

ANNUAL REPORT
2012-2013



THE
GRANGE
GOLF CLUB



ANNUAL REPORT 2012-2013





OFFICE BEARERS 2012 / 2013

| | |
|------------------|---|
| President: | Ross G. Batchelor |
| Vice President: | Bruno Battistella |
| Captain: | Adrian R. Johnston |
| Vice Captain: | Rick G. Kinnear |
| Committee: | George Carapetis Malcolm Coleman Graeme D. Hand Sue K. Hedley Deb A. Middleton Janet M. Wundersitz |
| General Manager: | Barry L. Linke |
| Course Manager: | Richard James |
| Finance Manager: | Robert A. Vincekovic |
| Professional: | Warren Mercer |

COMMITTEE

Below are the names of the Club Committee together with a list of the number of meetings held and the number attended by each during the term of office during the financial year.

| | Meetings Eligible to attend | Meetings attended |
|--------------------|-----------------------------|-------------------|
| Mr R G Batchelor | 10 | 10 |
| Mr B Battistella | 10 | 9 |
| Mr G Carapetis | 10 | 9 |
| Mr M Coleman | 10 | 10 |
| Mr G D Hand | 10 | 7 |
| Mrs S K Hedley | 10 | 10 |
| Mr A R Johnston | 10 | 9 |
| Mr R Kinnear | 10 | 10 |
| Mrs D A Middleton | 10 | 8 |
| Mrs J M Wundersitz | 10 | 10 |

SUB COMMITTEES 2012 / 2013

| Course | House/Social | Match |
|-------------------|-----------------------|----------------------|
| Rick Kinnear (Ch) | George Carapetis (Ch) | Adrian Johnston (Ch) |
| Adrian Johnston | Deb Middleton | Rick Kinnear |
| Bruno Battistella | Sue Hedley | Malcolm Coleman |
| Malcolm Coleman | Janet Wundersitz | Sue Hedley |
| Graeme Hand | Samantha Galer / | Margaret Anderson |
| Margaret Anderson | Adi Kolar | Barry Linke |
| Richard James | Robert Vincekovic | |
| Barry Linke | | |

| Finance | Membership & Reciprocal Clubs | Ladies |
|------------------------|-------------------------------|------------------------------|
| Bruno Battistella (Ch) | Deb Middleton (Ch) | Janet Wundersitz (President) |
| Ross Batchelor | George Carapetis | Margaret Anderson (Captain) |
| George Carapetis | Graeme Hand | Tricia Anderson |
| Graeme Hand | Janet Wundersitz | Ann Coats |
| Robert Vincekovic | Barry Linke | Sue Corrie |
| Barry Linke | | Belinda Singleton |
| | | Kristine Tapp |
| | | Annette Taylor |
| | | Julie Webber |

| High Performance Development Committee | Golf SA Representative |
|--|------------------------|
| Sue Hedley (Ch) | Adrian Johnston |
| Craig Coleman (by invitation) | Deb Middleton |
| Tony Mazzone (by invitation) | |
| Janet Wundersitz | |
| Barry Linke | |
| Warren Mercer | |

- President is ex-officio on all Sub Committees
- Lady President and Lady Captain attend by invitation



PRESIDENT'S REPORT

Members,

It was indeed an honour to be elected President in 2012 and I look forward, with your support, to maintaining and further growing the Club's standing in the golfing fraternity and your continuing enthusiasm for membership at Grange.

EAST COURSE

The year in review has certainly been a memorable one for Grange, highlighted with the official opening of our redeveloped East Course by Greg Norman on 29th January 2013. The opening was the culmination of less than two years reconstruction work by Greg Norman Golf Course Design and we were delighted that Greg was able to unveil the plaque recognising the realisation of this project.

Greg was extremely generous with his time prior to the opening formalities, both in meeting our Grounds Staff and Committee and travelling the full course including photographs with all players in the specially arranged opening event. That, on top of media interviews, radio and discussion with the South Australian Tourism Commission made for a very demanding day, given wholeheartedly, and much appreciated by the Club.

While members will well remember events leading up to the engagement of Greg Norman Golf Design and the disruption caused during the reconstruction, most, I'm sure are pleased and excited with the finished product. Similarly, seasoned professional golfers who have played the new course have been glowing in their assessment of the new layout. We are confident our new East Course will be highly regarded and rated in Australia and provide our members much enjoyment into the future.

MEMBERSHIP

Notwithstanding a successful membership marketing promotion in conjunction with the new course opening, the Club fell short of new member targets over the year. Attracting new members in the coming year will again be a key objective for the club. Current member demographics increase the importance of bringing younger members into membership with our present average age of members increasing. The club has a strong junior programme with many of our younger members now blossoming in their golfing ability.

COURSE MATTERS

Our two golf courses are undoubtedly the reason for our being and aside from the redevelopment of the East Course, there have been other issues requiring much attention during the year. It would seem that Grange was very much the guinea pig in the development of a wetlands facility and we have been faced with many problems associated with the intake and harvesting of water, since inception. After much work by course staff, and particularly our Course Superintendent, Richard James, we seem to have got on top of the issues in the last few months with both intake and injection.

Another major exercise of which many members are aware, involved a parcel of land on the southern boundary of Brebner Drive adjoining the new 16th East hole, and owned by the SANFL. The football league has applied to the state government for the complete rezoning of their property, such that the land in question could be used for multi storey apartments – with dire consequences for the Club. While the rezoning application is yet to be determined, the Club has finally negotiated to buy the parcel in question and achieve some certainty on its future use. It has been a protracted and expensive exercise and club management have worked diligently to achieve this outcome.



“THE YEAR IN REVIEW HAS CERTAINLY BEEN A MEMORABLE ONE FOR GRANGE, HIGHLIGHTED WITH THE OFFICIAL OPENING OF OUR REDEVELOPED EAST COURSE BY GREG NORMAN”

FINANCIAL RESULT

Despite a loss of some \$189,597 for the year, after Entrance Fees, the Club remains in a strong financial position. Below budget performance can be attributed almost entirely to the shortfall in new member intake, together with an over optimistic assessment of the marketplace.

Capital expenditure through 2012-13 has been restricted to items of necessity, totalling some \$433,636, of which Course, the wetlands and golf cart replacement accounted for some 80% of total expenditure. Capital outlays in the coming years will be similarly restrained as we strive to reduce debt levels and interest charges. Having said that, debt levels remain manageable. It will be necessary to further delay upgrade of the Clubs locker rooms and the Amenities building within the course maintenance compound – two of the major cost items in the forward Capital expenditure programme.

MEMBER COMMUNICATION

The Committee and Management make every effort to keep members informed of Club activities through the website, notice boards and E-mail facilities. Member contribution to the Club E-News, which would be of interest to fellow members is always most welcome.

STAFF

Any organisation is reliant on good, enthusiastic and reliable staff and Grange is very fortunate in that regard. Committee chairpersons will no doubt make comment on the efforts of staff in their reports, but I would like to express my appreciation to all Grange staff for the work ethic and contribution to the Club. Thank you to General Manager Barry Linke for your assistance and counsel throughout the year, and to Robert Vincekovic and the administration staff for their efforts. The food and beverage department lost Chloe Roeger during the year and Sam Galer is currently

on maternity leave. Adi Kolar has taken over as Food and Beverage Manager and doing a great job. Thank you to Richard James and his course staff as they bed in our new East Course and keep up the required standards on both courses.

GENERAL

Grange is fortunate to have a dedicated Committee, all willing and committed to the Clubs wellbeing. My thanks for their continuing support. Adrian Johnston is finishing his role as Club Captain this year and we thank him for a job well done, particularly through the East Course redevelopment programme. Thank you also to our retiring Lady President Janet Wundersitz and Lady Captain Margaret Anderson for their efforts on behalf of the Lady members. Warren Mercer and his Pro Shop team continue to provide friendly and enthusiastic service to members and visitors alike – it is much appreciated. We are indebted to our Tuesday volunteer group for their continued support in the many tasks they undertake both on course and in the clubhouse, saving the club expenditure in many areas.

Thank you finally to all our members, without whom we wouldn't have a Club. Your interest, suggestions and considered opinions are most welcome in assisting management and committee keep Grange at the forefront of Golf.

Ross Batchelor
President



CAPTAIN'S REPORT

"WE ARE NOW IN THE ENVIABLE POSITION OF HAVING TWO WONDERFUL GOLF COURSES, THAT HAVE BEEN REJUVENATED BY TWO GREAT GOLF COURSE ARCHITECTS"

It has been a fantastic year of activity and change at The Grange Golf Club, one of the most significant in the proud history of the club. A stunning Opening Ceremony of the East Course re-design by Greg Norman was the highlight of the year – and we are now in the enviable position of having two wonderful golf courses, that have been rejuvenated by two great golf course architects.

The new handicapping system creeps ever closer – with some tweaking having occurred over the last twelve months – with final implementation of the 'Slope' System now scheduled for January 2014

PENNANT

Our Simpson Cup team lived on the edge all season, and after a stirring victory against Kooyonga at Kooyonga in the final round, found themselves in the final at Glenelg against Kooyonga. To Kooyonga's credit – they bounced back after being beaten the week before and were too good for our boys in the Final. It was a successful year for the team – and it is only due to our great successes in recent years that we expect so much of our elite men's team.

The Bonnar Cup had a fantastic year this year – being in command for the entire season, and prevailing in an epic final at a soggy Mt Osmond Golf Club – to avenge a narrow loss in the final the year before. Congratulations to the team!

Our Ladies A1 Pennant team continued their rapid progression, having a fantastic season with a young group – only succumbing to Glenelg on their home track in the final. They are certainly a team on the rise and one to be very proud of.

The Junior stocks at The Grange are the envy of all clubs around Australia – and for us to field three teams in the elite Sharp Cup competition is an incredible feat. Our 'A' team finished a creditable 3rd after many years as premiers or runners-up, and our two development teams performed extremely well in

this elite competition, giving some more fancied opponents a tough contest each week, and more importantly, gaining fantastic experience.

The McMillan Shield was won by The Grange Golf Club again – and it was fantastic to see Grange again field two teams in this development handicap match-play competition. Congratulations to the winning team and all who participated.

