend. Congratulations to all who have been involved in the project since its beginnings, we should all be proud of the “almost” finished product. It has already been hailed as a huge success, having won the Urban Developer Awards - 2018 Best Mixed Use Development. Join with me in congratulating all who played a part to bring this project to reality.

The project has already had a substantial impact on our financial result and will continue to do so as we move towards project completion in mid 2019. As far as its impact on this report, we chose to close the Harbord Diggers site for almost 7 months, and we chose to keep 16 permanent staff employed during that closure period. That investment in our start up of the new club cost \$1.3m. This has had an impact on both the revenue and the expense side of the ledger. You will also see a very healthy contribution from Stage 1 of the development in the amount of \$11.1m. Stage 2 of the project commenced 6 months ahead of schedule as part of a risk mitigation strategy and to minimize the impact on residents as they moved in commencing in June 2018. The financial model for the project incorporates a “back ended” contribution structure, and we are looking forward to next years result from the development being even better.

MOUNTIES IMPROVEMENTS

Development of the Mounties site has continued in concert with the Harbord project, with the delivery of the Sports Bar in August 2017, and the redevelopment of the Gaming Floor well and truly underway at 30 June 2018. At the same time we have taken the opportunity to upgrade the administration area – this will allow for the redevelopment of the first floor in time to come. Work will also be underway on the new 450 space car park by the end of January 2019.

MEMBERSHIP GROWTH

One of our key markers is membership growth, and I am thrilled to report that we had very pleasing growth in 2018/19 with membership at 101,175 (2017: 97,456). The most exciting news of the membership story has been the return of many of our members on the Northern Beaches, along with many new members signing up to enjoy the Diggers. Membership reached 114,000 at the end of July, and by the end of August 2018, we had pushed through the 120,000 barrier. These are exciting times!

REVENUE

We are always asking for Member support during periods of continuous improvement of the club and this year has been no different. Whilst any development is likely to create disruption, either to the general amenity or the financial performance of the business, we are always careful to balance this against a significant upgrade in the amenity of the club. In 2018 we have experienced disruption on at least two of our club sites, and this is reflected by similar revenue year-on-year at \$122.4m. Congratulations to the management team for producing a result, which, under the circumstances, has not only responded to the difficulty of operating the business in this disruptive state, they have also adjusted to meet the performance KPIs that are so important to Mounties Group. The business responded well to a targeted marketing campaign on the Northern Beaches with the membership growth indicating great support for the club as a whole.

New business brings new reporting and new complexity, and so the coming of age has brought new accountability to the Mounties Financial Model and this report. This year we have also dealt with a de-consolidation of Betting.Club from our accounts, with the sale of that company having transacted in May 2018.

From a financial viewpoint, the highlights of FY2018 have been:

- Revenue \$122.4m: a slight decrease of \$0.15m (0.12%) on last year (2017 - \$122.6m)
- Gross Profit \$56m (2017 - \$55.1m)
- Expenses \$66.4m: a reduction of \$1m on last year (2017 - \$67.46)



- Fair value gain of \$11.1m on Harbord Diggers Stage 1 development
- \$6.7m write down of the Harbord Diggers Club building (demolished)
- Loss on disposal of Betting.Club \$4.6m
- EBITDARD for the Group \$34.6m (2017 - \$26.4m)
- Community Support \$5.2m: (2017 - \$5.1m) detailed in the Community Grants Report
- General and Administrative Costs increased by \$1m over the previous year.

PROFIT

- Net Profit for the Group was \$6.9m (2017: \$1.9m)

Financial Position:

The operating result has improved Members' equity as follows:

Financial Position	2018	2017
Total Assets	\$461,612,885	\$331,013,315
Total Liabilities	\$209,856,861	\$90,066,800
Net Assets	\$251,756,024	\$240,946,515
Retained Equity	\$461,612,885	\$331,013,315

The key factors to note here are:

- Increase in Total Assets: \$130.6m
- Increase in Total Liabilities: \$119.8m:
 - Current
 - Resident Loans \$89.3m
 - Non Current
 - Increase Loans by \$22m associated with construction of the Harbord Project
- Increase in Total Members Equity: \$10.8m:
 - Includes Minority Interest (Betting.Club): \$4m , and
 - Increase Hedging reserve: \$116k.

Cash Flows:

- Operating Activities
 - Decrease in receipts from operations: \$19m
 - Decrease in payments: \$9.3m
 - Decrease in interest received: \$74k
 - Decrease in interest paid: \$800k
 - Increase in Net Cash Flow to last year: \$37m.
- Cash and Equivalents:
 - At 30 June 2018: \$9.56m.

For the last few years, I have reported on the strategy and accounting treatment of our online wagering business Betting.Club. In May this year we disposed of the business and these accounts reflect that process.

The graph on the inside front cover of this report tracks Mounties growth since 1992. It also depicts an increased value of equity at \$2,488/Member at the end of the financial year.

Audit Process

Once again our auditors have acknowledged the professionalism and diligence of our Finance Team, under the leadership of Ralph Wearne. The preparation of a complex financial report such as this is always a challenging task – the team have handled this admirably. An unqualified audit report confirms another strong result for Mounties Group.

Club Accountability Disclosure Register

For some time now, clubs have been required to make disclosures on matters associated with the running of the club, the activities of the Board, and Senior Management. In July 2018, a number of changes to the regulation covering these disclosures were made. Some of the disclosures have been included in this report for transparency. The Club Accountability Disclosure Register will be available for inspection after the AGM, on written request.

Neighbours and Trading Hours

We continue to work to provide an environment, which is safe, enjoyable, and free from negative impacts associated with our operations. Our efforts have continued through FY2018 and our neighbour relations program continues to ensure that we can happily co-exist with our neighbours. We understand that construction at the levels which are currently underway at a number of our sites, have the potential to affect our relationships. We will always work to minimise that impact. I know that there have been some issues with construction at Harbord and I would like to take this opportunity to thank our neighbours, and the community generally, for their patience and understanding during construction. More particularly I would also like to sincerely thank our residents for their patience and understanding as they have moved in to their new homes in the Watermark Village.

Congratulations to our site General Managers for their efforts in maintaining a great relationship with our neighbours and the community generally, during these often difficult times.

Sport

Sport is fundamental to the structure of Mounties Group and will always be instrumental in the way we operate the club. The sporting infrastructure within the club is strong and ensures that members funds are dealt with properly, and appropriately. Thanks to Sports Director Lorraine Dean, her Sports Committee, and all of our sporting sub clubs for contributing so much to the Mounties community. A particular thanks to all the volunteers who work to ensure that our members are able to enjoy their sport under the Mounties Group banner. We couldn't do it without you.

Election of Directors - Annual General Meeting

Elections for the Board of Directors will be held in the lead up to this years AGM. Members should check the noticeboard or website for details, particularly if they are intending to stand for election. The successful candidates will be announced at the AGM on 28 October.

The Annual General Meeting (AGM) is scheduled for Sunday 28 October 2018 at 10am. It will be conducted at Mounties, and video conferenced to the Harbord Diggers, as usual (check the meeting notices for details). If there are any questions, or feedback, please do not hesitate to contact me.

As always, the AGM is a great opportunity for Members to have their say. If you believe your question will require some research on our behalf, please give us some notice, by forwarding your question to agmquestions@mountiesgroup.com.au. This will assist us in providing the relevant material for an accurate answer to be given. I look forward to seeing you at the meeting.

General Operations

Again our talented and committed people have delivered a great result for the club and for Members. We have more than 550 team members directly employed to make your experience at any part of the Mounties Group, better than you expect. Without your support none of our efforts would amount to anything, so please take the time to encourage our team, I can assure you that your feedback will be greatly appreciated.

A special thanks to General Managers Darren, Jason and Michael (recently appointed to Northern Sites) for their efforts and commitment over the past year. Also to Dale Hunt who may have left our employment, but whose vision has become a legacy at Harbord Diggers. Our respective teams have excelled again in 2018, and I understand our joint responsibility to provide strong and secure employment for these people. They work hard for you, and they enjoy that.

Development

2019 will continue with development being a focus at three sites. At Mounties, focus will be on the completion of the main floor, delivery of the new admin office, and commencement of the excavation for the new car park early in 2019. Stage 2 at the Diggers is due to be delivered mid year, and we will also be commencing work on the development of our Mekong Site, with the acquisition of a street level property, giving Members better access to the club there. It never stops!

Thanks to President Kevin Ingram and the Board of Directors for their policies, guidance and for the encouragement they give me in leading this great business and I wish them all success in the coming election.

Almost a quarter of FY2019 has gone - time flies when you are having fun, and I trust that you are all doing that.



GREG PICKERING
Chief Executive Officer
20 September 2018





THE IZ

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BING LEE ELECTRICS

Whitlam unveils plaque at club

STREET (opp. Civic Centre), FAIRFIELD

Thursday, June 27, 1968



● ABOVE: The leader of the Federal Opposition, Mr. Gough Whitlam, unveils a plaque commemorating the official opening last weekend of Mt. Pritchard and District Community Club.

MT. PRITCHARD COMMUNITY CLUB OPENED

Mt. Pritchard and District Community Club's newly reconstructed clubhouse was officially opened last Saturday by leader of the Federal Opposition, Mr. E. G. Whitlam.

The clubhouse, costing \$42,000, is situated in Meadows Road, Mt. Pritchard.

Founded in 1961, the club was named the Mt. Pritchard Workers' Club.

In 1964, club officials re-applied for a liquor licence and changed the club name.

It now has a total club membership of more than 240.

About 260 people are being processed as members and about 300 are on the club waiting list.

Official guests at the opening included Mr. and Mrs. Whitlam, Ald. P. J. [unclear] and [unclear].

amount of work that had been accomplished by the club.

"Speakers praised past and present club directors, particularly Mr. John Cather and secretary-treasurer, Mr. M. Dubois," the spokesman said.

"The club is primarily interested in promoting district sport."

Watching Mr. Whitlam are the club president, Mr. Ted White (centre); the club secretary-manager, Mr. Mick Dubois (right), and Mrs. Dubois (lower right).

The club was formerly the Mt. Pritchard Workers' Club.

It was reconstructed at a cost of \$42,000.



50 YEARS STRONG

There is something fitting about Mounties being nestled in a residential neighbourhood.

Mounties sits in the heart of its community, amongst its members - a physical reminder of the reason for its formation, and its place in the history of Mount Pritchard.

From the moment a group of mates decided over a few beers in a hotel in Cabramatta that they would rather their money go into helping their own families and the local sporting groups in Mount Pritchard, Mounties has not only been supporting the community - it has been a part of it.

On April 2 1968, Mounties opened as two humble government huts that had been hauled by road from Herne Bay, and placed on 1.2ha of land in Mount Pritchard. It has been through quite the physical transformation since then, but it has not stopped being a club by its members, for its members - and when the needs of our members evolved, so did Mounties.

We know that we can't rest on our past, however - and so, we're building on it. We're now part way through a diversification plan which will ensure we remain at the forefront for the entertainment leisure dollar - which we then invest back into the community through employment, sponsorship and community grants. The Mounties Masterplan is our pledge to remain as relevant to the Mount Pritchard community in the future as we were in the past.

In the 2018 financial year, Mounties delivered its new \$2.8 million Sports Bar, uniting TAB and Keno facilities within a state-of-the-art development incorporating big screens and interactive tables where patrons can play games or watch sport while they enjoy beers and bar food.

A temporary gaming floor was delivered to ensure our Members' comfort while we refurbish our existing gaming floor, with Stage 1 due to be delivered in October this year and Stage 2 completion scheduled for April 2019. The new floor will feature a lush outdoor gaming area, VIP lounge area and water features, as well as a new bar, dispense kitchen and concierge desks.

The Emperor's Buffet also received a soft refurbishment, and the Masterplan allows for a new, modern buffet offering with theatre-style carvings and international dishes, which we are looking forward to.