CHAMPIONSHIPS

The following results are from our 2012 Championships –

Club Championships – The final of the Club Championships for 2012 pitted Anthony Murdaca and Nick Cheary against each other, after both players won through some tough quarter and semi-finals. Anthony held a narrow early lead, and midway through the second round, put on a birdie blitz to skip away to a match-winning lead in blustery conditions on the West Course, which was presented in perfect order. Congratulations to Nick on reaching the final, and to Anthony Murdaca for being our Club Champion for 2012.

Paul Thomas prevailed in a very close contest, to win the B-Grade Final from Chris Katsoulas, and Andrew Na proved to be too consistent for young gun Harrison Burner in the C Grade Final.

Congratulations to the following plate winners – held in conjunction with the Club Championships –

- A Grade plate – Sean Bushby
- B Grade plate – Charles Breslin
- C Grade Plate – Greg Pennington

JUNIOR CHAMPIONSHIPS

Congratulations to Ben Stowe, who played excellent golf in the final to defeat newly crowned club Champion Anthony Murdaca to become the Club Junior Champion.



CLUB FOURSOMES

In 2012, the powerhouse team of Club Champion Anthony Murdaca and recently turned professional Tom Bond combined beautifully to record a strong 7-stroke victory, with rounds of 72 and 71.

CLUB MIXED FOURSOMES – ARUNTA CUP

Congratulations to Steve Maddaford and Rachel Hand who recorded their maiden victory in the Club Mixed Foursomes in 2012.

STATE SELECTIONS

Once again The Grange Golf Club boasts a wonderful list of players that have represented South Australia in 2013 – we can be very proud of these fellow members. Chris Brown was selected to Captain the State, a great honour and congratulations to Chris.

The following members represented South Australian the Interstate Series in 2013 –

Men's

- Chris Brown – Captain
- Anthony Murdaca
- Ben Stowe
- Jack Williams

Women's

- Ella Adams
- Kristalle Blum
- Cassidy Evreniadis

Boys

- Anthony Murdaca – Captain
- Colin Coleman

Girls

- Ella Adams
- Kristalle Blum
- Cassidy Evreniadis

RECIPROCAL VISITS

The Grange played host to Royal Canberra Golf Club in November 2012 to contest The Coopers Cup. Grange was hoping for a 'three-peat' and continue our unbeaten run in this fantastic event between clubs. It was a stirring, comprehensive victory to The Grange Golf Club in this match-play event, and we are the proud custodians of The Coopers Cup for another 12 months.

In March 2013 we then hosted Spring Valley Golf Club, and celebrated 40 years of the two clubs competing in

this event. After a narrow loss on away soil last year, our team was keen to put in a good showing; and our secret weapon of a new golf course and a rejuvenation of the format of the event proved just the tonic for The Grange – who recorded a hard-fought victory. The Individual Trophy was won by The Grange Club Captain (of all people!). The modified match-play style was well received and seemed to provide a fresh feel to the event, and certainly increased the 'team' spirit with both clubs.

ACKNOWLEDGEMENTS

A Captain of this great club, I am indebted to a number of people and I would firstly like to acknowledge General Manager, Barry Linke, for his wonderful support to me as Captain. I would also like to thank Nikki for her assistance, and the positive and motivated way in which she has supported me. Thanks also to Robert, Josh, Olivia, Elle, Kirsty and Terrisa for their help through the year.

Thanks to Course Superintendent Richard James and his staff – who have navigated our club through an amazing workload on the course – work that is ongoing with the 'growing in' of the East Course and the preparation of both our Championship layouts for the fast approaching 2014 Australian Amateur.

I would like to thank all members of the Match Sub-Committee and East Course Working Group that I again chaired. Special thanks to Vice Captain Rick Kinnear and Lady Captain Margaret Anderson for their efforts and commitment.

A big thank-you must go to the following people that drive our Pennant and Junior Development performances – Warren Mercer, Tony Mazzone, Bob Higgins, Rick Kinnear, Tony Bourne, Margaret Anderson, Ric Holt, Craig Coleman, Nev Burner and Sue Hedley. It has been a pleasure discussing, debating and watching golf with you over the 6 years I have been involved.

It is with a great deal of pride and satisfaction that I look back on my six years as a Committee Member, Vice-Captain and Captain of The Grange Golf Club. It is indeed a great golf club; it has become a market leader in so many ways. I believe the secret to our future success is continued positive and proud leadership – we have nothing to feel inferior about. Moreover, we are fast becoming recognised as one of Australia's finest golfing facilities – I am very proud to be a member of The Grange Golf Club – we all should be.

Adrian Johnston
Captain



CLUB EVENTS AND NAMED TROPHIES – 2012 / 2013

2012

2013

| | | |
|--|---------------------------------------|---------------------------------------|
| CLUB CHAMPIONSHIP – F McLachlan and P LeMessurier Trophy | Anthony Murdaca | |
| CLUB CHAMPIONSHIP – A GRADE PLATE | Sean Bushby | |
| CLUB CHAMPIONSHIP – B GRADE PLATE | Charles Breslin | |
| CLUB CHAMPIONSHIP – C GRADE PLATE | Greg Pennington | |
| CLUB FOURSOMES CHAMPIONSHIP | Tom Bond and Anthony Murdaca | |
| CLUB FOURSOMES B GRADE | Richard Blight and Peter Gatsios | |
| CLUB FOURSOMES C GRADE | - | |
| CLUB STROKE CHAMPIONSHIP – Eric Fitzroy Memorial Trophy | Chris Brown | |
| CLUB FOURSOMES SENIORS | | |
| CLUB MIXED FOURSOMES CHAMPIONSHIP – Arunta Cup and Milton and Merle Hatwell Trophies | Steve Maddaford and Rachel Hand | |
| GEORGE HOWARD MEMORIAL TROPHY | Stephen Jackson | |
| CLUB JUNIOR CHAMPIONSHIP | | |
| - RG Thomas Trophy | Ben Stowe | |
| - K Robinson Trophy | Anthony Murdaca | |
| TERRY MARTIN TROPHY | Michael Ucci | |
| B CUP | Paul Thomas | |
| C CUP | Andrew Na | |
| CLUB VETERANS CHAMPIONSHIP | | |
| - C R Angel Trophy | Peter Sossic | |
| TOM SMITH TROPHY - Veterans Best Nett | | |
| SUMMER CUP | Matt Henderson and Heath Visser | Ron Sarti and Bronte Daniel |
| | | Trevor & Max Pedler |
| | | Trevor Pedler |
| | | Dennis Underwood |
| WINTER CUP | Ken Whalley and Rob McLaren | |
| PRESIDENTS PLATE and TROPHY | Robert Perryman | |
| CAPTAINS PLATE and TROPHY | Richard Barker | |
| CHAMPION OF CHAMPIONS – Dalton Cup | Brad Moules | |
| ANZAC CUP | West: Adrian Pethick | |
| | East: Peter Mader | Kent Smith |
| | Jozef Nycz | - |
| | - | |
| A W IRVINE TROPHY | Tom Bond (Grange) | Ben Stowe (Grange) |
| MID WEEK MEDAL WINNER | Ivan Limb | |
| CITY OF CHARLES STURT BOWL and TROPHY | Colin Coleman (Grange) | Josh Hayes (Glenelg) |
| GRANGE AMATEUR OPEN – J Custance Memorial Trophy | East: Kevin Cusack | |
| COMMONWEALTH BANK PLATE and TROPHY | West: Brian Mason | Grant Lange |
| PAUL BACKHOUSE MEMORIAL ROSEBOWL – Grange Junior Vardon | Michael Whyborn and Helen Hood | |
| RYDE PARRAMATTA CUP | | |
| 9 HOLE TWILIGHT EVENT – Ray and Mollie Scudds Trophy | Rod and Matthew Lange | |
| POZZA CUP | | |
| DRYSDALE PLATE – Parent and Child Event | East: Greg Daly | |
| SA Police Club Plate and Trophy | West: Jozef Nycz | Andrew Kuliwaba |
| CW Robinson Memorial Trophy | Jude Carling-Sacharias and Earl Scott | Jeanenne and Kerry McGorm |
| | Allan Martin (Grange) | Adrian Johnston (Grange) |
| JESS MCNALLY MEMORIAL TROPHY | Rick Kinnear and Don Ryan | |
| SPRING VALLEY – INDIVIDUAL | George Carapetis & Marty Ingham | Matthew Shepherd and Damien Angove |
| MIDWEEK SUMMER CUP | | |
| MIDWEEK WINTER CUP | | |
| HASELGROVE WINES MIXED SERIES | Ron and Marion Parsons | |
| The Coopers Cup | | |
| Royal Canberra V The Grange | The Grange | |



MEMBERSHIP REPORT

“THE VISIT BY GREG NORMAN AND OFFICIAL OPENING OF THE NEW EAST COURSE ON 29TH JANUARY 2013 WAS AN EXTREMELY SUCCESSFUL DAY”

Over the last year or so, there have been many golf course closures, course sales and merger announcements throughout Australia. Retaining existing members and recruiting new members continues to be a challenge for all golf clubs and Grange is no exception. The Membership Committee has spent considerable time reviewing our membership structure and has recommended a number of amendments to the Constitution for some Categories. Details of the amendments and reasons for the change are included with this Annual Report and I encourage all members to support the amendments. The golf club membership market place is rapidly changing and it is essential that we are able to keep abreast of these changes.

The amendments to the Constitution include a change to Category 5 membership to provide four complimentary games and a further two games of golf at the member introduced green fee. Playing members move to Category 5 (absent playing) for many varying reasons and we believe this adds a significant amount of value to Category 5 membership. The other change to Category 5 membership is to remove the criteria for Category 5 members to reside at an address in excess of 100 kilometres of the GPO.

The third amendment is to simplify our Category 4 (Junior) structure to have three age groups:

- Category 4 (Sub Junior) - 8 years & under 10 years
- Category 4A – 10 years & under 21 years
- Category 4 – 21 years to 25 years

The final change to the Constitution is designed to provide Committee with some flexibility in meeting the ever changing golf membership market. Committee plan to introduce a new Temporary Category of membership to be used when market conditions or circumstance prevail that are not currently covered by the Constitution. This new Temporary Category would be subject to approval

by members at the next AGM. Full details are included with the ballot papers for all of the proposed amendments.

The visit by Greg Norman and official opening of the new East Course on 29th January 2013 was an extremely successful day and one of which the Club should be immensely proud. We would like to thank Showpony Advertising for their assistance in the lead up to the event. We had an extensive media campaign which included TV, Radio and Print (Newspapers and Magazines) and Showpony were instrumental in putting all this in place. The club received some fantastic publicity and press from the event and Greg's visit. The new member promotion in conjunction with the East Course opening was very successful with 77 new members joining the club and the vast majority paying the Entrance Fee up front. Whilst the special deal concluded at the end of April we still received inquiries throughout May and continue to do so.

The table contained with this report highlights the membership numbers in the various categories and shows the movements in categories. Including the new members inducted we are still approximately 75 members short of budget.

During 2012/13 we inducted a total of 77 new members for the year, which is a very positive result since we only started actively looking for new members following the opening of the new East Course in January. The number of resigned members as at the end of June was 45 with a further 64 transferring to non-playing for the current membership year. Overall this is a pleasing result compared to previous years where we have had higher reduction rates. Our membership numbers at the end of June stand at 1634 playing members and 2089 members in total.

Grange held another Open Day on 21st April 2013 on the East Course and we once again ran it through Golfink where visitors could book online. Despite

the very poor weather, 37 people participated in the event and Grange was able to showcase all we have to offer. In addition, Grange's Give Golf a Go clinics were held in February this year and due to popular demand another round was scheduled for April – May. These programmes continue to be very successful and have definitely assisted the Club in recruiting new members.

A 'Special Membership Working Group' was formed earlier in the year and consisted of a cross section of our current members including male, female and representation from various age groups. A number of meetings were held and the sessions were very productive; our main priorities are maintaining and gaining memberships. Discussions also involved improving our current reciprocal clubs list, how to add more value to our current membership package, and keeping golf enjoyable. We maintain a strong focus on our current members and making Grange more family friendly.

We hope many of you are receiving and reading the E Newsletters which are sent out fortnightly. We believe the E News is an excellent source of information and hope members are enjoying the increased levels of communication. Public E Newsletters have also been introduced and are sent out on the alternative fortnight to a database made up of function enquiries, casual golfers at Grange, membership enquiries etc. We believe this is an excellent way of telling the public about what is happening at Grange while hopefully

bringing in some new members.

During the year Grange formed a reciprocal agreement with Thirteenth Beach Golf Links which we think is a fantastic addition to our current list. It was also with much excitement that we announced Grange joining Pacific Links International and its worldwide network of renowned golf experiences as one of its Affiliate Clubs. This arrangement gives Members exclusive playing privileges at international championship courses around the world, many of them without payment of a green or guest fee. We hope members are enjoying the new agreement.

Thank you to members of the Membership Committee, George Carapetis, Janet Wundersitz, Graeme Hand and Barry Linke for your valuable input during the year.

I would also like to acknowledge the energy and enthusiasm of Elle, our Marketing Manager. She has had a very positive impact on all aspects of this Sub Committee and I have really appreciated her ongoing support. Also a big thank you to Nikki in the office who has been instrumental in converting new membership inquiries into new Grange members – a very important job which has been extremely well done.

Deb Middleton
Membership Chair

| Category - Playing Rights | 09/10 | 10/11 | 11/12 | 12/13 | Budget 13/14 |
|----------------------------------|-------------|-------------|-------------|-------------|--------------|
| Category 1 - 7 Day | 898 | 876 | 828 | 818 | 830 |
| Category 2 - 6 Day | 632 | 571 | 504 | 460 | 460 |
| Category 3 - 5 Day | 182 | 205 | 224 | 227 | 210 |
| Category 4 - juniors under 25 | 113 | 103 | 99 | 89 | 88 |
| Category 5 - absent/ non playing | 416 | 403 | 417 | 422 | 420 |
| Category 6 - corporate | 8 | 7 | 6 | 6 | 6 |
| Category 7 - fully paid | 15 | 15 | 15 | 14 | 14 |
| Category 8 - social | 37 | 36 | 36 | 33 | 34 |
| Honorary / Life | 6 | 6 | 7 | 20 | 19 |
| Total | 2307 | 2222 | 2136 | 2089 | 2081 |
| Total playing | 1854 | 1783 | 1683 | 1634 | 1627 |
| Total non-playing | 453 | 439 | 453 | 455 | 454 |



GOLF DEVELOPMENT REPORT

It has again been a very successful year with many of our High Performance and Junior players gaining some outstanding results.

This year the achievements of Tom Bond and Nick Cullen two of our professional players lead our highlights. Tom gained his professional card in January and joined the pro-am circuit. He had his first win in May taking out the Cottesloe Open and has featured in numerous other events. Nick has had an outstanding year gaining entry to play in the British Open and just missing qualifying for the US Open by a narrow margin. Back on home soil he had victory in the Queensland Open played at Brookwater, shooting a course record 65 on day 3 to set up the win. Congratulations to both, I'm sure there are many more successes to come.

Anthony Murdaca has had an awesome year winning the Australian Amateur Boys Championship in 2013 following on his 2010 success. He is only the third player to have his name engraved on the trophy twice. Anthony also represented Australia in Japan in the Toyota World Junior Championship and is a Golf Australia National Squad Member. Anthony certainly has a big future ahead of him and one of which The Grange will be proud.

There has been some fantastic results with our players at home as well and the list of achievements continues to grow.

VARDONS

Ben Stowe – The Grange
Jack Williams – Glenelg
Colin Coleman – Glenelg Junior Vardon
Ben Stowe – Royal Adelaide

2013 MENS STATE TEAM

Chris Brown
Anthony Murdaca
Ben Stowe
Jack Williams

2013 JUNIOR BOYS STATE TEAM

Colin Coleman

2013 WOMENS STATE TEAM AND JUNIORS GIRLS STATE TEAM

Kristalle Blum
Ella Adams
Cassidy Evreniadis

SECONDARY SCHOOL SPORTS TEAM

Ella Adams Alicia Smith

GOLF SA DEVELOPMENT SQUAD

Alicia Smith Alyssa Sedunary
Emma Sutton Cassidy Evreniadis Ella Adams

The Grange entered three teams in the Sharp Cup this year due to the withdrawal of two clubs. This enabled the competition to continue as a viable event and gave our juniors the chance to participate in a match play competition. This is testament to the quality of juniors that we have at The Grange and proof that our dedication to junior golf is showing results. I would like to congratulate all the juniors that took part in the series, for some it was a daunting experience but one which will be invaluable in the years to come. Well done!

The Grange Classic, which was held in February, was a huge success once again due to the enormous efforts of Tony Mazzone. Without the support, enthusiasm and dedication of Tony our initiative would not have been so successful. We raised an impressive \$37,000. This enabled us to fund many of our High Performance players to participate in interstate events. This is imperative for their development and would not be possible without our fundraising efforts.

OTHER ACTIVITIES FUNDED BY GOLF DEVELOPMENT ARE:

- School Holiday Clinics
- Try Golf
- My Golf
- Barossa Junior Open
- Port Augusta Junior Open
- Try Golf for Girls
- Junior Twilight

This year we welcome a new major sponsor The South Australian Italian Golf Club. The partnership between The Grange and the IGA is a long and successful one with the IGA Pro Am and Junior Pro Am events already on the calendar. With their involvement I am sure the Grange Classic will continue to be a success.

I would like to thank those members of the High Performance Golf Development Committee who continue to give their time to the development of our great game. Tony Mazzone, Craig Coleman, Phil Smallwood, Janet Wundersitz, Michael Ucci and staff members Barry Linke, Robert Vincekovic and Nikki Pridham. Thank you also, to Louise Glennon for her help with the junior twilight series.

Sue Hedley
High Performance Golf Development



COURSE REPORT

It seems like I make this comment every year, but where has the past 12 months gone? Yet again, time is passing us by in the blink of an eye and before we know it there will be Christmas decorations being put up. Whilst it was a year with no major construction projects involved, we are still finding that there are more jobs that need to be done in less time than we would ideally have to do them in.

EAST COURSE

The East course continues to mature and develop, with the playing surfaces coming along nicely during the last summer. The opening event involving Greg Norman and his team was the culmination of a huge project from the groundstaff's perspective, all of whom were very grateful for the opportunity to meet Greg and appreciated his kind words of congratulations and thanks.

A heavy renovation, where we cored and scarified all the couch surfaces was undertaken in spring last year, which assisted in smoothing and knitting the turf together, helping to remove some of the sodding lines and transitions between establishment methods. Tees and surrounds were cored with hollow tynes using the clubs verti drain, with the sand brought up by the tynes immediately 'rubbed in' with drag mats to effectively topdress the surfaces. The left over thatch material was then blown off into the roughs.

Fairways were scarified to a depth of around 10mm, followed by circle cutting and blowing. We then cored the fairways with the verti drains in identical fashion as carried out on the tees and surrounds, rubbing the sand back in as we went. The success of the renovation has seen us book the contractors in once again for spring this year to carry out the identical processes across the golf course.

Topdressing of fairways continued throughout the growing season with stockpiled sand left over from the project used to continue the smoothing process. We are also working through a long list of minor adjustments to irrigation heads, sunken trench lines and assorted areas that require adjustment, all of which come with a construction project and take time to carry out. There have been a few problem bunkers and wet spots on fairways during rainfall events that we have drainage installations planned for following this year's renovations which will hopefully assist with the removal of surface water in subsequent years.

The establishment of vegetation areas has been ongoing throughout the year, and while there has been progress we are still a few years away from seeing a real impact from the plantings. An additional 500 purchased trees, shrubs and saltbush varieties are to be planted this spring, which will complement the numerous trees and grasses transplanted throughout the course by both staff and volunteers. Our ever dedicated 'Charlies Angels' groups have once again generously given their time to carry out a lot of jobs that present themselves around the courses and maintenance buildings, including a role in the planting and establishment of the vegetation on the East Course. The work of this group is appreciated greatly, and I thank them whole heartedly for their efforts again this year.