A road acquisition has allowed us the space to commence an additional 11,000sqm of new building - and more services for our members. Carpark plans for up to 400 new car spaces with direct access to the Humphries Road foyer and valet concierge were also finalised, with excavation starting in January 2019.

Our holiday resort at Kooloora, in the Perisher Valley, received a new paint job and we invested in new snowmobiles to assist Members during their stay. The Sussex Inlet resort will see new floating pontoon wharfs and new furniture in some of the cabins.



All the while, we are still offering our members great value - discounted meals, competitive beverage pricing, door-to-door courtesy buses, a gym, physio, hairdresser, travel agent, junior and senior sport, and the wonderful Christmas Carnival.

This is all achieved through the tireless efforts of my management team and staff, who make everything come together. It makes me proud to work alongside the people who come in to Mounties every day, ready to serve our members.

Fifty years after Mounties first opened its doors, the ethos of our community-minded pioneers endure, and we continue to fulfil the promises they made.

DARREN MARINO
General Manager, Mounties



A CLUB LIKE **NO OTHER**

Mounties Group's \$200m investment in the northern beaches – the brand new \$200 million Harbord Diggers – finally opened its doors to the public on 30 June.

The much-anticipated launch exceeded expectations with over 3,000 new Members joining the club on the opening weekend to be treated to a modern-day inauguration featuring Australian rock band, the Hoodoo Gurus.

Two nights prior, Members and dignitaries were invited to an exclusive VIP event where Australia's most successful Eurovision contestant, Dami Im wowed the crowd and fireworks rocketed into the night sky.

In terms of registered clubs, Harbord Diggers has held an enviable geographic position from the start; perched adjacent to Curl Curl and Freshwater beaches on its own headland. But the competitive advantage now spans well beyond its picturesque setting and sweet ocean breeze.

In addition to regular live entertainment for all the family, the new Harbord Diggers boasts an indoor play area and café, with community meeting rooms, a swimming pool, gym and outdoor café still to come in 2019.

The culinary offering is unmatched and what sets the club apart from its more traditional rivals. One of the three new restaurants is AcquaFresca, brainchild of Giovanni and Marilyn of Pilu fame, which will offer authentic regional Italian cuisine in a relaxed setting within an unrivalled location.

A haven for meat-eaters and lovers of seafood, Teddy Larkin's Seafood & Steakhouse offers juicy cuts of meat, burgers and a succulent selection of ocean fresh catches, and WaterDragon is drawing a crowd with its mouth-watering menu of Asian Pacific fusion cuisine.

“We have created a unique selection of high quality dining and stylish yet relaxed eateries, blending an exotic combination of flavours from around the globe,” said Mounties Group CEO, Greg Pickering.

“The superb quality of food goes hand-in-hand with our unmatched coastal vistas spanning across the horizon and into Curl Curl Beach.”

Of importance is the residential element to the development. The club is now ‘home’ to many residents who have purchased into Watermark Freshwater; 96 seniors living apartments which are masterfully designed and integrated into the precinct, sitting above the club and leisure precinct.

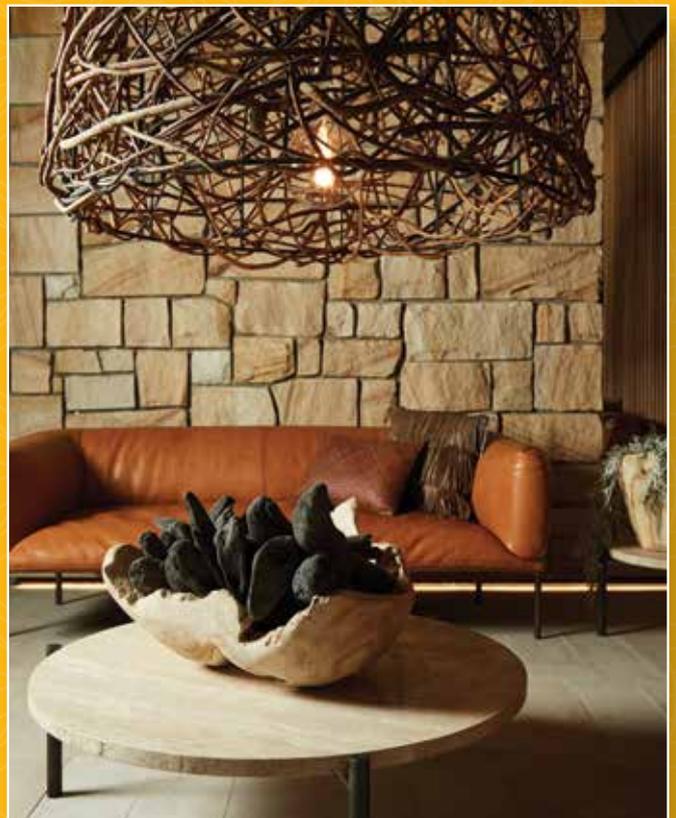
“The new Diggers is quickly realising our vision for a place that

meets the residential, social and cultural needs of the Northern Beaches community, bringing people of all ages together to enjoy the simple things,” Mr Pickering concluded.

It’s been a decade in the making, and so the launch was time for the Mounties Group Board and all who had supported the development of the failing old club to take stock of what a tremendous achievement the new Harbord Diggers represents. We thank all our Members, key stakeholders and staff for their support and share this success with them.

LARISSA O’CONNOR

Group Marketing & Communications Manager



THE CLUBS THAT COULD

2017/18 saw another successful year for the Western Site Community Clubs.

After being closed for 97 days due to fire damage, Mekong Mounties bounced back with solid trading numbers.

Planning is almost complete for building works that will address the strategic plan for this site. The works will see escalators, a lift, bistro, increased external terraces & lounge areas, improvements to the back of house areas and a new façade. Once relevant approvals have been received, we foresee works commencing in July 2019.

The Mekong Sub-Club has assisted in supporting the local community in 2018 with the following sponsorships; 2017 Fairfield City Council Moon Festival – Principal Sponsor, 2018 Fairfield City Council Lunar New Year – Platinum Sponsor & 2018 TET Festival – Principal Sponsor.

In 2018, CAT 1 grants totalling \$99,340 were issued to eight recipients and the 2018 CAT 2 grants totalling \$136,000 were distributed to local community groups. These funds will contribute to assisting the recipients in their endeavours to provide various services to our local communities.

In the four years that the Mekong Scholarship Program has run, we have provided over \$80,000 in scholarship funding to eight local students. These scholarships assist students from low-income families or who are facing financial hardship to achieve their dreams of attaining a University degree.

In early 2019, we will celebrate the 25th anniversary of Mekong. The Mekong Sub-Club committee, led by Chair Bruce Ly, are working with Management to deliver some memorable events that celebrate this momentous occasion.

Triglav continues to trade well with strong YoY growth.

The Master planning for the Triglav site was completed in 2018. We now move into the planning and feasibility stage. The high-level plans will see a new porte-cochere & façade – front entry of the Club (FY 2020), increased internal & alfresco areas and larger function facilities. We are also exploring new revenue streams for Triglav that align itself with the strategic plan for the site.

In early 2019, we will see the current children's playground replaced with a larger and modern playground. This playground will be accessible in all types of weather and caters for various age groups.

A total of \$41,500 in 2018 CAT 1 grants were issued to five recipients. Accordingly, an additional total of \$60,000 2018 CAT 2 grants were distributed to 12 recipients. These funds assist the recipients in providing various services to our local communities.

On the back of the successful Scholarship program at Mekong, I'm pleased to announce that Triglav & Club Italia will offer two





scholarships per club / per year to students with Slovenian & Italian heritage. The program is close to being finalised and full details will be released shortly.

The Masterplan for Club Italia which addresses the strategic plan was updated in 2018. The plan calls for a state-of-the-art sporting complex and increased green-space for the site. Management is working closely with stakeholders to make that the best use of the grounds and adjacent Council managed fields.

The Mounties Men's & Ladies Bowling Club has had another good year both on and off the Greens. We welcome new site Supervisor Zara John and we wish her the best in her new role. Futsal & APL Poker continue to be popular events at the Club and these will continue into 2019.

I would like to finish by thanking the team and to recognise its work over the past 12 months. Special thanks to Peter Krope, Ben Sonego, Bruce Ly and their Sub-Club committees for their continuous support. Special mention to Michael Nguyen (Mekong), Sheena Mansour (Triglav), Zara John (Mounties Bowling Club), Cathy Osborne & Tupuasa Levae (Club Italia) and all staff for their efforts. Finally, thank you to both Greg Pickering and the Board of Directors for your ongoing support and guidance given to the Western Site Community Clubs.

JASON WOODS

General Manager, Western Community Clubs



COMMUNITY GRANTS

I am honoured to lead the Mounties Grants Committee as Chairman, and to provide you with this report on the committee's activities for the past year.

One doesn't need to look too far into the Club's constitution to find the guiding principle, as it was set by our founders:

"To assist generally in the promotion of education, sport and culture in the Municipality of Fairfield, City of Liverpool, Warringah Shire, Manly and such other places as determined appropriate by the Board."

It is on this basis that the club has provided support to its community(s) for more than 50 years.

I am pleased to be able to make Members aware of the ongoing commitment to our long term community objectives, through this report.

Firstly, I must acknowledge that without the Members of this great club, we would not be in a position to commit so significantly to the various projects that are so important to our communities.

General grants to the community (including ClubGRANTS) made in the 2018 financial year totalled \$5.71m.

The most significant type of funding made available in FY2018 was \$2.537m, this was through the ClubGRANTS scheme.

Other support was provided as follows:

● Sports Ground Expense (maintaining local sporting fields)	\$360,415	● Carols by Candlelight	\$28,773
● Children's Christmas Party	\$50,676	● General Donations (inc ClubGRANTS)	\$1,837,442
● Seniors Events	\$53,991	● Sub Club Expenses	\$1,521,868
		● Other Sport	\$1,372,971

Mounties Group actively participates in the ClubGRANTS scheme. This requires clubs to allocate a portion (2.25%) of our total gaming revenue to recognised community projects. The scheme incorporates a process, which scrutinises and ranks, local projects for this funding. This facilitated by the various councils who guide and assist clubs in granting funds to meet the broader social needs of local communities. The Group participates in three (3) local council committees (Fairfield, Liverpool, Northern Beaches) as part of the ClubGRANTS scheme.

Following the lodgement, vetting, and assessing of all of the submissions (which come from organisations throughout the local communities) a report is prepared for the Grants Committee of the club. Once presented the report forms the basis of all funding decisions of the committee, which are then endorsed by the Board.

The following table shows how the Group has distributed the funds that have been made available by the ClubGRANTS scheme in 2018.

ClubGRANTS	Mounties	Harbord	Mekong	Triglav	Group	Liability
Category 1	\$688,435	-	\$99,340	\$41,500	\$ 829,275	\$835,818
Category 2	\$2,183,563	\$65,361	\$189,782	\$67,095	\$ 2,505,801	\$1,225,866
Category 3	\$401,363	\$2,377	\$54,181	\$24,426	\$482,347	\$ 482,347
Total	\$3,273,361	\$67,738	\$343,303	\$133,021	\$ 3,817,423	\$2,544,031

You will see from the table above that Mounties Group comfortably exceeds the minimum requirements of the ClubGRANTS scheme with regards to grants made to the community.