WEST COURSE

The west course has provided us with good playing conditions once again during the past 12 months, with the course standing up to the wear over winter very well. Whilst we did not carry out renovations to the same degree on the west as we did on the east course, all fairways were either Verti mowed or scarified depending on the level of thatch that had built up. The coming spring will be slightly different however, as the success of the renovation program employed on the east has seen us book the contractors to complete the identical processes on the west course later in September. This program looks likely to be the standard for future years, of course always dependent on turf health and conditions as we come out of winter.

Some minor project work continues to be undertaken on the west course, including re sodding of bent collars to control couch encroachment. The entire surround of the 2nd green has been replaced during the winter just gone, with the front section of the 8th surround to be the next areas treated. Along with some smaller areas throughout the course being sodded, this will exhaust the nursery turf; from where we will be reseeding and preparing sod for next winter to enable more of this work to be carried out.



Minor irrigation extensions and upgrades are always a focus, with a number of areas receiving small to large changes to improve our coverage which helps us to produce more uniform and quality turf surfaces whilst wasting less water. A good example of this is the recent changes to the 16th tee, where the old irrigation saw water being sprayed into the trees and roughs and on windy days into the neighboring houses at the expense of the turf on the tee top. The rear surround of the 7th is also another area where a major improvement in turf quality has been noted following the change in irrigation layout that allowed more water to be applied to the surround rather than into the roughs.

Removing tree roots from bunkers has also been a project, with the excavator deployed into a number of the worst bunkers to sieve the sand to remove as much root material that is matted underneath the surface of the bunker as we can. This method has proven to be reasonably successful, and is something that we will continue with into the future. Reduction of veldt grass in the sandy wastes is also an ongoing project, with many areas targeted for this work including the right of the 1st and 3rd holes.

IRRIGATION

Following a standard pattern, another irrigation season brought with it issues with our bore network. Two of the east course wells required lifting for assessment and repairs. Bore 1, adjacent to the 16th green was lifted to repair a hole in the discharge caused by corrosion, with the pump and motor serviced and repaired at the same time. We also took the opportunity to complete the upgrading of the headworks on this bore, which included a new flow meter that enables us to remotely monitor both actual and totalised water flows.

Bore 2/ASR 1 behind the 8th green also had to be lifted as the pump motor suffered an electrical fault that caused terminal damage. Upon inspection of the pump, it was also found to be damaged and unserviceable. Due to previous issues with this bore, it was logged with a camera by the Department of Water to assess its condition. This highlighted a couple of issues, including a partial collapse of the open hole at the base of the bore as well as what looks like a chunk of concrete creating a partial blockage. A decision on whether to attempt to clear the well or not was required, however our injection of harvested storm water during winter has not been overly hampered, so it is likely that we will reequip the bore with a new pump and motor for the summer irrigations season and closely monitor its performance.

On the west bore network, a new delivery line for Bore 7, situated at the rear of the 10th west green was installed following the failure of the old steel pipe. One of the last remaining steel lines, it actually runs below the right hand green side bunker on the 10th west green. It has been replaced with a 150mm PVC pipe line. Whilst we had the trench open, conduit were installed back to the pump shed in a future proofing exercise for the west course. These conduits not only enable us to improve our monitoring of the bore network, but can also facilitate the installation of satellites for control of the back 9 west course irrigation system. This is a project that I believe we need to be looking at in the coming years, as it will assist in being able to provide reliable and uniform water applications to the west course, something the current system makes very difficult.

WETLANDS

With the communications network of the wetlands now up and running successfully, a lot of time has been invested during the past year going over the programming and operation of the system, with a lot of glitches identified that are causing the issues that have plagued the system over the years. Following a lot of hours of programming and installing changes, the system is up and running, with the ability to monitor and operate the system from the maintenance facility one of the most successful components of the works. To date this winter we have been able to harvest, clean and inject in excess of 70 mega litres of water, which is very pleasing and well on the way to achieving a goal that I have of injecting 100 mega litres for the year.

We have recently been engaging contract staff from EcodynamicsSA to undertake vegetation maintenance in around the wetlands. Weeds throughout the ponds and batters have been targeted via control methods of slashing, hand weeding and spot spraying on a periodic basis, and plantings of new plants are taking place as required to increase the population of desired species. The wetland areas certainly look better for this work having been undertaken, and we are looking to continue engaging their services in the future to ensure the wetlands is maintained in the appropriate fashion.

Richard James
Course Superintendent



HOSPITALITY REPORT

OVERVIEW

The House Committee is pleased to report a reasonable operating result for the Club in the year ended 30 June 2013. The combined net profit of \$258,271 from bar and catering is a slight decrease on last year and a deficit of \$26,790 compared to budget, however it is still a pleasing result and helps in keeping our food and beverage prices at a low level.

MEMBER SERVICES

The overall objective for member's hospitality is to provide quality food and service expected at a prestigious private golf club whilst maintaining a reasonable price for our offerings. Our financial aim is to break even from member hospitality services excluding the allocation of overhead costs. Our food gross profit has improved by 2% on last year, however still fell 0.8% short of budget. Our beverage gross profit fell by 0.5% on last year, but with some new supplier contracts we hope to improve on this in the coming year.

The House Committee have continued to work with management and staff throughout the year in an endeavour to continually improve our service standards and take on board the comments and feedback received from members. I encourage all members to patronise the Members Lounge / Bistro following (or before) golf as it is an important part of our operation.

THE GRANGE RESTAURANT

The Grange Restaurant and our kitchen team continue to showcase the high quality of food that is available at our restaurant. Over the past 12 months we have averaged 51 patrons per night with an average spend of \$52.87 per person. This is a great result and the highest average patron attendance we have had since reopening the restaurant in 2008.

To assist growth in our restaurant we have revised our Entertainment Book offer so that it can be used by members and visitors in conjunction with the attractive members price of \$49 for a three course meal. We regularly receive excellent feedback and praise on the food and service from our restaurant and I encourage all members to make a booking, you won't be disappointed.

SPECIAL MEMBER EVENTS

We continue to focus our efforts with special member's events around our popular New Years Eve function and our very successful wine lunches. The New Years Eve function which is organised by Steve McNally was again a great success with 194 guests attending and bringing in the New Year. Steve has grown the New Years Eve function into a great success, so make sure you book early to avoid disappointment for this years event.

Once again we held two very successful wine lunches. The first event was a St Hallet wine lunch held in November 2012. This event was followed up with a Henschke wine lunch in May 2013. Both events were very well supported with record numbers of 189 attendees at the Henschke lunch. A big thank you to each of the wineries for their generosity in providing the wines for tasting and thank you to the members who support these events, buy some wine and help make them so successful.

Mothers Day lunch was again a great success for the Club and an enjoyable day for all that attended. This day seems to be growing every year and this year was no exception with 228 guests, again a record number for this event.

Both twilight and sunset golf were popular events through the summer. Twilight averaged 70 players and approximately 60 for dinner. Sunset golf was a newly introduced event this year with 60 players on average, however the growing event averaged a fantastic 95 guests for dinner. A lot of the guests were friends and family of members, and they all enjoyed the live music and relaxed atmosphere on Thursday nights. We hope the success of both these 9 hole events continues again next year.



EXTERNAL FUNCTIONS

Although income was slightly down on budget, the number of functions and corporate golf events throughout 2012/13 exceeded budget. 40 weddings were held as opposed to a budget of 39. We had 29 corporate golf days compared to a budget of 26. Seminars were again popular with 98 held during the year, and a number of other various smaller functions. These events throughout the year combined for \$895,000 income before expenses, a very valuable source of revenue for the Club. We noticed that wedding and corporate golf days have been smaller in size than previous years, and that seems to be the trend in the market place.

STAFF

During the year, two of our management team resigned from Grange to pursue careers at other establishments. Matt Chesterman, our Bar Manager, moved to The Vines Golf Club in a Clubhouse Operations Manager role and our House Manager, Chloe Roeger, moved to Jolleys Boathouse as an Assistant Manager to pursue her love and interest in fine dining restaurants. Our Function Manager, Sam Galer, took maternity leave as she gave birth to her first child, a son named Henry.

With the restructure in the hospitality area, Adi Kolar was appointed as Food and Beverage Manager and commenced duties in December 2012. Adi brings a wealth of experience to Grange having worked at top restaurants in Adelaide and more recently being a part owner of her own restaurant, Morska Vila, at Henley Beach. Adi provides fantastic support to Terrisa Na our Events Manager, and the two work fantastically well together along with the entire hospitality team. Terrisa continues to do a fantastic job with both our member and external functions. Our seminar business is very valuable to the Club and Terrisa has managed to confirm a couple of long term contracts, as well as continuing her strong wedding bookings, and managing the ever increasing corporate golf bookings with the introduction of the new East Course.

CAPITAL IMPROVEMENT

The last 12 months was relatively quiet for the House Committee with capital improvements in the clubhouse. The main objective of the year was to manage the debt level and therefore a minimal amount of funds were allocated to clubhouse improvements.

The main improvement was on the northern end of the balcony with blinds enclosing the area outside the Beeston Room, and wall heaters installed for extra comfort throughout winter. An LCD screen was also installed at the front entrance to provide a more professional look and direct our seminar and function guests to the correct areas of the clubhouse. Further details of capital expenditure for the clubhouse and accompanying list of items are included with the Finance Report.

ACKNOWLEDGMENTS

Thank you to members for your feedback, encouragement and patronage over the last year. Food and Beverage is a challenging industry as we try to deliver a wide range of services to a diverse range of members in a cost effective manner.

I would like to congratulate the entire hospitality team and management on their hard work over the last 12 months, it is always pleasing to walk into our Club and be greeted with a smile and great service.

Thank you to my fellow Sub Committee members and management that attended House Meetings. The variety of this group gives us many differing opinions that help us to continually improve the House operations.

George Carapetis
House Chair

Robert Vincekovic
Finance Manager



LADY PRESIDENT'S REPORT

"WE ARE FORTUNATE TO HAVE LADY MEMBERS WHO ARE NOT ONLY COMMITTED TO THEIR GOLF BUT ARE ALSO QUITE CARING FOR EACH OTHER AND ALSO THE FUTURE OF OUR GREAT CLUB!"

My term as Lady President is coming to a close and it has been a very stimulating and satisfying period which was made easy with the support of the Ladies Sub Committee, Lady Members and Staff.

We are fortunate to have Lady Members who are not only committed to their golf but are also quite caring for each other and also the future of our great club!

Sponsored Gala Days were again well received by the Lady Members and we would like to thank the following sponsors for their generosity:

- Warren Mercer (Ladies Opening Day)
- Phil Hoffmann Travel
- Ray White Norwood (owned by Wundersitz Real Estate)
- Statewide Mortgage Solutions (Ladies Sunday Foursomes)
- City Mazda

SINCE MY LAST REPORT WE HAVE ACKNOWLEDGED:

- Past Foursomes Champions – we have many multiple winners of this event and still are regularly playing at the club.
- Club Matriarchs – We honoured 36 lady members at our last general meeting, each were presented with a certificate and bouquet. We must remember that these members are stalwarts of our club and most devoted many hours on Committees.

Our designated Charity this year was Autism SA which we raised \$2,000. We have also supported Breast Cancer with our Pink Ball Day and also Fiona Pike Cancer Awareness Programme.

I would also like to thank Liquor Industries for their \$500 donation to the Ladies Sub Committee for their volunteer work at this year's event.

The Ladies Sub Committee would also like to thank President Ross Batchelor, Captain Adrian Johnston, General Manager Barry Linke and Course Superintendent Richard James for their continuing support.

Janet Wundersitz
Lady President



LADY CAPTAIN'S REPORT

The 2013 season began with great anticipation and excitement as the re-development of the East Course had been completed and was now ready for competition play. Comments throughout the season from our lady members and visitors to the Club have been very positive.

Opening Day, sponsored by Club Professional Warren Mercer, was held on Tuesday, 26th February with a very large field of players in attendance.

Golf SA Open Day was held on Tuesday, 26th March and a full field of women representing 14 clubs enjoyed the opportunity to play in a 3BBB competition. Unfortunately the day was very hot and windy, but nevertheless the chance to play on the East course was welcomed by all.

CLUB CHAMPIONSHIPS

The Ladies' Club Championships were conducted over one week at the end of April, with the 1st round of Qualifying held on Sunday, 28th April, a two tee start at 11.30a.m. The Finals were held on Friday 3rd May and good galleries watched matches that were very keenly contested. Club stalwarts Alison Jones and Dianne Davis played off in the A Grade Final and it was a match of high quality and intensity. Appreciation is extended to Referees for the Finals: Sue Hedley (A Grade) and Belinda Singleton (C Grade).

The Ladies Foursomes Championships were held in September of 2012 with a good number of entries in each of the grades. Again, the match play finals were very keenly contested, with a number of spectators following the players. The A Grade Final was played between Marg Smibert and Louise Dearing and Marijna Nakone and Rem King. Marg and Louise played very well to win the match 7/5.

PENNANT AND INTERCLUB

The 2013 season was the most successful season that Grange has had for a number of years and with several juniors playing in the Pennant 1 team it is hoped that the team will achieve ultimate success in the very near future. With a large number of players nominating for the Pennant 2, Cleek and Hickory teams it meant that places in the teams were fought for each week, and that team managers had a difficult task in team selection.

Congratulations to the Pennant 1 team of Ella Adams, Kristalle Blum, Cassidy Evreniadis, Jean Foo and Louise Glennon on playing in the Final against Glenelg. Unfortunately Glenelg were too strong and playing at Glenelg made the task of winning that much more difficult.

The Cleek team also played in the Final at Kooyonga against Mt Osmond, going down 3 ½ to 1 ½ .

The Pennant 2 and the Hickory teams were in contention for the finals until the last week of their minor rounds

My thanks and appreciation is extended to Team Managers; Belinda Singleton, Julie Webber, Kris Tapp and Joyce Morley, and also to caddies and supporters who came out each week in sometimes difficult weather conditions.

CHALLENGE EVENTS

Each year Grange participates in matches against Blackwood, Kooyonga (Joyce Goldfinch Bowl), Glenelg for the Moller Cup. The first round against Blackwood at Blackwood was won by Blackwood, and the second round at Grange was won by Grange .

The first round of the Joyce Goldfinch Bowl was held at Grange but unfortunately had to be abandoned due to very bad weather. The reciprocal match will be held at the end of August.

The 40th Annual Grange /Glenelg Foursomes was held at Glenelg in May with Glenelg running out winners by 9 ½ points. A highlight of the day was having an instigator of this challenge, Marg McAllister, award the trophy and present memento badges to each of the participants.

The Moller Cup was hosted by Mt Lofty in November of 2012 with Grange runner-up to Mt Osmond.

The annual Grange v The Lakes (Sydney) was held at The Lakes in Sydney in November 2012 with The Lakes again defending the title.

STATE SELECTIONS

This year has seen the selection of a number of our female players in state teams, congratulations to the following:

- Kristalle Blum: Golf SA state senior and junior teams
- Cassidy Evreniadis: Golf SA state senior and junior teams



- Ella Adams: Golf SA State senior and junior teams, Secondary School Sport SA interstate team
- Alicia Smith: Secondary School Sport SA interstate team

AS MY TERM AS LADY CAPTAIN COMES TO A CLOSE I WOULD LIKE TO THANK AND ACKNOWLEDGE:

- The Ladies Sub Committee, with special mention to Janet Wundersitz. We spoke several times each week for the past two years in trying to do the very best that we could for our female golfers.
- Barry Linke and the staff in the office - in particular Barry for his support and advice, and Nikki whom I have worked with closely in programming and setting up competitions

- Warren Mercer and his staff in the Pro Shop. I would especially like to thank Warren for his very kind, generous and ongoing support of the ladies
- Richard James and the course staff – a great job done in getting the East Course up and running
- The lady members of the club: thank you for your friendliness, positive encouragement and sincerity. It has been very much appreciated.

Best wishes to the incoming Lady Captain and Sub Committee for season 2014.

Margaret Anderson
Lady Captain

CLUB EVENTS AND NAMED TROPHIES – 2012 / 2013

2012

2013

Club Champion
B Grade Cup
C Grade Cup
D Grade Salver
Veteran's Champion
Jean McNicol Rose Bowl
Ladies Foursomes A Grade
Ladies Foursomes B Grade
Ladies Foursomes C Grade
Veteran's Cup
General Manager's Award
President's Handicap Foursomes
Captain's Handicap Foursomes
Laurel Wreath
Shylie Rymill Foursomes (west)
Shylie Rymill Foursomes (east)
Mixed Canadian Foursomes
Grange Salver
Rosemary Reeves (Under 21)
Junior Girls Champion
Ladies' Most Improved
Areta Taylor Memorial Trophy
International Bowl (GolfSA)
Silver East (Tuesday)
Silver West (Tuesday)
Bronze East (Tuesday)
Bronze West Tuesday)
Silver (Saturday)
Bronze (Saturday)

Marg Smibert and Louise Dearing
Deb Underwood and Helen Sanderson
Anne Flaherty and Marion Parsons
Anne Evans
Marijina Nakone
Sharion Thompson and Rachel Hand
Claire Ouslinis and Chris Martin
Rem King

Kristalle Blum
Emma Sutton
Annette and John Taylor

Dianne Davis
Lauryn Weatherall
Annette Taylor
Sue Watson
Alison Jones
Louise Glennon

Marg Smibert and Julie Sloan
Ann Coats and Deb Downes
Ann and Ron Marshall
Jenny Lee
Jenny Lee

Jill Kennare
Louise Dearing
Ann Coats
Deb Underwood
Carmel Wright
Helen Sanderson



FINANCE REPORT

OVERVIEW

The net result for the 2012/13 financial year was a loss of \$189,597. As can be seen from the summary provided below there was a significant improvement on last years net result, although 2011/12 was significantly impacted by the impairment of assets. Overall we budgeted for a \$294,691 profit and we fell well short of that figure with a loss of \$189,597.

2012/13 was a difficult year in terms of membership and the large variance on budget was a direct result of low membership numbers. The development of the East Course definitely impacted upon membership, as the Club did not actively seek members until construction was complete. In conjunction with the opening of the new East Course and Greg Norman visit in January 2013, the Club commenced an extensive marketing campaign that attracted 77 new members. With a few extra resigned members than expected at the start of the year and 120 budgeted new members, we fell well short of budget, however we were pleased with the return from the second half of the year.

Corporate Golf was also down as we did not take any corporate bookings or large groups on the East Course until May 2013. This gave members first opportunity to play the new East Course and thank them for their patience during the course reconstruction. On a positive note, green fees, cart hire and members hospitality income were all well up on budget and some good wage savings were made in all areas of the Club.

| | Actual | Budget | Last Year |
|----------------------------|--------------------|-------------------|--------------------|
| Operating Profit | \$(483,592) | \$(296,219) | \$(311,695) |
| Entrance Fees | \$ 293,995 | \$ 590,909 | \$167,513 |
| Impairment of Assets | - | - | \$(274,698) |
| Total Profit/(Loss) | \$(189,597) | \$ 294,691 | \$(418,880) |

CASHFLOW

The Committee maintained a high but manageable debt level throughout 2012/13, with the debt level decreasing by \$200,000 to \$5.45 Million as at 30th June 2013. This debt level is some \$400,000 more than the projected debt level of \$5.05 Million presented in last year's Annual Report. The additional debt is attributable to membership numbers with entrances fees falling \$296,914 short of budget and therefore subscription fees were also affected with a \$136,278 deficit on budget.

We are currently in the process of updating our 10 year cashflow forecast to provide more accurate assumptions with current market trends. The budget of 120 new members every year seems to be unrealistic with the current golf climate and therefore we are working towards a manageable 60 new members this year. Resignations and transfers were less than in previous years, a good sign that members are happy with the Club and especially the new East Course.