Significant projects funded as part of ClubGRANTS through Mouties included:

Ted Noffs Foundation Inc	\$ 76,919
Anowah Community Living Inc	\$ 22,500
Sydney Story Factory	\$ 20,000
Learning Links	\$ 19,465
Vision Australia	\$ 19,440
Fairfield Business Education Partnership (trading as South West Connect)	\$ 17,350
Australian Chinese Youth Sports Federation Inc	\$ 15,000
Cambodian Australian Welfare Foundation of NSW Inc	\$ 12,700
The Leukaemia Foundation of Australia Ltd	\$ 10,240
Daystar Foundation	\$ 10,000
St Francis Social Services	\$ 10,000
Danni Foundation	\$ 8,130
CORE Community Services	\$ 7,920
Asian Women at Work	\$ 6,500
Miracle Babies	\$ 6,000
The Parks Community Network Inc	\$ 6,000
Creating Chances	\$ 6,000
Kookaburra Kids	\$ 5,066
PYT Fairfield	\$ 5,000
Bossley Park High School	\$ 4,800
Foster Care Angels	\$ 4,490
Sunnyfield	\$ 3,628
Road Safety Education	\$ 3,500
SVSG Sydney Inc	\$ 3,137
Parkinsons NSW	\$ 2,630.00
Foster Care Angels	\$ 1,668.00

Projects funded under ClubGRANTS through Mekong in 2018 included:

Australian Chinese Youth Sports Federation	\$ 45,000.00
Vietnamese Australian Mutual Association	\$ 16,500.00
Vietnamese Community in Australia NSW Chapter Inc	\$ 15,090.00
Cabramatta Public School	\$ 9,680.00
Vietnamese Women's Association in NSW	\$ 9,300.00
Cabramatta West Primary School	\$ 8,400.00
Cabramatta High School	\$ 7,800.00
HammondCare	\$ 2,570.00

Significant projects funded under ClubGRANTS through Triglav included:

Anowah Community Living	\$ 22,500
Police Citizens Youth Club	\$ 18,500
Fairfield City Council Children and Family Services	\$ 12,280
Autism Advisory and Support Service	\$ 10,000
Starlight Children's Foundation	\$ 6,500

Mouties continues to support the work of the Noffs Foundation's Street University project in Liverpool. The arrangement has now been in place for 11 years and continues to provide opportunities to disadvantaged kids in the local area. Street University will be moving to new and improved premises in FY2019, continuing our commitment to this important initiative in the local community.

Category 3 ClubGRANTS are designated for major infrastructure projects and controlled by government. The NSW Government continues to make funding available across the state for these projects. This year \$451,143 was provided to this fund by Mouties, and I understand that a grant has been made back to the Fairfield LGA from this fund for the first time this year.

The efforts of the Fairfield and Liverpool Local Committees play an important role in advising Mouties Group Community Grants Committee of the projects which will best benefit from funding in this area and I sincerely thank the Local Committees for the work that they do. They assess and prioritise all eligible projects to assist the clubs to ensure that the grants go to the best organisations for the best purposes. Our CEO's EA, Nalan Akdogan, is a member of two local committees. I would like to take this opportunity to thank her for her efforts in making this process so successful for Mouties Group.

We receive many requests for financial and other assistance from many community organisations and individuals. The Committee considers those requests responsibly along with the requirements of the ClubGRANTS system. Whilst it is not possible to fund every project, I am comfortable that those with the highest priority will get the highest consideration.

I am proud to have been in the role of Chairman of a Committee that is able to oversee the distribution of club funds to the Mouties Group communities. Accordingly, I would like to acknowledge the efforts of the Grants Committee for their commitment and diligence in this process.



STEVE FITZPATRICK
Chairman
20 September 2018

COMMITTEE MEMBERS

Lorraine Dean, Trevor Forman, Jenny McNevin

OUR COMMITMENT TO RESPONSIBLE GAMBLING

Mounties Group is committed to providing the highest standards of customer care and responsible gambling. Responsible gambling in a regulated environment is when consumers have sufficient and relevant information and can exercise a rational and sensible choice based on their circumstances.

This is a shared responsibility with collective action by the gambling industry, government, individuals and communities. While an individual's decision to partake in gaming is a personal choice, it is our responsibility to inform our customers about our gaming facilities and promote the services and support available to them should they seek help for problems associated with gambling.

Mounties Group provides the most comprehensive self-exclusion scheme in NSW. Mounties Group is one of the few clubs which has been providing a multiple venue self-exclusion scheme since 2002, preventing the need for patrons to visit each individual venue from which they wish to be self-excluded. The Group also offers its patrons a number of ways in which to sign up to its self-exclusion scheme:

- **In person at any Mounties Group club, at any time.**
- **Through a BetSafe counsellor as part of a counselling session.**
- **Remotely by utilising BetSafe's online self-exclusion service (at www.betsafe.com.au/self_exclusion).**

Since 2001, we have assisted 1,472 people to exclude themselves from gambling at the Mounties Group either through our venues directly or as part of multiple self-exclusion agreements.

According to statistics from the last Productivity Commission Report, Mounties Group is one of, if not the most effective venues at processing self-exclusions in NSW.

ASSISTANCE FOR FAMILY MEMBERS

Mounties Group recognises that problem gambling not only affects the individual but also family members and other people that are close to the person. It is very common for family members of problem gamblers to be under stress as they are the ones who need to deal with many of the issues stemming from the gambling problem. BetSafe's counselling service can help family members in dealing with these issues and provide effective strategies.

Mounties Group venues assist with formalised procedures for Third Party Exclusions. Mounties Group can arrange to have a problem gambler excluded from gambling if a family member can provide evidence to support their claims. The counsellors at BetSafe can help family members in obtaining the necessary evidence to arrange for a Third Party Exclusion (involuntary).

PROBLEM GAMBLING COUNSELLING

Whilst the majority of other NSW gaming venues use their industry body's referral service, our patrons are referred to the fully integrated BetSafe problem gambling counselling service. The key characteristics of BetSafe's counselling service are:

- 24-hour telephone counselling
- Business hours, evening and weekend face-to-face appointments
- Experienced problem gambling counsellors, many of whom have over 20 years' experience
- No limits on the number of sessions
- No waiting lists
- Support for culturally and linguistically diverse (non-English speaking) clients
- Flexible treatment models (as opposed to rigid cognitive therapy based models)
- Comprehensive counselling and support to family members of problem gamblers.

TRAINING

All staff members, including Senior Management and Directors hold Responsible Conduct of Gambling (RCG) and Responsible Service of Alcohol (RSA) certificates approved by Liquor & Gaming NSW. In addition to this, all staff undertake biennial problem gambler awareness training conducted by BetSafe to ensure any staff member can respond appropriately to a request for assistance. This additional training covers practical topics such as:

- What to do when approached by a problem gambler
- How a problem gambler might behave
- The specific help available to patrons of the club

POLICIES AND PROCEDURES

Mounties Group has adopted BetSafe's comprehensive policies and procedures manual. BetSafe's policies and procedures cover such topics as dealing with:

- Unattended minors
- Requests for assistance from family members
- Admissions of a gambling problem

The Group's policies and procedures ensure it is exceeding the legislative requirements and showing a proper duty-of-care to all patrons.

INFORMATION AND SUPPORT

All Mounties Group clubs display many additional signs and brochures to increase awareness and ensure patrons are easily able to access support services.

BetSafe business cards, responsible gambling brochures and self-exclusion brochures are displayed at all clubs and the Group has even taken the step of developing a dedicated "help brochure" in the 12 most common languages in south west Sydney.

COMPLIANCE

All Mounties Group clubs are subject to BetSafe compliance audits every three months. These audits check for compliance in relation to the following requirements:

1. Entry signage
2. ATM & CRT signage
3. Gaming area signage
4. Gaming machine compliance
5. Keno signage
6. TAB signage
7. Bar signage
8. Advertising compliance
9. Website compliance
10. Additional advertising on machine player consoles

BetSafe provides a comprehensive report outlining requirements and recommendations. The Group has made the further commitment to respond to crucial report recommendations within 24 hours.

OTHER INITIATIVES

Mounties Group has adopted the *ClubsNSW Registered Clubs Responsible Conduct of Gambling Code of Practice – Best Practice Guidelines*.

As a BetSafe partner, Mounties Group venues are automatically certified by the Global Gambling Guidance Group (G4) as a world's best practice responsible gambling venue. The Group declines patron requests to cash cheques. This goes beyond the requirements set out in Sections 29-31 of the Regulation (which allows cashing of cheques that are made out to the venue; below \$400; for one single person per

day; and not previously dishonoured). All club advertising and promotions comply with the Act and Regulations.

Six out of the seven Mounties Group clubs have car parking facilities for Members and guests. Several procedures are used to ensure that children are not left unattended in cars whilst the drivers are attending the club, including signage informing patrons not to leave children unattended; video surveillance of the car park; regular patrolling by licensed security personnel during weekend evenings; and the implementation of emergency procedures to remove children left locked in cars, reporting children at risk, and disciplining members responsible.

OUR PLANNING PROCESS

At the start of each new financial year, the Board of Directors and the Executive Management Team workshop the Group's priorities to deliver a Strategic Plan.

This then informs business plans, which include annual budgets. Management and staff tasked to deliver these plans report to the Board each quarter on progress and achievements.

A demanding meeting schedule for the Board and appointed committee members is released at the beginning of the financial year. Attendance is strictly monitored and all meetings fully documented. Monthly management reports are tabled at the Board meetings.

Annual business plans are drafted and taking agreed KPIs into account, these provide the foundation for our annual budget.

The Club conducts its annual ClubGRANTS program to determine funding priorities for the year. Other funding and sponsorship requests are dealt with by the Board, and ongoing Member feedback provides an insight on the will of the Members.

The Annual Report closes the loop, reporting back on achievements and financial results to Members and key stakeholders.



BOARD OF DIRECTORS



MOUNTIES GROUP MANAGEMENT TEAM



GREG PICKERING
Group Chief
Executive Officer



DARREN MARINO
General Manager
Mount Pritchard



MICHAEL PHILLIPS
General Manager
Northern Sites



JASON WOODS
General Manager Western
Community Clubs



RALPH WEARNE
Group Financial
Controller



MICHAEL ANDERSON
Group Commercial Manager
& Legal Counsel



ANNETTE MARTIN
Group Employment
Relations Manager



MICHAEL PULLIN
Group Gaming
Operations Manager



LARISSA O'CONNOR
Group Marketing &
Communications Manager



MATTHEW HORT
Group IT
Manager



KAREN SHIPLEY
Property Manager
Harbord Diggers &
Ignite Health & Fitness

DIRECTORS' REPORT

Your directors submit their report on Mt Pritchard & District Community Club Ltd (the "Club" or "Parent") and the entity it controlled (collectively referred to as the "Group") for the year ended 30 June 2018.