Capital expenditure is also under review with a number of the large projects being deferred an extra year or two while the Club aims to reduce a large portion of its debt. The next couple of years will be about debt reduction with the following significant capital projects now scheduled for the next three to five years:

- Clubhouse Facilities upgrade \$1,000,000
- Neighbouring Property Provision \$600,000
- Maintenance Facility Upgrade (amenities building) \$550,000
- Carpark Redevelopment \$250,000

The updated forecast sees the steady repayment of club debt over the next couple of years with one ongoing concern, that being whether the assumptions regarding membership numbers can be achieved in the years ahead. Any further loss of members will require a further adjustment to the capital expenditure plans in the cashflow forecast. Budget for the 2013/14 financial year expects a \$191,834 profit after entrance fees, and given the realistic target of 60 new members, we believe that this profit is very achievable. Given our depreciation for the coming year is approximately \$890,000, and with very minimal capital expenditure, we expect to reduce our debt by almost \$1 Million



in the 2013/14 year. This would be a great result and help to keep financing costs down for the future.

A new Business Development Sub-Committee has recently been formed to discuss various options and strategies for the Club. The main objective of this Sub-Committee is to discuss other income streams which could secure the future of The Grange Golf Club. However Committee are still confident that the quality of the new East Course, along with our West Course, will raise the profile of The Grange Golf Club to be the premier golf facility in this state and continue to attract new members to the Club.

THE GRANGE FOUNDATION

The Grange Foundation, formed in 2007/08 with the bequest from Ruth O'Loughlin, has grown in value from \$341,476 to \$361,545 as at 30th June 2013, with the balance of the Foundation invested in the membership investment scheme throughout the last year. There were no outgoings from the Foundation in the 2012/13 financial year.

The following observations are made about the operating performance for the year ended 30th June 2013;

MEMBERSHIP SUBSCRIPTION FEES

| | |
|-----------|-------------|
| Actual | \$3,212,879 |
| Budget | \$3,349,157 |
| Last Year | \$3,128,064 |

Our revenue from subscription fees increased 2.7% on last year, but it fell short of our budget due to a shortfall in member numbers for the whole of the financial year.

In total we lost 140 playing members during 2012/13 with 76 resignations from playing categories and a net 64 members transferring to non playing categories. To offset these losses, 77 new playing members were introduced to the club in the 2012/13 financial year, contributing \$293,995 in entrance fees. The 2013/14 year is off to a good start with an improvement on previous years and only 44 resignations in July 2103, a pleasing result and one that we can build on throughout the year.

Our playing category numbers finished the year at 1634 compared to a budget of 1709. In total we have 2089 members as at 30th June 2013.

GOLF ACTIVITIES INCOME

| | |
|-----------|-----------|
| Actual | \$685,930 |
| Budget | \$723,336 |
| Last Year | \$521,237 |

Our income from golf activities fell short of expectations in 2012/13, with corporate golf the main contributor, falling \$37,406 or 5.5% short of budget.

While disappointed not to achieve our budgeted revenue targets from golfing activities, we are pleased that green fees and cart hire for member visitors surpassed budget by \$11,000. The Club focused on Members this year as it refrained from booking any corporate golf days throughout the year on the new East Course and also avoided any large group bookings while holes were out of play. Corporate golf, as a result, fell \$54,000 short of budget.

With the East Course now complete and a number of enquiries regarding corporate golf on the East Course, we believe that golfing activities will improve significantly and return to similar levels as previous years.

HOSPITALITY – FOOD AND BEVERAGE

| | |
|-----------|-----------|
| Actual | \$258,791 |
| Budget | \$285,061 |
| Last Year | \$308,275 |

The full year operating result for hospitality was a net surplus of \$258,791 excluding any allocation of overhead costs. This surplus was a 16% decrease on last year, primarily due to the reduction in external functions. The result also finished 9% short of budget which is an average result given that members hospitality was very strong.

The following is a summary of key performance indicators in comparison to last year:



MEMBER TRADING

- \$464,000 or 39.5% increase in combined food and beverage sales. A great result mostly due to the increased number of players with two full courses back in play. This represented a \$76,500, or 5.5%, income surplus on budget.
- 2.1% increase in food gross profit to 51.6%. We managed to keep price rises to a minimum throughout the year, despite many suppliers raising food prices.
- 0.5% decrease in beverage gross profit to 59.8%. This result is still below industry standard, but is reflective of our club pricing policy. As an example we only increased beer prices once last year whereas all the breweries had two price rises.
- 0.75% decrease in total wage costs, mainly due to a change in the structure of the hospitality services.

EXTERNAL FUNCTIONS

- \$3,000 or 3.3% increase in combined food and beverage income from corporate golf functions mainly due to the two courses being back in play. However corporate numbers were still down due to no golf events being scheduled on the East Course until May 2013.
- \$214,000 or 28% decrease in combined food and beverage income from other external functions due to a decreased number of weddings and seminars.
- Beverage gross profit increase by 0.45% from last year to 73.6%
- Food gross profit remained at 65.5% in line with last year
- Wage costs increased 0.3% from last year to 32.5%.

Weddings continue to generate significant income for the Club. In total we hosted 40 weddings for the financial year, one better than budget. In total, wedding functions contributed a combined income of \$425,000 in 2012/13. Our forward sales for weddings are very strong with deposits paid for 45 weddings to be held over the next 18 months.

With the East Course redevelopment complete, as a way of thanking members for their patience, we made a conscious decision not to allow any corporate golf bookings on the East Course until May 2013, and therefore budgeted accordingly for a low income. In total we hosted 29 corporate golf events for the year, compared to the normal average of 50. The income of \$225,000 was 14% up on last year, however we are still well down on the record level of \$400,000 achieved in 2007 and 2008. With two courses now in play and the new East Course available, we expect corporate golf to improve significantly over the next 12 months.

Our income from other functions, including birthdays, christenings, x-mas functions, business meetings, seminars and conferences decreased 20% on last year. We are in the process of reviewing our marketing strategies towards seminar business in an attempt to attract new businesses to the Club. We have some good forward bookings through repeat clientele, and we are confident that our income from this revenue source will exceed budget expectations in the next 12 months. This area of our business is our greatest opportunity for income growth in the years ahead.

COURSE EXPENSES

| | |
|-----------|-------------|
| Actual | \$2,487,923 |
| Budget | \$2,530,499 |
| Last Year | \$2,242,044 |

With course expenses making up a significant proportion of our total club operating costs, we kept a tight control of expenditure to offset the budgeted operating loss.

Richard James and the course team once again did a great job controlling their expenditure, making a saving of \$42,500 against budget, however this expenditure exceeded last years expenses by 11%.

The main source of cost savings was in wages, with a saving of \$165,000 against budget. We ran three full time staff members short of the budgeted 22 for most of the period, without impacting the general condition of the courses. This saving allowed us to spend a little extra on improving the wetlands and irrigation systems.



Electricity on the course exceeded budget by \$15,000, and was also \$20,000 above last years expense, mainly due to the increased watering of the new course and the rise in power costs. Fuel costs also exceeded budget by \$10,000, whilst machinery repairs exceeded budget by \$9,500.

CLUBHOUSE EXPENSES

| | |
|----------|-----------|
| Actual | \$561,043 |
| Budget | \$643,970 |
| Last Yea | \$575,093 |

Clubhouse expenditure finished \$83,000 or 13% below budget, and also finished \$14,000 or 2.5% lower than last year. The following provides a summary of the major reasons for the savings:

- \$10,000 lower wage costs with a part time handyman around the Clubhouse.
- \$18,500 savings in laundry costs with a change of supplier.
- \$13,000 savings in general repairs and maintenance of the clubhouse.
- Electricity and Gas did however exceed budget by \$12,000 due to increasing power prices, this was also \$14,500 more than last year.

ADMINISTRATION EXPENSES

| | |
|-----------|-------------|
| Actual | \$1,081,554 |
| Budget | \$1,032,294 |
| Last Year | \$969,668 |

Administration expenses finished \$49,000 or 5% above budget. The main reasons for the additional expenses are marketing of the new East Course and legal fees relating the SANFL parcel of land. Some of these expenses were however offset by good savings detailed below. There are a number of varying expense items that are detailed in the financial statements, but the following provides a summary of the major variances against budget and compared to last year:

- \$45,000 increase in marketing compared to 2011/12 as promotion and marketing of the new East Course played a big part in the opening of the course. Marketing will continue this year as new membership is extremely important to the long term viability of the Club.
- \$17,000 increase in legal fees mainly due to advice and representation in relation to the SANFL Land.
- \$7,500 increase in insurance premiums following a review of our current policies and general market increase in rates.
- \$17,000 increase in rates and taxes.
- \$16,500 saving in printing and stationery following the purchase of a new photocopier which resulted in cheaper printing costs. Significantly more printing is done in house with the printed Club Newsletter being replaced with the Club E-news.
- \$44,000 saving in administration wages compared to 2011/12 and a \$41,500 saving on budget following a restructure of the administration team.



SUMMARY OF CAPITAL EXPENDITURE

| | |
|---|-------------|
| Course Construction | \$48,862 |
| Completion of East Course Works | |
| Course Irrigation | \$121,045 |
| Wetlands Communication, Bore 1 Headworks, East Course Tank Roof, West Course Tank 2 Roof, Bore 3 & Bore 7 Delivery Line, Decpro Irrigation Programmer, West Pumps Isolation Valve | |
| Furniture & Equipment | \$52,618 |
| Bronze Plaque – East Course opening, Heartstart Defibrillator, Zibtrack Blinds – Balcony, Carpet Replacement, 2 x Hitachi Projector, Samsung 40" LCD – Front Entrance, Canon Photocopier, Guillotine, Frymaster Deepfryer, Directional Sign – Driveway, 2 x Bromic Heater – Balcony | |
| Hardware & Software | \$10,730 |
| 3 x Toshiba Notebooks, Desktop Computer, | |
| Plant & Equipment | \$ 216,507 |
| 9 x Golf Carts, Holden Rodeo Ute, Toro Workman Runabout, Reelmaster Fairway Mower, Fairway Mower Catcher Kits Procore Aerator, East Course Tee Markers, Thatch Away Heads, Water Purifier, Kawasaki Whipper Snipper | |
| Capital Works in Progress | \$ (16,126) |
| Maintenance Facility Upgrade, Locker Room Upgrade, 13th West Tee Reconstruction, Wetlands Communication, Less amounts transferred to above categories on completion of capital projects. | |

My thanks and appreciation to fellow Committee members Ross Batchelor, George Carapetis and Graham Hand, as well as Barry Linke and Robert Vincekovic from management, for their valued assistance and contribution throughout the year.