DIRECTORS AND CHIEF EXECUTIVE OFFICER

The names and details of the directors in office during the financial year and until the date of this report are as follows:

Directors

Ingram, Kevin
Dean, John

Dean, Lorraine
Edwards, Stephen
Fitzpatrick, Steve

Forman, Trevor
Hansen, Leon
McNevin, Jeanette

Murphy, Thomas
Chief Executive Officer
Pickering, Gregory



KEVIN INGRAM



JOHN DEAN



LORRAINE DEAN



STEPHEN EDWARDS



STEVE FITZPATRICK



TREVOR FORMAN



LEON HANSEN



JEANETTE M'NEVIN



THOMAS MURPHY

KEVIN INGRAM

Qualifications and Special Responsibilities

- Club Member 1972 - current
- Club Life Member
- Club Director 1980 - current
- Club President 2003 - current
- Club Vice President 1985 - 1995 and 1998 - 2003
- Minute Secretary - 4 years
- Entertainment Director 1993 - 2003
- Club Editor/Publicity Officer 2003
- Catering Director 1989 - 1992
- Leagues Clubs Association Delegate 2006 - current
- ClubsNSW Northern Region Delegate 2006 - current

- RSL Services Club Delegate 2006 - current
- Life Member and Patron Parramatta District Junior Rugby League
- Life Member Parramatta District Rugby League
- Life Member & Patron Mounties Lawn Bowls Sub Club
- Pool Manager (Retired)

Industry Specific Training Completed

- Directors Foundation and Management Collaboration
- Finance for Clubs Boards

Declared Interest in Contracts

- New Diggers Service Co Pty Ltd Director
- Mekong Lease Co Pty Ltd Director

JOHN DEAN

Qualifications and Special Responsibilities

- Club Member 1986 - current
- Club Life Member
- Director 1997 - current
- Vice President 2003 - 2009, 2011 - current
- Treasurer 2007 - current
- Sports Director 1997 - 2003
- Sports Committee 1995 - 2008
- Audit & Governance Committee member 2009, 2011 - 2014
- Gaming Committee Chair 2013 - 2016
- Gaming Committee member 2009 - 2016
- Assistant Club Captain 1995

- Club Captain 1996 and 1997
- Life Member Mounties Soccer Club
- Quinlan Shield Delegate 1996 - 2010
- Engineering Manager (retired)

Industry Specific Training Completed

- Directors Foundation and Management Collaboration
- Finance for Clubs Boards

Current Committee Membership

- Audit Risk & Compliance Committee

Declared Interest in Contracts

- New Diggers Land Co Pty Ltd Director

LORRAINE DEAN

Qualifications and Special Responsibilities

- Club Member 1988 - current
- Club Director 2008 - current
- Sports Director 2012 - current
- Minute Secretary 2011 - current
- Sports Committee 2006 - 2009, 2012 - current
- RSL and Service Clubs Association Delegate 2011 - 2014
- Correspondence Committee Chair 2011 - 2016
- OH&S Committee - Board Representative 2008 - 2011
- Club Captain 2008
- Assistant Club Captain 2006 - 2007
- Life Member Netball Sub Club
- President Netball 1998 - 2014
- Constitution Committee 2011

Industry Specific Training Completed

- Directors Foundation and Management Collaboration
- Finance for Clubs Boards

Current Committee Membership

- Community Grants Committee
- Sports Committee (Chair)

STEPHEN EDWARDS

Qualifications and Special Responsibilities

- Club Member 1981 - current
- Club Life Member
- Club Director 2003 - current
- Catering Director 2006 - current
- Sports Committee 2003 - 2014
- Grants Committee 2005 - 2010
- Gaming Committee 2004 - 2010, 2014 - 2016
- ClubsNSW Delegate 2004, 2010
- Entertainment Director 2011
- Publicity Director 2011
- Director overseeing Mounties Rugby League Club 2006 - 2009
- Member Mounties Junior Rugby League Club
- Operations Manager

Industry Specific Training Completed

- Directors Foundation and Management Collaboration
- Finance for Clubs Boards

STEVE FITZPATRICK

Qualifications and Special Responsibilities

- Club Member 1980 - current
- Club Life Member
- Club Director 1993 - current
- Club Vice President 1996 - current
- Community Grants Committee Chair 2000 - current
- Director & Delegate to Federation of Workers Clubs
- President Snooker Club and Committee member 30 Years
- Life Member Snooker Club
- Quinlan Shield Life Member
- Quinlan Shield Secretary/Recorder/ Delegate/Mounties Team Captain
- Retired Customs Classifier (48 years)

Industry Specific Training Completed

- Directors Foundation and Management Collaboration
- Finance for Clubs Boards

Current Committee Membership

- Audit Risk & Compliance Committee
- Community Grants Committee (Chair)

TREVOR FORMAN

Qualifications and Special Responsibilities

- Club Member 1994 - current
- Club Director 2012 - current
- Building Defects Committee Chair 2012 - 2016, 2014 - 2016
- Leagues Clubs Association - Delegate
- Junior Rugby League Committee Member 1992 - 2004
- Junior Rugby League Secretary 1999 - 2003
- Life Member Junior Rugby League
- Manufacturing Manager

Industry Specific Training Completed

- Finance for Club Boards
- Directors Foundation and Management Collaboration

Current Committee Membership

- Community Grants Committee

LEON HANSEN

Qualifications and Special Responsibilities

- Club Member 2005 - current
- Club Director 2010 - current
- Leagues Club Australia Delegate 2015
- RSL Services Association Delegate 2010 - current
- Clubs NSW Northern Region Delegate 2010 - current
- Gaming Committee 2010 - 2012
- Sports Committee 2010 - current
- Roads and Pavement Supervisor Local Council - 45 Years (retired)

Industry Specific Training Completed

- Directors Foundation and Management Collaboration

- Finance for Clubs Boards

Current Committee Membership

- Harbord Advisory Committee Chair
- Sports Committee

Declared Interest in Contracts

- Betting.Club Pty Ltd Director (Resigned 31/5/2018)
- Club Promotional Strategies Pty Ltd Director
- New Diggers Car Park Co Pty Ltd Director

JEANETTE M'NEVIN

Qualifications and Special Responsibilities

- Club Member 1996 - current
- Club Director 2014 - current
- Building Defects Committee Member 2014 - 2016
- Correspondence Committee Member 2014 - 2016
- Remuneration Committee Member 2014 - 2016
- Entertainment Director 2014 - 2016
- Softball/TBall - Life Member
- Club Captain 2008 - 2014
- Assistant Club Captain 2007 - 2008
- Publicity Officer
- Retired

Industry Specific Training Completed

- Directors Foundation and Management Collaboration
- Finance for Clubs Boards

Current Committee Membership

- Sports Committee
- Community Grants Committee
- WHS Committee

THOMAS MURPHY

Qualifications and Special Responsibilities

- Club Foundation Member 1964 - current
- Club Life Member
- Assistant Club Captain 1993
- Club Captain 1994
- Club Director 1995 - current
- Beverage Director 2013 - current
- Sports Committee 1995 - 2003, 2006 - 2009, 2016 - 2018
- Delegate ClubsNSW 1995 - 2003, 2005 - 2007, 2010 - 2013, 2016 - 2018
- Catering Director 2003 - 2005
- President Indoor Bowls 1989 - current
- Life Member Indoor Bowls
- Retired

Industry Specific Training Completed

- Directors Foundation and Management Collaboration
- Finance for Clubs Boards

Current Committee Membership

- Sports Committee

DIRECTORS' REPORT

PRINCIPAL ACTIVITIES

The principal activity of Mt Pritchard & District Community Club Ltd (the "Club") is the encouragement of sport and the provision of accommodation and facilities for members and the community, by operating clubs licensed under the provisions of the Registered Clubs Act 1976 (as amended).

The number of members at the year-end was 101,175 (2017: 97,456).

MEASUREMENT OF SUCCESS

The Group measures success by focusing on two key areas:

1. Financial performance measured through:
 - (i) Earnings before interest, tax, depreciation, amortisation, rent and donations (EBITDARD)
 - (ii) Revenue
 - (iii) Wages and salaries
 - (iv) Profitability
 - (v) Return on capital employed
2. Provision of social welfare for the Group's members and the community.

OPERATING RESULTS FOR THE YEAR

Continuing operations

The net profit of the Group for the financial year ended 30 June 2018 after providing for income tax was \$6,879,912 (2017: \$1,873,237).

Discontinued operations

Betting.Club Pty Ltd has been sold effective from 31 May 2018 resulting to a loss from discontinued operations of \$4,578,136.

Review of operations

The net profit of the Club for the financial year ended 30 June 2018 after providing for income tax was \$6,879,912. The result was a substantial improvement from last year mainly because of bringing to account the fair value gain on the Harbord Retirement Village Stage 1 resulting in a contribution of \$11,074,457. The Club profit was suppressed by the significant write off of fixed assets predominant due to development activities (\$6,701,929).

Whilst the Club's Gaming operations remains strong against industry standard growth in FY18 was subdued.

It has been a tale of two halves with the first half being strong and the second half disappointing being significantly below our expectations as represented by our budgets.

Mekong Club closed due to fire from 21 January to 27 April 2017, but had a particularly strong 2018 year, recording record contribution.

Our majority shareholding in Betting.Club Pty Ltd was disposed of at the end of May. The strategic advantages of utilising our Club as a vehicle to sell the online products from this company did

not materialise. Retention of our investment was not considered prudent. Betting.Club Pty Ltd cash loss of \$2,970,961 was less than anticipated because of adjustments for minority interests. The results for each operating venue are provided towards the end of this report (not audited).

The profit result has been impacted by the following abnormal items:

- (a) A fair value gain of \$11.1million on settlement of units within Stage 1 of the Harbord Diggers retirement village has been recognised in the statement of profit or loss and other comprehensive income for the year ended 30 June 2018 (2017: nil).
- (b) A partial write off of the value of Harbord Diggers assets as part of the New Diggers development (buildings) totalling \$6,701,929 (2017: \$5,289,234). Members will recall that the amalgamation with Harbord Diggers in 2006 brought uplift in the value of the Group's assets of \$39 million.
- (c) The loss from the disposal the Betting.Club Pty Ltd was \$4,578,136.

Our assessment below, consistent with Board reporting, is on the non GAAP financial measure of EBITDARD. EBITDARD for the Group this year was \$34,558,188 (2017: \$26,405,829). That is \$8,152,359 higher than last year.

	2018 \$	2017 \$
Profit attributable to members of the parent	5,896,298	3,295,243
<i>Add:</i>		
Interest	286,540	83,061
Tax expenses/(benefit)	2,253,698	(5,994)
Donations expense	5,060,814	5,113,339
Depreciation expense *	20,441,820	17,653,809
Rent	619,018	266,371
EBITDARD Group	34,558,188	26,405,829
Share of the loss of Betting.Club	4,578,136	4,579,311
EBITDARD Clubs	39,136,324	30,985,140

* Includes \$6.7 million of impairment of assets.

EBITDARD generated by Mounties \$37.9 million (2017: \$34.21 million) has been complimented by positive results from Mekong \$5.8 million (2017: \$5.8 million) and Triglav \$3.0 million (2017: \$2.7 million). Profit attributable to members include \$11.1m fair value gain on the retirement village. These three clubs contributed 122.3% of EBITDARD for the Group (2017: 166%).

Harbord Diggers had a negative EBITDARD of \$6.9 million (2017: \$1.6 million) being \$8.6 million worse than last year. The temporary club closed on 1 November with substantial transitional costs leading up to the opening at the end of June 2018.

Manly Bowling Club had an EBITDARD of \$0.17 million (2017: \$0.17 million). A similar result to last year.

Mounties Bowling \$0.45 million and Club Italia \$0.50 million, whilst requiring some support, succeeded in meeting our obligations to our members.

Community contributions of \$5,226,136 (2017: \$5,113,339) confirms the Group's continuing support.

SHORT AND LONG TERM OBJECTIVES OF THE GROUP

The short-term objectives of the Group are:

- (a) To maintain a level of operational profitability that supports the Club's objectives, and
- (b) To develop a long-term supporter base which will benefit from the Club's success.

This will ensure that the long-term objective of:

- (a) continuing to provide for and promote sporting and social activities for members will continue to be met.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Betting.Club Pty Ltd has been sold effective from 31 May 2018.

The Club continued the construction of the Harbord Diggers Club and retirement village stage 1 which were completed in June 2018.

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

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

There are no significant events occurring after the balance date which will affect either the Club's operations or results of those operations or the Club's state of affairs.

MEMBERS LIABILITY

Members are liable to contribute a maximum of in the event that the Club is wound up.

The total liability of members is limited to \$202,350 (2017: \$194,912).

DIRECTORS' BENEFITS

During or since the end of the financial year, no director of the Group has received or become entitled to receive a benefit, other than a benefit included in the aggregate amount received or due and receivable as shown in the consolidated financial statements, by reason of a contract entered by the Group with:

- a director; or
- a firm of which the director is a member; or
- an entity in which a director has a substantial financial interest.

INDEMNIFICATION OF AUDITORS

To the extent permitted by law, the Group has agreed to indemnify its auditor, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During the financial year the Group paid premiums in respect of a contract insuring all the directors and executives of Mt Pritchard & District Community Club Ltd against legal liability arising for any wrongful act committed, attempted or allegedly committed or attempted in the course of their duties as a director or executive of the Group. The policy prohibits disclosure of the premium paid.

AUDITOR INDEPENDENCE

The directors received a declaration of independence from the auditors. The declaration is included within this annual report.

Signed in accordance with a resolution of the directors.



KEVIN INGRAM
Director



JOHN JOSEPH DEAN
Director

Sydney
3 September 2018



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Auditor's Independence Declaration to the Directors of Mt Pritchard & District Community Club Ltd

As lead auditor for the audit of Mt Pritchard & District Community Club Ltd for the financial year ended 30 June 2018, I declare to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Mt Pritchard & District Community Club Ltd and the entities it controlled during the financial year.

Ernst & Young

Daniel Cunningham
Partner
Sydney
3 September 2018



OUR FINANCIAL STATEMENTS

Consolidated statement of profit or loss and other comprehensive income

As at 30 June 2018

Continuing operations	Notes	2018 \$	2017 \$
Revenue	6.1	122,400,046	122,559,627
Costs attributable	6.3	(66,400,002)	(67,461,547)
Gross profit		56,000,044	55,098,080
Other income	6.2	12,594,414	6,540,521
Community support expenses	6.3	(4,688,956)	(4,770,617)
General and administration expenses	6.3	(49,907,216)	(48,928,678)
Interest expense		(286,540)	(83,061)
Profit before income tax from continuing operations		13,711,746	7,856,245
Income tax (expense)/benefit	7	(2,253,698)	5,994
Profit after income tax from continuing operations		11,458,048	7,862,239
Discontinued operations			
Loss from discontinued operations		(4,578,136)	(4,566,996)
Net loss attributable to minority shareholdings		-	(1,422,006)
Total loss from discontinued operations	5	(4,578,136)	(5,989,002)
Profit for the year		6,879,912	1,873,237
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
(Loss)/profit taken to equity	22	(115,371)	375,475
Other comprehensive (loss)/income for the year		(115,371)	375,475
Total comprehensive income for the year		6,764,541	2,248,712

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Consolidated statement of financial position

As at 30 June 2018

	Notes	2018 \$	2017 \$
Assets			
Current assets			
Cash and cash equivalent	8	16,897,540	5,582,698
Trade and other receivables	9	3,721,513	2,637,589
Inventories	10	513,244	448,252
Other financial assets	11	553,400	552,780
Total current assets		21,685,697	9,221,319
Non-current assets			
Trade and other receivables	9	-	30,000
Deferred tax assets	7	-	157,527
Property, plant and equipment	12	296,875,226	267,884,507
Investment properties	13	89,332,000	-
Intangible assets	14	53,719,962	53,719,962
Total non-current assets		439,927,188	321,791,996
Total assets		461,612,885	331,013,315
Liabilities and equity			
Current liabilities			
Trade and other payables	15	18,232,295	19,250,852
Deferred revenue	16	1,088,411	976,527
Provisions	17	40,000	40,000
Employee benefit liabilities	18	6,000,374	6,539,751
Resident loans	20	89,332,000	-
Interest-bearing loans and borrowings	21	7,334,204	-
Total current liabilities		122,027,284	26,807,130
Non-current liabilities			
Deferred tax liabilities	7	2,191,482	-
Deferred revenue	16	1,428,273	505,529
Provisions	17	682,373	717,072
Employee benefit liabilities	18	550,319	567,716
Derivative financial liabilities	19	765,237	649,866
Interest bearing loans and borrowings	21	82,211,893	60,819,487
Total non-current liabilities		87,829,577	63,259,670
Total liabilities		209,856,861	90,066,800
Net assets		251,756,024	240,946,515
Members' equity			
Retained earnings		236,879,742	229,999,830
Revaluation reserve	22	12,896,229	12,896,229
Amalgamation reserve	22	2,745,290	2,745,290
Hedging reserve	22	(765,237)	(649,866)
Minority interests	19	-	(4,044,968)
Total members' equity		251,756,024	240,946,515
Total liabilities and equity		461,612,885	331,013,315

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

As at 30 June 2018

	Retained earnings \$	Revaluation reserve \$ (Note 22)	Amalgamation reserve \$ (Note 22)	Hedging reserve \$ (Note 22)	Minority interests \$	Total equity
At 1 July 2017	229,999,830	12,896,229	2,745,290	(649,866)	(4,044,968)	240,946,515
Profit/(loss) for the year	6,879,912	-	-	-	-	6,879,912
Other comprehensive loss	-	-	-	(115,371)	-	(115,371)
Total comprehensive income/(loss)	6,879,912	-	-	(115,371)	-	6,764,541
Derecognition of subsidiary	-	-	-	-	4,044,968	4,044,968
At 30 June 2018	236,879,742	12,896,229	2,745,290	(765,237)	-	251,756,024
At 1 July 2016	226,704,587	12,896,229	2,745,290	(1,025,341)	(2,622,962)	238,697,803
Profit for the year	3,295,243	-	-	-	(1,422,006)	1,873,237
Other comprehensive income	-	-	-	375,475	-	375,475
Total comprehensive income/(loss)	3,295,243	-	-	375,475	(1,422,006)	2,248,712
At 30 June 2017	229,999,830	12,896,229	2,745,290	(649,866)	(4,044,968)	240,946,515

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

As at 30 June 2018

	Notes	2018 \$	2017 \$
Operating activities			
Receipts from customers		123,462,329	142,615,019
Payments to suppliers and employees		(109,400,101)	(118,704,359)
Receipts from retirement village residents		89,332,000	-
Interest received		98,004	172,124
Interest paid		(286,540)	(1,088,048)
Income tax received		30,319	-
Net cash flows from operating activities		103,236,011	22,994,736
Investing activities			
Proceeds from sale of property, plant and equipment		1,166,457	-
Purchase of property, plant and equipment		(121,814,236)	(83,484,240)
Purchase of intangible assets		-	(301,000)
Net cash flows used in investing activities		(120,647,779)	(83,785,240)
Financing activities			
Proceeds from borrowings		21,392,406	48,989,496
Net cash flows from financing activities		21,392,406	48,989,496
Net increase/(decrease) in cash and cash equivalents		3,980,638	(11,801,008)
Cash and cash equivalents at opening balance date	8	5,582,698	17,383,706
Cash and cash equivalents at 30 June	8	9,563,336	5,582,698

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

1. CORPORATE INFORMATION

The consolidated financial report for Mt Pritchard & District Community Club Ltd (the “Club”) and its controlled entity (collectively referred to as the “Group”) for the year ended 30 June 2018 was authorised for issue in accordance with a resolution of the Directors on 3 September 2018.

Mt Pritchard & District Community Club Ltd (the “Club” or “Parent”) is a company limited by guarantee. The Constitution prohibits paying a dividend to members. The Club is incorporated and domiciled in Australia.

The primary objective of the Club is the provision of services for members; the Directors have accordingly determined the Club is a ‘not-for-profit’ entity for accounting purposes. In accordance with its Constitution the liability of members in the event of the Club being wound up would not exceed \$2 per member.

The registered office of Mt Pritchard & District Community Club Ltd is located at 101 Meadows Road Mt Pritchard NSW 2170.

The Group employed 575 employees as at 30 June 2018 (2017: 554).

The financial statements for the year ended 30 June 2017 consolidated the assets, liabilities and the results of the Club’s subsidiary Betting.Club Pty Ltd, which was disposed on 31 May 2018. All subsidiaries are listed in Note 4. Therefore, the financial statements for the year ended 30 June 2018 represent only the Club’s financial statements. The nature of the operations and principal activities of the Club are described in the directors’ report.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation

Statement of compliance

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards - Reduced Disclosure Requirements and other authoritative pronouncements of the Australian Accounting Standards Board. Australian Accounting Standards contain requirements specific to not-for-profit entities, including standards AASB 116 Property, Plant and Equipment, AASB 138 Intangible Assets, AASB 136 Impairment of Assets and AASB 1004 Contributions. The financial report has been prepared on the historical cost basis, except for investment properties which have been measured at fair value.

The financial report is presented in Australian dollars (\$).

b) Changes in accounting policies and disclosures

Changes in accounting policies, new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year.

The Group applied, for the first time, certain standards and amendments which are effective for annual periods beginning on or after 1 July 2017.

The nature and the effect of these changes are disclosed below. Although these new standards and amendments applied for the first time in 30 June 2018, they did not have a material impact on the Group financial report.

AASB 2016-2 Amendments to Australian Accounting Standards - Disclosure Initiative: Amendments to AASB 107

The amendments to AASB 107 Statement of Cash Flows are part of the IASB’s Disclosure Initiative and help users of financial statements better understand changes in an entity’s debt. The amendments require entities to provide disclosures about changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses).

AASB 2016-4 Amendments to Australian Accounting Standards - Recoverable Amount of Non-Cash Generating Specialised Assets of Not-for-Profit Entities

This Standard amends AASB 136 Impairment of Assets to remove references to depreciated replacement cost as a measure of value in use for not-for-profit entities and clarify that not-for-profit entities holding non-cash-generating specialised assets at fair value in accordance with AASB 13 Fair Value Measurement [under the revaluation model in AASB 116 Property, Plant and Equipment and AASB 138 Intangible Assets] no longer need to consider AASB 136.

Not-for-profit entities holding such assets at cost may determine recoverable amounts using current replacement cost in AASB 13 as a measure of fair value for the purposes of AASB 136.

AASB 2017-2 Amendments to Australian Accounting Standards - Further Annual Improvements 2014-2016 Cycle

This Standard clarifies the scope of AASB 12 Disclosure of Interests in Other Entities by specifying that the disclosure requirements apply to an entity’s interests in other entities that are classified as held for sale or discontinued operations in accordance with AASB 5 Non-current Assets Held for Sale and Discontinued Operations.

These amendments do not have any material impact on the Group.

c) Going concern

As at 30 June 2018 the Group has net current asset deficiency of \$100,341,587 (2017: \$17,585,811).

The directors believe the Group will continue as a going concern and meet its debts and commitments as and when they fall due. The Group has positive operating cash flow of \$103.2 million. The net current liability position includes \$89.3 million of current liabilities relate to the resident loans owed to the retirement village residents.

Although the expected average residency term is around 12 years, these obligations are classified as current liabilities, as required by Accounting Standards, because the Club does not have an unconditional right to defer settlement to more than twelve months after reporting date. The directors have taken into account the available unused banking facilities (\$88 million), cash flow forecasts for the next 12 months from this report and the continued improvement of operating results and cash flows to enable them to form this view.

d) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Club and its subsidiary as at 30 June 2018. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiary to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

e) Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within 12 months after the reporting period, or
- 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 current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

f) Cash and cash equivalents

Cash in the consolidated statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

g) Trade and other receivables

Trade and other receivables are recognised and carried at amortised cost less a provision for any uncollectible debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off as incurred.

h) Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for, as follows:

- Finished goods: purchase cost on a first-in/first-out basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

i) Derivative financial instruments and hedging

The Group uses derivative financial instruments, such as interest rate swaps, to hedge its interest rate risks, etc..

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below.

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the consolidated statement of comprehensive income.

The Group uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, as well as forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other operating income or expenses.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

j) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment.

When significant parts of property, plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, as described below:

Buildings and improvements	5 - 30 years
Leasehold improvements	33 years
Other buildings	5 - 30 years
Plant and equipment	3 - 20 years
Member use property	33 years

An item of property, plant and equipment and any significant part

initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit or loss and other comprehensive income when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

k) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset (or assets), even if that asset is (or those assets are) not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

An operating lease is a lease other than a finance lease. Operating lease payments are recognised as an operating expense in the consolidated statement of profit or loss and other comprehensive income on a straight-line basis over the lease term.

l) Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the period in which they arise, including the corresponding tax effect.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

m) Impairment of non-financial assets

At each reporting date, the Group assesses, whether there is an indication that an asset may be impaired. Where an indicator of impairment exists or where annual impairment testing for an asset is required, the Group makes a formal estimate of the recoverable amount. An impairment loss is recognised for the amount by which the carrying amount of an asset exceeds recoverable amount, which is defined for not for profit entities as the higher of an asset's fair value less costs to sell or depreciated replacement cost. For the purpose of assessing impairment, assets are grouped at the level for which there are separately identifiable cash flows. An impairment loss is recognised in the consolidated statement of profit or loss and other comprehensive income.

n) Goodwill

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of the business combination over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities.

Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (CGU), to which the goodwill relates. When the recoverable amount of the CGU is less than the carrying amount, an impairment loss is recognised. When goodwill forms part of a CGU and an operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this manner is measured based on the relative values of the operation disposed of and the portion of the CGU retained.

Impairment losses recognised for goodwill are not subsequently reversed.

Goodwill is tested for impairment annually as at 30 June and when circumstances indicate that the carrying value may be impaired.

o) Intangible assets

Electronic Gaming Machine (EGM) Entitlements are considered intangibles in accordance with AASB 138.

Intangibles are recognised at cost at 30 June 2018. Fair value was determined by reference to market prices at which the entitlements had been traded. It is considered that an active market for these entitlements ceased to exist from 1 July 2009 and consequently they are carried at the most recent valuation.

The entitlements are considered to have an indefinite life and accordingly are not amortised.

The entitlements are tested for impairment on an annual basis or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

The Group conducts an annual internal review of asset values, which is used as a source of information to assess for any indicators of impairment. External factors, such as changes in Government regulations, technology and economic conditions, are also monitored to assess for indicators of impairment. If any indication of impairment exists, an estimate of the asset's recoverable amount is calculated.

An impairment loss is recognised for the amount by which the entitlements' carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Impairment losses are written off against the revaluation reserve (arose due to recording the entitlements at fair value up to 30 June 2009) to the extent the revaluation reserve is exhausted and against consolidated statement of profit or loss and other comprehensive income.

The gain or loss brought to account on sale of revalued entitlements will represent the difference between the proceeds on disposal and the revalued carrying amount.

Electronic Gaming Machine Entitlements acquired by way of club amalgamation are, in accordance with AASB 3 Business Combinations initially brought to account at the date of acquisition at the fair value at that date, and subsequently accounted for in accordance with the above policy.

p) Trade and other payables

Trade and other payables are carried at cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of goods and services.

q) Provisions and employee benefit liabilities

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the consolidated statement of profit or loss and other comprehensive income net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Mortality payment

A provision for mortality payment is recognised for the expected costs associated with the members eligible to receive the mortality payment. The provision is based on the number of members entitled to receive the payment, discounted for the time value of money.

Wages and salaries

Liabilities for wages and salaries and non-monetary benefits which are expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

Long service leave and annual leave

The Group does not expect its long service leave or annual leave benefits to be settled wholly within 12 months of each reporting date. The Group recognises a liability for long service leave and annual leave measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

Employee benefits expenses and revenues arising in respect of the following categories:

- Wages and salaries, non-monetary benefits, annual leave, long service leave and other leave benefits; and
- Other types of employee benefits; are recognised against profits on a net basis in their respective categories. In respect of superannuation plans, any contributions made to the fund by the Group are recognised against profits when incurred.

r) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is received.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of goods

Revenue from the sale of goods relates to the sale of the Group's products (including food and beverage) is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates, if any.

Rendering of services

Revenue from rendering of services comprises revenue earned from the provision of gaming facilities together with other services to members and other patrons of the Group. Revenue is recognised when the service is provided.

Interest income

Interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in finance income in the consolidated statement of profit or loss and other comprehensive income.

Commissions and member fees and subscriptions

Commissions and member fees and subscriptions are recognised as revenue over the period to which they relate.

Wagering revenue

Revenue represents the amounts staked less total payouts on betting activity which has resulted in the period.

The amounts in relation to betting on an event are recognised as a liability until the outcome of the event is determined, at which time the revenue is brought to account. Open betting positions are carried at fair value and gains and losses arising on these positions are recognised in revenue.

s) Taxes

The *Income Tax Assessment Act 1997* (Amended) provides that under the concept of mutuality, Clubs are only liable for income tax on income derived from non-members and from outside entities. Current tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities based on the current period's taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred income tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiary, associates and interests in joint arrangements, when the timing of the reversal of the temporary

differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiary, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

In determining tax balances, the Waratah formula applicable to registered licensed clubs is used.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except:

- When the GST incurred on a sale or purchase of assets or services is not payable to or recoverable from the taxation authority, in which case the GST is recognised as part of the revenue or the expense item or as part of the cost of acquisition of the asset, as applicable.
- When receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing

and financing activities, which is recoverable from, or payable to, the taxation authority is classified as part of operating cash flows.

t) Discontinued operations

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or
- Is a subsidiary acquired exclusively with a view to resale.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss and other comprehensive income.

Additional disclosures are provided in Note 5. All other notes to the financial statements include amounts for continuing operations, unless indicated otherwise.

u) Other member use properties

The Group owns or holds an occupancy right to a number of holiday properties. The properties are held for the primary purpose of member use. The properties are accounted for on the same basis as the other property, plant and equipment as set out in note 2(j).

v) Fair value measurement

The Group measures financial instruments such as derivatives and non-financial assets such as investment properties, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues,

expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Revaluation of investment properties

The Club carries its investment properties at fair value, with changes in fair value being recognised in the statement of profit or loss and other comprehensive income. For investment properties, a valuation methodology based on a cash flow model, as there is a lack of comparable market data because of the nature of the properties. The Club used directors' valuation to assess the fair value of the investment property of the seniors' living village as at 30 June 2018.

Estimation of useful lives of assets

The Group determines the estimated useful lives and related depreciation and amortisation 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 amortisation 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.

Impairment of non-financial assets

The Group assesses impairment of all non-financial assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. These include economic and political environments and business expectations. If an impairment trigger exists, the recoverable amount of the asset is determined. Management do not consider that the triggers for impairment testing have been significant enough and as such these assets have not been tested for impairment in this financial period.

Long service leave provision

The liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at balance date. In determining the present value of the liability, attrition rates and pay increases through promotion and inflation have been taken into account.

Taxes

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Mortality provision

Provision is made for the anticipated costs with respect to the passing of qualifying members. In determining the present value of the liability, mortality estimates and the time value of money have been taken into account.

4. GROUP INFORMATION

Information about the subsidiary

The consolidated financial statements of the Group include:

Name	Principal activities	Country of incorporation	% Equity interest	
			2018	2017
Betting.Club Pty Ltd	Internet wagering	Australia	-	76.5
New Diggers Service Co. Pty Ltd	Service Company	Australia	100	-
New Diggers Service CoRe2. Pty Ltd	Service Company	Australia	100	-
New Diggers Land Co. Pty Ltd	Service Company	Australia	100	-
New Diggers Car Park Co. Pty Ltd	Service Company	Australia	100	-
New Diggers Car Park Rental Pty Ltd	Service Company	Australia	100	-

Betting.Club Pty Ltd was disposed on 31 May 2018.

5. DISCONTINUED OPERATIONS

The internet gaming platform "Betting.Club Pty Ltd" has been sold on 31 May 2018 and has been deconsolidated from the Mount Pritchard's Group. The FY18 trading loss of Betting.Club Pty Ltd has been recognised for the financial period up until the date of disposal. The assets and liabilities of the former subsidiary have been derecognised at the point of sale from the consolidated statement of financial position. The results of Betting.Club Pty Ltd are presented below:

	2018 \$	2017 \$
Revenue	2,492,156	2,495,848
Expenses	(7,958,046)	(8,484,850)
Operating loss	(5,465,890)	(5,989,002)
Less : Minority interest	(1,742,338)	(1,422,006)
Less : Shareholder contribution	(752,591)	-
Trading loss before tax from discontinued operations	(2,970,961)	(4,566,996)
Loss on discontinuation	(1,607,175)	-
Total loss from discontinued operations	(4,578,136)	(4,566,996)

The net cash flows incurred by Betting.Club Pty Ltd are, as follows:

	2018 \$	2017 \$
Operating	(5,465,890)	(5,989,002)
Investing	-	-
Financing	-	-
Net cash (outflow)	(5,465,890)	(5,989,002)

6. REVENUE AND EXPENSES

6.1 REVENUE

	2018 \$	2017 \$
Revenue		
Poker machines	104,420,424	103,716,170
Bars	6,031,969	6,470,596
Membership	427,041	365,541
Admissions and raffles	524,203	729,296
Internet café and kids amusements	68,200	78,088
Club Keno and TAB commissions	494,266	467,440
Catering commissions and booking fees	4,433,873	4,641,901
Holiday cottages, lodges and apartments	707,128	775,694
Member loyalty and gift shop	587,963	570,034
Fitness centers	4,704,979	4,744,867
	122,400,046	122,559,627

6.2 OTHER INCOME

	2018 \$	2017 \$
Interest - financial institutions	98,004	166,222
Net gain on disposal of property, plant and equipment	340,374	-
Fair value gain on investment property	11,074,457	-
Other revenue	1,081,579	6,374,299
	12,594,414	6,540,521

6.3 EXPENSES

	2018 \$	2017 \$
Cost attributable		
Poker machines	42,415,914	42,158,218
Bars	8,011,205	7,823,215
Fitness centres	2,694,044	2,621,975
Membership	572,628	660,350
Admissions and raffles	1,954,076	2,429,342
Club Keno and TAB commissions	647,082	697,099
Catering commissions and booking fees	4,447,761	4,977,243
Resort expenses	7,274	7,718
Member loyalty and gift shop	5,650,018	6,086,387
	66,400,002	67,461,547

Included in costs attributable and general and administration expense

Depreciation and amortisation of non-current assets	13,739,891	17,653,809
Impairment of property, plant and equipment	6,701,929	-
Total depreciation and amortisation of non-current assets	20,441,820	17,653,809

	2018 \$	2017 \$
Community support expenses		
Sports ground expense	1,017,958	1,048,148
Sub Clubs expense and grants	1,025,593	1,173,443
Bowling Club green service and repairs	12,816	1,386
Donations	1,837,443	1,443,814
Children's Christmas party	50,976	106,141
Senior Citizens Christmas party	53,991	62,899
Carols by Candlelight	28,773	45,454
Sports	661,406	889,332
	4,688,956	4,770,617
General and administration expenses		
Club services	8,900,504	9,215,479
Advertising and promotions	4,452,343	4,205,648
Administration expenses	11,235,697	11,123,369
Staff on costs	1,667,654	2,167,781
Development projects	1,337,741	523,686
Repairs and maintenance	5,736,712	5,541,438
Property costs	16,576,490	13,478,690
Loss on disposal of property, plant and equipment	-	2,672,587
Community costs	75	-
	49,907,216	48,928,678

7. INCOME TAX

The major components of income tax expense/(benefit) are:

	2018 \$	2017 \$
Consolidated statement of profit or loss and other comprehensive income		
Current income tax credit	(95,311)	-
Deferred income tax charge/(credit)	2,349,009	(5,994)
Income tax expense/(benefit) reported in the consolidated statement of profit or loss and other comprehensive income	2,253,698	(5,994)

	2018 \$	2017 \$
Accounting profit before tax from continuing operations	13,711,746	7,856,245
Loss before tax from a discontinued operation	(4,578,136)	(5,989,002)
Accounting profit before income tax	9,133,610	1,867,243

A reconciliation between tax expense/(benefit) and the product of accounting profit before income tax multiplied by the Clubs statutory tax rate 30% (2017: 30%) is as follows:

Income tax expense prima facie	2,740,083	560,173
Utilisation of carried forward tax losses	(432,075)	(217,133)
Utilisation of current year tax losses	(551,539)	-
Tax losses not booked	-	1,796,701
Amount exempted from tax	(10,914,547)	(2,547,702)
Other items (net)	11,411,776	401,967
Income tax (benefit)/expense attributable to ordinary activities	2,253,698	(5,994)

Deferred tax

Deferred tax relates to the following:

	2018 \$	2017 \$
Deferred tax assets		
Employee entitlements	157,384	157,527
Utilised carry forward and current year tax losses	983,614	-
Deferred tax asset	1,140,998	157,527
Deferred tax liabilities		
Valuation of investment property	3,332,480	-
Deferred tax liabilities	3,332,480	-
Opening balance	157,527	151,533
Recognised in the consolidated statement of profit or loss and other comprehensive income	(2,349,009)	5,994
Net deferred tax (liabilities)/asset at the end of the year	(2,191,482)	157,527

8. CASH AND CASH EQUIVALENTS

	2018 \$	2017 \$
Cash at bank and on hand	16,897,540	5,582,698

Financing facilities available

At reporting date, the Club has a total financing facility of \$171,000,000 (2017: \$192,045,000). \$82,211,893 facility has been used in the current year. At reporting date, an amount of \$88,788,107 was unused.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following at 30 June:

	2018 \$	2017 \$
Cash at bank and on hand	16,897,540	5,582,698
Bank overdrafts	(7,334,204)	-
Cash and cash equivalents	9,563,336	5,582,698

9. TRADE AND OTHER RECEIVABLES

	2018 \$	2017 \$
Current		
Other debtors and prepayments	3,721,513	2,637,589
Non-current		
Other assets	-	30,000

10. INVENTORIES

	2018 \$	2017 \$
Catering and bar		
At cost	309,327	343,837
Merchandise		
At cost	203,917	104,415
Total inventory at cost	513,244	448,252

11. OTHER FINANCIAL ASSETS

	2018 \$	2017 \$
Current		
Held for trading investments	553,400	552,780

Held for trading investments include term deposits. Term deposits have a maturity of up to 365 days.

12. PROPERTY, PLANT AND EQUIPMENT

	Freehold land	Building, improvements and other buildings	Leasehold improvements	Plant and equipment	Member use properties	Construction in progress	Total
	\$	\$	\$	\$	\$	\$	\$
Cost							
At 1 July 2017	37,238,419	152,477,364	6,857,818	118,649,595	10,027,886	97,771,217	423,022,299
Additions	4,235,522	2,986,441	2,960	24,857,758	13,915	96,419,569	128,516,165
Disposals	(103,925)	(10,964,524)	(50,000)	(27,655,239)	(1,349,252)	-	(40,122,940)
Reclassification into investment property	-	-	-	-	-	(78,257,543)	(78,257,543)
Transfer	-	79,046,959	-	-	-	(79,046,959)	-
At 30 June 2018	41,370,016	223,546,240	6,810,778	115,852,114	8,692,549	36,886,284	433,157,981
Depreciation							
At 1 July 2017	-	66,400,121	1,649,384	83,791,897	3,296,390	-	155,137,792
Depreciation charge for the year	-	5,157,920	204,778	8,088,608	288,585	-	13,739,891
Disposals	-	(9,735,709)	(2,125)	(29,205,464)	(353,559)	-	(39,296,857)
Impairment of assets	-	-	-	6,701,929	-	-	6,701,929
At 30 June 2018		61,822,332	1,852,037	69,376,970	3,231,416	-	136,282,755
Net book value							
At 30 June 2018	41,370,016	161,723,908	4,958,741	46,475,144	5,461,133	36,886,284	296,875,226
At 30 June 2017	37,238,419	86,077,243	5,208,434	34,857,698	6,731,496	97,771,217	267,884,507

13. INVESTMENT PROPERTIES

	2018 \$	2017 \$
Opening balance	-	-
Capitalised expenditure	78,257,543	-
Fair value movement	11,074,457	-
Closing balance at 30 June	89,332,000	-

Valuation

Directors' valuation of the investment property at \$89,332,000, was carried out as at 30 June 2018 on the basis of the market value of the units sold in the year. As investment properties are recorded at fair value, the valuation has been brought to account in this years' gain on valuation of investment properties.

14. INTANGIBLE ASSETS

	2018 \$
Electronic gaming machine entitlement	
At 1 July	
At cost	39,909,613
At 30 June	39,909,613
Goodwill	
At 1 July	
At cost	13,810,349
At 30 June	13,810,349
Total intangible assets	
At 1 July	
At cost	53,719,962
At 30 June	53,719,962

Description of the Group's intangible assets

For the nature and description of the intangible assets please refer to the descriptions in note 2(m) and 2(n).

15. TRADE AND OTHER PAYABLES

	2018 \$	2017 \$
Current		
Trade payables	18,232,295	17,181,299
Related parties	-	2,069,553
	18,232,295	19,250,852

16. DEFERRED REVENUE

	2018 \$
Current	
Deferred revenue	1,088,411
Non-current	
Deferred revenue	1,428,273

The Club collects club membership and gym membership fees in advance. At any point in time, the services for those membership fees have not yet been provided and has been recorded as deferred revenue.

17. PROVISIONS

	2018 \$
Current	
Mortality payments	40,000
Non-current	
Mortality payments	682,373

		Mortality \$
Movement in provision		
At 1 July 2016 (current and non-current)		1,145,261
Other adjustments		(388,189)
At 30 June 2017 (current and non-current)		757,072
Utilised/paid		35,000
Other adjustments		(301)
At 30 June 2018 (current and non-current)		722,373

18. EMPLOYEE BENEFIT LIABILITIES

	2018 \$	2017 \$
Current		
Employee benefits	6,000,374	6,539,751
Non-current		
Employee benefits	550,319	567,716

All employees are entitled to benefits on retirement, disability or death. The defined contribution superannuation plan provides for payment of benefits accumulated. Certain employees contribute to a private fund at 5% of their wages and salaries; the Club generally contributes at the same rate. The Club also contributes to the defined contribution superannuation fund at the rate of 9.5% (2017: 9.5%); these contributions are legally enforceable.

19. DERIVATIVE FINANCIAL LIABILITIES

On 16 March 2016, the Club entered into an AU\$146 million notional value interest rate swap with Westpac to manage Club's exposure to the potential volatility of the benchmark interest rate risk on the floating debt facility.

The hedging strategy is to fix a corresponding proportion of the highly probable interest payments associated with the variable funding of the loan using an amortising interest rate swap. The interest rate swap is designated in a hedging relationship for accounting purposes as a cash flow hedge and the effectiveness of the hedge is assessed as 86%. The movement in derivative financial liabilities represents the fair value movement of the interest rate swap in 30 June 2018.

20. RESIDENTIAL LOANS

	2018 \$	2017 \$
Current		
Resident loans	89,332,000	-

Resident loans are classified as financial liabilities at fair value through profit and loss with resulting fair value adjustments recognised in the consolidated statement of profit or loss and other comprehensive income. Fair value is the amount payable on demand and is measured at the principal amount plus the residents' share of any increases in market value to reporting date less deferred management fees contractually accruing to reporting date.

Although the expected average residency term is around 12 years, these obligations are classified as current liabilities, as required by Accounting Standards, because the Club does not have an unconditional right to defer settlement to more than 12 months after reporting date.

Resident loans are non-interest bearing and are payable at the end of the resident contract. The rate at which the Group's retirement residents vacate their units, and hence the rate at which the resident loans will fall due for repayment, can be estimated based on statistical tables.

21. INTEREST-BEARING LOANS AND BORROWINGS

	Interest rate %	Maturity	2018 \$	2017 \$
Current				
Bank overdrafts	1.37	On demand	7,334,204	-
Non-current				
Loan from Westpac	3.27	1 April 2020	82,211,893	60,819,487

22. MEMBERS' EQUITY

	2018 \$	2017 \$
Revaluation reserve		
Balance at beginning of the year	12,896,229	12,896,229
Balance at the end of the year	12,896,229	12,896,229
Amalgamation reserve		
Balance at beginning of the year	2,745,290	2,745,290
Balance at the end of the year	2,745,290	2,745,290
Hedging reserve		
Balance at beginning of the year	(649,866)	(1,025,341)
Hedging reserve movement	(115,371)	375,475
Balance at the end of the year	(765,237)	(649,866)
Minority interests		
Balance at beginning of the year	(4,044,968)	(2,622,962)
Net loss attributable to minority shareholders	4,044,968	(1,422,006)
Balance at the end of the year	-	(4,044,968)

Revaluation reserve

The revaluation reserve is used to record increases and decreases in the fair value of Electronic Gaming Machine Entitlements to the extent that they offset one another.

Amalgamation reserve

The amalgamation reserve represents the gain arising on the acquisition in 2013.

Hedging reserve

The hedge reserve represents the movements in the fair value of the interest rate swap which has been designated as cash flow hedge.

23. COMMITMENTS

Capital expenditure commitments

	2018 \$	2017 \$
Estimated capital expenditure contracted for at reporting date but not provided for:		
Payable not later than one year	26,044,758	94,942,685

Operating lease commitments - Group as lessee

The Group has entered into operating leases on premises at 117 John Street, Cabramatta, with lease terms of four years. The Group has the call option to purchase the properties within 18 months started from 14 June 2017.

Future minimum rentals payable under non-cancellable operating leases as at 30 June are, as follows:

	2018 \$	2017 \$
Within one year	576,694	420,000
After one year but not more than five years	-	215,250
	576,694	635,250

24. RELATED PARTY DISCLOSURES

Key management personnel

Details referring to key management personnel, including remuneration paid, are included in note 25.

There were no other related party transaction during the financial year.

25. DIRECTOR AND EXECUTIVE DISCLOSURES

25.1 KEY MANAGEMENT PERSONNEL

Key management personnel, being those persons having authority and responsibility for planning, directing and controlling the activities of the entity, include the Directors and Senior Management.

Total compensation for key management personnel including Directors and Senior Management for Mt Pritchard & District Community Club Ltd during the financial year are set out below:

	2018 \$	2017 \$
Total remuneration	2,094,973	1,869,494

The Directors' remuneration is of the nature of expense reimbursements, and is capped at the amounts approved each year by the members at the Annual General Meeting. The remuneration of directors is all of the nature of short term compensation; the directors are not entitled to post retirement benefits or other long term benefits.

Senior Management are entitled to normal annual leave, vesting sick leave, and long service leave (subject to qualification) and superannuation benefits. They are not entitled to any other long term benefits.

25.2 COMPENSATION OF MANAGEMENT

25.2.1 COMPENSATION POLICY

The performance of the Group depends on the quality of its directors and management staff. To prosper, the Group must be able to attract, motivate and retain highly skilled management staff. To this end, the Group embodies the following principles in its compensation framework:

- Provide competitive rewards to attract high calibre executives;
- Establish appropriate market measures of salaries and ensure that management salaries are maintained at market value.

25.2.2 REMUNERATION COMMITTEE

Four (4) members of the Board of Directors, together with the Employment Relations Manager and Chief Executive Officer form the Remuneration Committee, and maintain responsibility for reviewing compensation arrangements for senior management personnel.

The Remuneration Committee assess the appropriateness of the nature and amount of compensation of key management personnel on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum membership and Club benefit from the retention of a high quality executive team.

25.2.3 COMPENSATION STRUCTURE

In accordance with best practice corporate governance, the Remuneration Committee use information obtained from an external consultant in the form of a written report detailing market levels of compensation for comparable executive roles. The report is then presented to a meeting of the Remuneration Committee who review executive remuneration levels, and make recommendations to the Board.

In consideration of the job market, state of the economy, business location, type of organisation and business performance, it has been resolved that the Group will reward management personnel within the market range relevant to the position that they hold, and that the market will be checked every two years to ensure that this is maintained.

Senior Management personnel are on employment contracts which specify all conditions of employment and remuneration details. These contracts are reviewed at determined intervals in line with performance, salary and market reviews.

26. EVENTS AFTER THE REPORTING PERIOD

There have been no significant events occurring after the reporting period which may affect either the Club's operations or results of those operations or the Club's state of affairs.

27. INFORMATION RELATING TO THE MT PRITCHARD & DISTRICT COMMUNITY CLUB LTD (THE PARENT)

	2018 \$	2017 \$
Current assets	21,685,697	8,211,554
Total assets	461,612,885	329,854,606
Current liabilities	122,027,284	23,072,367
Total Liabilities	209,856,861	85,826,508
Revaluation reserve	15,641,519	15,641,519
Hedging reserve	(765,237)	(649,866)
Retained earnings	236,879,742	229,036,445
Profit for the year	11,458,048	7,862,239
Total comprehensive income of the Parent entity	6,764,541	2,248,712

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Mt Pritchard & District Community Club Ltd, we state that:

In the opinion of the directors:

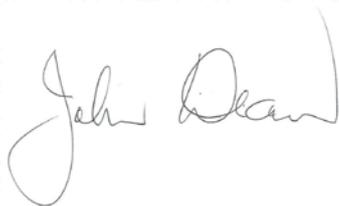
- (a) the consolidated financial statements and notes of the Group for the financial year ended 30 June 2018 are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Group's financial position as at 30 June 2018 and of its performance for the year ended on that date;
 - (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and Corporations Regulations 2001.
- (b) there are reasonable grounds to believe that the Club will be able to pay its debts as and when they become due and payable.

On behalf of the board



KEVIN INGRAM

Director



JOHN DEAN

Director

Sydney

3 September 2018



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Independent Auditor's Report to the Members of Mt Pritchard & District Community Club Ltd

Opinion

We have audited the financial report of Mt Pritchard & District Community Club Ltd (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2018, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

- a) giving a true and fair view of the consolidated financial position of the Group as at 30 June 2018 and of its consolidated financial performance for the year ended on that date; and
- b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

Basis for Opinion

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 Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the directors' report, but does not include the financial report and our auditor's report 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 or 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 the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could 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 the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism 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 for 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 Group'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 Group to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors 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.

A handwritten signature in cursive script that reads 'Ernst & Young'.

Ernst & Young

A handwritten signature in cursive script that reads 'Daniel Cunningham'.

Daniel Cunningham
Partner
Sydney
3 September 2018

INCOME AND EXPENDITURE

ACTUAL YEAR TO DATE (FOR THE YEAR ENDED 30TH JUNE 2018)								
	Mt Pritchard	Mekong	Harbord	Triglav	Manly	Fairfield	Italia	Mounties Group
Income	\$	\$	\$	\$	\$	\$	\$	\$
Facilities Profit/(Loss)								
Profit/(Loss) Poker Machines	50,011,526	7,673,956	380,387	4,304,491	421,287	6,840	(44,766)	62,753,722
Profit/(Loss) Keno	(63,503)	19,549	12,633	47,656	39,710	4,206	950	61,202
Profit/(Loss) TAB	(186,159)	-	(16,515)	-	(16,123)	4,778	-	(214,019)
Profit/(Loss) Bingo & Raffles	(161,223)	-	(22,840)	(38,719)	(37,540)	(19,385)	-	(279,708)
Profit/(Loss) Giftshop	13,229	4,052	(4,889)	(707)	-	-	-	11,684
Profit/(Loss) Tiered Loyalty	(4,067,356)	(238,741)	(334,197)	(330,841)	(80,147)	(11,231)	(11,225)	(5,073,738)
Profit/(Loss) Bars	(1,704,821)	(225,519)	(171,261)	144,505	231,456	(56,185)	(171,894)	(1,953,720)
Profit/(Loss) Nightclub	-	-	-	-	-	-	-	-
Profit/(Loss) Resort Facilities	-	-	-	-	-	-	-	58,009
Profit/(Loss) Contracted Car Wash	-	-	-	-	-	-	-	-
Profit/(Loss) Catering	(188,536)	(7,036)	(411,982)	(5,900)	68,832	(38,599)	(22,987)	(606,209)
Profit/(Loss) Fitness Centre	260,228	-	(2,373)	-	-	-	-	257,855
Profit/(Loss) Functions & Entertainment	(361,887)	(224,132)	(82,692)	(83,011)	(22,750)	(888)	56,400	(718,960)
Profit/(Loss) Memberships	(859,462)	-	(1,793)	-	-	-	-	(861,255)
Profit/(Loss) External Functions	-	-	-	-	-	-	-	-
Sundry Income								
Interest Received	26,937	-	71,067	-	-	-	-	98,003
Sports Activities	27,753	-	-	-	-	101,592	-	129,345
Commissions	70,610	2,733	3,338	6,853	6,828	1,294	406	92,062
Other	792,762	185,589	20,231	34,726	18,914	5,051	444	1,057,717
Total Club Income	43,610,098	7,190,452	(560,884)	4,079,053	630,467	(2,529)	(192,673)	54,811,992
Expenses								
Member & Club Services								
Operations, Transport & Security	4,465,619	886,552	632,151	709,225	258,682	139,996	90,659	7,182,884
Booking Office	382,426	179,473	160,691	109,585	-	-	-	832,175

Child Care	310,128	-	-	-	-	-	-	-	-	-	-	310,128
Advertising & Promotions	1,896,060	539,197	1,023,300	47,205	66,538	23,218	7,535	4,450,611				
Gardening & Landscaping	405,451	-	2,061	25,869	78,503	86,561	89,539	687,985				
Repairs & Maintenance	4,174,986	242,820	474,306	169,316	109,771	86,120	113,953	5,371,273				
Total	11,634,671	1,848,041	2,292,510	1,061,199	513,495	335,895	301,686	18,835,055				
Community Expenses												
Sports Area Expenses	360,415	-	-	-	-	-	-	360,415				
Childrens Christmas Party	50,976	-	-	-	-	-	-	50,976				
Senior Citizens Christmas Party	53,991	-	-	-	-	-	-	53,991				
Carols by Candlelight	28,773	-	-	-	-	-	-	28,773				
Community Services	(11,570)	-	(29,758)	-	-	-	-	(41,328)				
Community Donations	1,386,628	193,157	136,490	117,667	-	-	3,500	1,837,442				
Sporting Sub Club Expenses	2,555,970	50,116	32,744	80,556	-	-	166,452	2,885,838				
Sporting Sub Club Grants	14,052	-	-	-	-	-	-	14,052				
Total	4,439,235	243,273	139,476	198,223	-	-	169,952	5,190,159				
Administration, Finance etc												
Management - Administration	2,931,718	799,041	727,066	189,383	22,802	21,556	1,444	5,189,303				
Depreciation Building & General	6,851,561	211,087	6,188,575	235,643	105,970	148,133	164,688	13,905,658				
Human Resources	1,715	2,999	176,752	4,366	-	-	-	1,034,895				
Information Technology	268,715	12,001	4,643	4,211	4,929	1,536	1,469	1,767,919				
Utilities	524,881	60,394	226,856	50,282	60,549	34,330	30,425	987,717				
Salaries & Wages On - Costs	31,357	49,927	115,157	43,189	1,270	9,740	2,655	1,021,374				
Total	10,609,948	1,135,448	7,439,049	527,074	195,519	215,295	200,682	23,906,865				
Total Expenses	26,683,853	3,226,762	9,871,035	1,786,496	709,014	551,190	672,319	47,932,080				
Net Profit for the Period	16,926,244	3,963,690	(10,431,920)	2,292,557	(78,547)	(553,718)	(864,992)	6,879,912				
Interest/Rental Expenses	-	516,210	77,239	-	8,000	17,570	-	905,558				
Tax & X Ord Items Expense	2,253,698	-	-	-	-	-	-	2,253,698				
Donations Expenses	4,411,482	243,273	139,476	198,223	-	(101,592)	169,952	5,060,814				
Depreciation Expense	11,119,687	1,098,646	6,756,122	556,949	238,323	189,252	194,257	20,441,820				
EBITDARD	34,711,110	5,821,819	(3,459,083)	3,047,729	167,775	(448,488)	(500,784)	35,541,802				

SCHEDULE OF LANDS

CORE PROPERTY

Mounties Site	Certificate of Title
101 Meadows Road, Mt Pritchard	Volume 8261 Folio 233 Volume 9060 Folio 131 Folio Identifier 1/204779 Vol 10577 Fol 99 Folio Identifier 4/524205 Folio Identifier 21/536004 Folio Identifier 12/521803
Property at end of Lena Street Mt Pritchard 221568 Lot 200 DP 1015848 & Lot 1 DP 837474 Consolidation Lena Street (12,14,16, 18,20, 21,22,23,24,25,27,28,29,30,31 and Lot 1 Lena)	2005/1090149
Property Young Street Mt Pritchard Consolidated Property (Lot 13 Lot 14 & Lot 18 Young Street) (formerly 29, 21 & 33 Young Street)	101/1085221
Closed Road Houston Place Mt Pritchard	101/1006165
1 Houston Place Mt Pritchard	7/231805
2 Houston Place Mt Pritchard	8/231805
3 Houston Place Mt Pritchard	9/231805
4 Houston Place Mt Pritchard	10/231805
5 Houston Place Mt Pritchard	11/231805
4 Kewin Avenue Mt Pritchard	2/231805
6 Kewin Avenue Mt Pritchard	3/231805
8 Kewin Avenue Mt Pritchard	22/231805
10 Kewin Avenue Mt Pritchard	4/231805
12 Kewin Avenue Mt Pritchard	5/231805
14 Kewin Avenue Mt Pritchard	6/231805
35 Young Street Mt Pritchard	12/231805
254 Humphries Road Mt Pritchard	1/231805
113 Meadows Road Mt Pritchard	31/201418
Club Italia Certificate of Land Titles	Torrens Title ref 2/805378 P6MP-RP-TNWZ
Club Italia Certificate of Land Titles	Torrens Title ref C/421416 4NMH-76CS43
Club Italia Certificate of Land Titles	Torrens Title ref 3/805378 JHZ5-S7-YN7H
Mekong Certificate Land Title	10/SP23152
Mekong Certificate Land Title	11/SP23152
Triglav Certificate Land Title	1/1079685
Manly Bowling Club Perpetual Lease	2661/752038

CORE PROPERTY CONTINUED

Mounties Site	Certificate of Title
Fairfield Bowling Club Perpetual Lease	385/752060
Shoalhaven Sussex Inlet	170/21038

NON CORE PROPERTY

Mounties Site	Certificate of Title
87 Meadows Road Mt Pritchard	2/206532
89 Meadows Road Mt Pritchard	1/206532
99 Meadows Road Mt Pritchard	10/515019
115 Meadows Road Mt Pritchard	3/210350
121 Meadows Road Mt Pritchard	2/513938
123 Meadows Road Mt Pritchard	1/513938
3 Leo Street Mt Pritchard	20/220028
7 Leo Street Mt Pritchard	18/220028
8 Leo Street Mt Pritchard	14/220028
9 Leo Street Mt Pritchard	17/220028
10 Leo Street Mt Pritchard	15/220028
12 Leo Street Mt Pritchard	16/220028
10 Cherry Street Mt Pritchard	28/220028
1 Speed Street Liverpool	Auto Consol 14129-172
9 Young Street Mt Pritchard	23/220028
11 Young Street Mt Pritchard	22/ 220028
19 Young Street Mt Pritchard	13/235239
38 Young Street Mt Pritchard	3/235239
6 Lena Street Mt Pritchard	3/206532
9 Lena Street Mt Pritchard	11/203051
17 Lena Street Mt Pritchard	7/203051
80 Evans Street Freshwater Consolidated Lots	Folio ID 100 / 1136132
80 Evans St Freshwater	12/1197725
4a Lumsdaine Drive Freshwater	A2/579837
23 Oliver Street Freshwater (Waves)	1/517620
2 Harbord Street Sussex Inlet	116/521290
Kooloora Site (NPWS Lease)	Register Deed Book 752/4500



KEEP IN TOUCH

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Freshwater NSW 2096
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TRAINING PARTNER



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