Bruno Battistella
Finance Chairman

Robert Vincekovic
Finance Manager

THE GRANGE GOLF CLUB INCORPORATED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

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THE GRANGE GOLF CLUB INCORPORATED

COMMITTEE REPORT FOR THE YEAR ENDED 30 JUNE 2013

Your Committee Members submit the financial report of The Grange Golf Club Incorporated ("the Club") for the financial year ended 30 June 2013.

Committee Members

The names of Committee Members throughout the year and at the date of this report are:

| | |
|-------------------------|----------------|
| Mr Ross G Batchelor | President |
| Mr Bruno Battistella | Vice President |
| Mr Adrian R Johnston | Captain |
| Mr Rick Kinnear | Vice Captain |
| Mr George Carapetis | Member |
| Mr Malcolm Coleman | Member |
| Mr Graeme D Hand | Member |
| Mrs Susanne K Hedley | Member |
| Mrs Deborah A Middleton | Member |
| Mrs Janet M Wundersitz | Member |

Principal Activities

The principal activities of The Grange Golf Club Inc. during the financial year were the provision of recreational golfing facilities.

Significant Changes

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

Operating Result

The net surplus/(deficit) for the year amounted to a deficit of \$189,597, (2012 : deficit \$418,880).

Matters subsequent to the end of the Financial Year

No matter or circumstance has arisen since the end of the year which significantly affected or may significantly affect the operations of the Club, the results of those operations or the state of affairs of the Club in subsequent years.

Benefits received by Committee Members

In accordance with section 35(5) of the Associations Incorporation Act, 1985, the Committee of the Club, hereby states that during the year ended 30 June 2013:

- (a) - no Committee Member; or
- no firm of which the Committee Member is a member; or
- no entity in which the Committee Member has a substantial financial interest,
has received or become entitled to receive a benefit as a result of a contract between the officer, firm or body corporate and the Club, except as stated in Note 24 to the Financial Statements.
- (b) no officer of the Club has received directly or indirectly from the Club any payment or other benefit of pecuniary value.

Signed in accordance with a resolution of the members of the Committee.

Ross G. Batchelor
President

Bruno Battistella
Vice-President

Signed at The Grange Golf Club this 30th day of August 2013



THE GRANGE GOLF CLUB INCORPORATED

STATEMENT BY THE MEMBERS OF THE COMMITTEE FOR THE YEAR ENDED 30 JUNE 2013

In the opinion of the Committee, the financial report as set out on pages 4 to 26

- 1 Presents a true and fair view of the financial position of The Grange Golf Club Incorporated as at 30 June 2013 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.
- 2 At the date of this statement, there are reasonable grounds to believe that The Grange Golf Club Incorporated will be able to pay its debts as and when they fall due.

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

Ross G. Batchelor
President

Bruno Battistella
Vice President

Signed at The Grange Golf Club this 30th day of August 2013



THE GRANGE GOLF CLUB INCORPORATED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2013

| | Note | 2013 \$ | 2012 \$ |
|--|------|-------------------------|-------------------------|
| Revenue | | | |
| Membership | 2 | 3,365,183 | 3,268,191 |
| Entrance Fees | | 293,995 | 167,513 |
| Golfing Activities | 3 | 685,930 | 521,237 |
| House Trading | 4 | 258,791 | 308,274 |
| Other Income | 5 | 57,797 | 81,602 |
| Total Revenue | | 4,661,696 | 4,346,818 |
| Expenditure | | | |
| Course | 6 | 2,487,923 | 2,242,044 |
| Asset Impairment | 7 | - | 274,698 |
| Clubhouse | 8 | 561,043 | 575,093 |
| Golfing Activities | 9 | 342,670 | 331,451 |
| Finance Costs | | 378,103 | 372,744 |
| Administration | 10 | 1,081,554 | 969,668 |
| Total Expenditure | | 4,851,293 | 4,765,698 |
| Net Surplus/(Deficit) for the year | | <u>(189,597)</u> | <u>(418,880)</u> |
| Other comprehensive income: | | | |
| Other comprehensive income for the year | | - | - |
| Total comprehensive income for the year | | <u>(189,597)</u> | <u>(418,880)</u> |

The accompanying notes form part of these financial statements.

THE GRANGE GOLF CLUB INCORPORATED

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2013

| | Note | 2013 \$ | 2012 \$ |
|--------------------------------------|------|-------------------|-------------------|
| CURRENT ASSETS | | | |
| Cash and Cash Equivalents | 12 | 555,406 | 557,530 |
| Trade and Other Receivables | 13 | 290,207 | 315,841 |
| Inventories | 14 | 105,763 | 87,812 |
| Other Current Assets | 15 | 98,038 | 94,252 |
| TOTAL CURRENT ASSETS | | 1,049,414 | 1,055,434 |
| NON-CURRENT ASSETS | | | |
| Trade and Other Receivables | 13 | 190,153 | 224,783 |
| Property, plant and equipment | 16 | 15,142,392 | 15,633,252 |
| TOTAL NON-CURRENT ASSETS | | 15,332,545 | 15,858,035 |
| TOTAL ASSETS | | 16,381,959 | 16,913,470 |
| CURRENT LIABILITIES | | | |
| Trade and Other Payables | 17 | 764,592 | 679,161 |
| Borrowings | 18 | - | 4,800,000 |
| Amounts Received in Advance | 19 | 1,631,034 | 1,874,555 |
| Short Term Provisions | 20 | 137,841 | 124,786 |
| TOTAL CURRENT LIABILITIES | | 2,533,467 | 7,478,502 |
| NON-CURRENT LIABILITIES | | | |
| Borrowings | 18 | 6,010,515 | 1,413,000 |
| Long Term Provisions | 20 | 27,498 | 21,892 |
| TOTAL NON-CURRENT LIABILITIES | | 6,038,013 | 1,434,892 |
| TOTAL LIABILITIES | | 8,571,479 | 8,913,394 |
| NET ASSETS | | 7,810,479 | 8,000,076 |
| EQUITY | | | |
| Retained Earnings | | 7,810,479 | 8,000,076 |
| TOTAL EQUITY | | 7,810,479 | 8,000,076 |

The accompanying notes form part of these financial statements.

**THE GRANGE GOLF CLUB INCORPORATED****STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2013**

| | Retained Earnings | Total |
|---|--------------------------------|--------------------------------|
| | \$ | \$ |
| Balance at 30 June 2011 | 8,418,956 | 8,418,956 |
| Profit for the year | (418,880) | (418,880) |
| Total other comprehensive income for the year | - | - |
| Balance at 30 June 2012 | <u>8,000,076</u> | <u>8,000,076</u> |
| Profit for the year | (189,597) | (189,597) |
| Total other comprehensive income for the year | - | - |
| Balance at 30 June 2013 | <u><u>7,810,479</u></u> | <u><u>7,810,479</u></u> |

The accompanying notes form part of these financial statements.

THE GRANGE GOLF CLUB INCORPORATED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2013

| | Note | 2013 \$ | 2012 \$ |
|---|------|------------------|--------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Membership & Other Receipts | | 7,164,826 | 7,164,398 |
| Payments to Suppliers & Employees | | (6,176,498) | (6,154,974) |
| Interest Received | | - | - |
| Interest Paid | | (378,103) | (372,744) |
| Net Cash Provided by / (Used In) Operating Activities | 25 | <u>610,224</u> | <u>636,680</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Sale of Property, Plant & Equipment | | 23,774 | 24,873 |
| Purchase of Property, Plant & Equipment | | (433,636) | (2,723,716) |
| Net Cash Provided by / (Used In) Investing Activities | | <u>(409,862)</u> | <u>(2,698,843)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Increase/ (Decrease) in Bank Bill Facility | | (600,000) | 1,850,000 |
| Increase/(Decrease) in Membership Investment Scheme | | 397,515 | 342,019 |
| Net Cash Provided by / (Used In) Financing Activities | | <u>(202,485)</u> | <u>2,192,019</u> |
| NET INCREASE/ (DECREASE) IN CASH HELD | | (2,123) | 129,856 |
| CASH AT THE BEGINNING OF THE FINANCIAL YEAR | | 557,529 | 427,673 |
| CASH AT THE END OF THE FINANCIAL YEAR | 12 | <u>555,406</u> | <u>557,529</u> |

The accompanying notes form part of these financial statements.



THE GRANGE GOLF CLUB INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

The financial statements cover The Grange Golf Club Incorporated ("Club") as an individual entity, an association incorporated in South Australia under the Associations Incorporation Act (SA) 1985.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations and the Associations Incorporation Act (SA) 1985.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board (AASB) has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

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

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Accounting Policies

a. Cash & Cash Equivalents

Cash and cash equivalents include cash on hand, cash at bank and other short term highly liquid investments with original maturities of three months or less.

b. Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on the basis of first in first out.

c. Property, Plant & Equipment

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

Plant and Equipment

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The cost of fixed assets constructed within the Club includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of overheads.

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

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line basis over their useful lives commencing from the time that the asset is held ready for use.

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

| <u>Class of Fixed Asset</u> | <u>Depreciation Rate</u> |
|-----------------------------|--------------------------|
| Plant & Equipment | 5% to 40% |
| Buildings & Surrounds | 2% to 15% |
| Course | 2% to 10% |
| Furniture & Equipment | 5% to 25% |

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

Gains and losses on disposal are determined by comparing proceeds with the carrying amount. These gains and losses are included in the Statement of Comprehensive Income.

d. Financial Instruments**Initial recognition and measurement**

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest rate method.

The Club does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of Accounting Standards specifically applicable to financial instruments.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term or if so designated by management. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Held-to-maturity investments

These investments have fixed maturities, and it is the Club's intention to hold these investments to maturity. Any held-to-maturity investments held by the Club are stated at amortised cost using the effective interest rate method.

Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period, which will be classified as current assets.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Impairment

At the end of each reporting period, the association assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are immediately recognised in profit or loss. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

e. Membership Investments

Membership investments are long term investments repaid on call. The Club retains the right to repay these investments at its discretion at any time. The interest rate paid was 6.0% for the period ended 31 December 2012 and 5.5% for the period ending 30th June 2013. The interest rate payable until 31st December 2013 is 4.75%. Interest was paid quarterly into members nominated bank accounts in arrears, unless alternative payment arrangements were requested by the member.

f. Income Tax

The Club is exempt from income tax in accordance with Section 50-45 of the Income Tax Assessment Act, 1997

g. Impairment of Assets

At the end of each reporting period, the Club assesses whether there is any indication that an asset may be impaired. The assessment will consider both external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of that asset, being the higher of the asset's fair value less costs to sell and its value-in-use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is immediately recognised in profit or loss.

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

Impairment testing is performed annually for any goodwill and any intangible assets with indefinite lives.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

h. Employee Benefits

Provision is made for the Club's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

The provision for employee entitlements to long service leave is accrued based on a percentage related to the employees' years of service. An accrual of 25% is raised after 4 years of service, 50% after 5 years, 75% after 6 years and 100% after 7 years.

i. Cash and Cash Equivalents

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

j. Revenue Recognition

Annual subscriptions are recognised in the subscription year to which they relate with amounts received prior to 30 June being recorded as unearned income at year end. Entrance fees are recognised at the time the member joins the Club. Club levies (bar & dining) charged to members, but unused at the year end, are absorbed into general revenue.

k. Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

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

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

l. Comparative Figures

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

Where the Club has retrospectively applied an accounting policy, made a retrospective restatement or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

m. Trade and Other Payables

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

n. Provisions

Provisions are recognised when the Club has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013
NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

o. Key Estimates - Impairment

The Club assesses impairment at each reporting date by evaluating conditions specific to the Club that may be indicative of impairment triggers. Where an impairment trigger exists, the recoverable amount of relevant assets is re-assessed using value-in-use calculations which incorporate various key assumptions and estimates.

p. Critical Accounting Estimates and Judgments

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

q. Foreign Currency Transactions and Balances

Functional and presentation currency

The functional currency of the Club is measured using the currency of the primary economic environment in which that entity operates. The financial statements are presented in Australian dollars which is the Club's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate.

Exchange differences arising on the translation of monetary items are recognised in profit or loss, except where deferred in equity as a qualifying cash flow or net investment hedge.

r. Adoption of New and Revised Accounting Standards

The Australian Accounting Standards Board has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods and which the association has decided not to early adopt. A discussion of those future requirements and their impact on the association is as follows:

| | |
|--|---|
| AASB 9: | Financial Instruments (December 2010) and AASB 2010-7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010). |
| AASB 1053: | Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements (applicable for annual reporting periods commencing on or after 1 July 2013). |
| AASB 10, AASB 11, AASB 12, AASB 127, AASB 128 and AASB 2011-7: | AASB 10: Consolidated Financial Statements, AASB 11: Joint Arrangements, AASB 12: Disclosure of Interests in Other Entities, AASB 127: Separate Financial Statements (August 2011) and AASB 128: Investments in Associates and Joint Ventures (August 2011) (as amended by AASB 2012-10: Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments), and AASB 2011-7: Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards (applicable for annual reporting periods commencing on or after 1 January 2013). |
| AASB 13: | Fair Value Measurement and AASB 2011-8: Amendments to Australian Accounting Standards arising from AASB 13 (applicable for annual reporting periods commencing on or after 1 January 2013). |



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013
NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

| | |
|-------------------------------|--|
| AASB 119 and AASB 2011-10: | AASB 119: Employee Benefits (September 2011) and AASB 2011-10: Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) (applicable for annual reporting periods commencing on or after 1 January 2013). |
| AASB 2012-2: | Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities (applicable for annual reporting periods commencing on or after 1 January 2013). |
| AASB 2012-3: | Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities (applicable for annual reporting periods commencing on or after 1 January 2014). |
| AASB 2012-5: | Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle (applicable for annual reporting periods commencing on or after 1 January 2013). |



THE GRANGE GOLF CLUB INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2013

| | 2013 \$ | 2012 \$ |
|--|------------------|------------------|
| NOTE 2 - MEMBERSHIP | | |
| Subscription Fees | 3,212,879 | 3,128,064 |
| Locker Rental Fees | 14,858 | 13,340 |
| Buggy Storage Fees | 61,990 | 61,387 |
| Interest & Direct Debit Admin Fees | 75,456 | 65,400 |
| | <u>3,365,183</u> | <u>3,268,191</u> |
| NOTE 3 - GOLFING ACTIVITIES | | |
| Green Fees | 359,237 | 232,080 |
| Competition Fees | 172,959 | 156,178 |
| Motorised Cart Fees | 153,734 | 132,979 |
| | <u>685,930</u> | <u>521,237</u> |
| NOTE 4 - HOUSE TRADING(NET) | | |
| Bar | 222,831 | 204,732 |
| Catering | 63,307 | 129,632 |
| | <u>286,138</u> | <u>334,364</u> |
| <i>Less Depreciation</i> | <u>27,347</u> | <u>26,090</u> |
| | <u>258,791</u> | <u>308,274</u> |
| NOTE 5 - OTHER INCOME | | |
| Fundraising Income | 33,958 | 37,727 |
| Sundry Income | 23,839 | 43,875 |
| | <u>57,797</u> | <u>81,602</u> |
| NOTE 6 - COURSE | | |
| Wages & Related Costs | 1,166,436 | 1,180,858 |
| Course Consultancy | - | - |
| Depreciation | 609,952 | 541,281 |
| Loss/ (Profit) on Disposal of Assets | 5,841 | - |
| Chemicals, Fertiliser & Seed | 185,094 | 142,173 |
| Electricity | 135,186 | 115,500 |
| Machinery - Repairs, Fuel & Registration | 128,070 | 118,420 |
| Course Maintenance | 210,367 | 105,690 |
| Water Service Maintenance | 46,977 | 38,122 |
| | <u>2,487,923</u> | <u>2,242,044</u> |
| NOTE 7 - ASSET IMPAIRMENT | | |
| Asset Impairment Expense | - | 274,698 |
| | <u>-</u> | <u>274,698</u> |

Course Construction and Course Irrigation assets have been written down (shown as an Impairment expense) in the 2011/12 financial year to reflect the revised projected remaining useful lives of these course assets. Refer Note 16.



THE GRANGE GOLF CLUB INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 JUNE 2013

| | 2013 \$ | 2012 \$ |
|---|-------------------------|-----------------------|
| NOTE 8 - CLUBHOUSE | | |
| Wages & Related Costs | 14,192 | 8,490 |
| Depreciation | 170,793 | 171,862 |
| Repairs & Maintenance | 56,601 | 64,378 |
| Electricity & Gas | 101,815 | 87,382 |
| Cleaning | 99,195 | 102,149 |
| Clubhouse Supplies & Laundry | 118,447 | 140,832 |
| | <u>561,043</u> | <u>575,093</u> |
| NOTE 9 - GOLFING ACTIVITIES | | |
| Motorised Carts | | |
| - Repairs & Maintenance | 6,831 | 7,700 |
| - Depreciation | 42,662 | 42,497 |
| Pennant & Junior Golf Promotion | 50,885 | 46,809 |
| Professional Fees | 94,043 | 86,831 |
| Competition Fees | 148,249 | 147,614 |
| | <u>342,670</u> | <u>331,451</u> |
| NOTE 10 - ADMINISTRATION | | |
| Audit Firm | | |
| - Audit Services | 12,000 | 12,159 |
| Bank Fees | 41,984 | 32,366 |
| Committee Expenses | 23,751 | 13,301 |
| Computer Maintenance | 29,728 | 27,445 |
| Consulting Fees | 3,680 | 18,267 |
| Debt Collection Fees | - | 215 |
| Depreciation | 34,371 | 37,305 |
| Foreign Exchange Loss/(gain) | - | (1,423) |
| Grange Foundation (Bequest Fund) Expenses | - | 173 |
| Loss/ (Profit) on Disposal of Non-Course Assets | 9,758 | (740) |
| Insurance | 50,260 | 39,764 |
| Legal Fees | 27,258 | 9,337 |
| Marketing Activities | 77,838 | 32,568 |
| Newsletter | 263 | 191 |
| Rates & Taxes | 149,215 | 138,901 |
| Repairs & Maintenance | 2,123 | 2,475 |
| Security | 22,253 | 30,463 |
| Stationery, Printing & Postage | 55,265 | 62,557 |
| Sundry Expenses | 15,392 | 8,644 |
| Telephone | 30,390 | 27,146 |
| Travelling Expenses | 3,174 | 2,938 |
| Wages & Related Costs | 492,851 | 475,616 |
| | <u>1,081,554</u> | <u>969,668</u> |



THE GRANGE GOLF CLUB INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2013

NOTE 11 AUDITORS REMUNERATION

| | 2013 \$ | 2012 \$ |
|--|---------------|---------------|
| Remuneration of the auditor of the club for: | | |
| - auditing or reviewing the financial report | 12,000 | 12,159 |
| - taxation services | - | - |
| - due diligence services | - | - |
| - taxation services provided by related practice | - | - |
| | <u>12,000</u> | <u>12,159</u> |

Note

NOTE 12 - CASH & CASH EQUIVALENTS

| | | |
|--------------------------|----------------|----------------|
| Cash at Bank and on Hand | 555,406 | 557,530 |
| Short Term bank deposits | - | - |
| | <u>555,406</u> | <u>557,530</u> |

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Cash at Bank and on Hand includes the General Operating Bank Account and the Grange Foundation Investment.

The effective interest rate on short-term bank deposits was 2.75% (2012: 3.5%).

Reconciliation of cash

Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the Statement of Financial Position as follows:

| | | |
|---------------------------|----------------|----------------|
| Cash and cash equivalents | <u>555,406</u> | <u>557,530</u> |
| | <u>555,406</u> | <u>557,530</u> |

NOTE 13 - TRADE & OTHER RECEIVABLES

Current

| | | |
|--|--------------------------|----------------|
| Subscriptions Receivable | 269,103 | 240,429 |
| Other Receivables | 21,104 | 75,412 |
| Total current trade and other receivables | <u>26</u> <u>290,207</u> | <u>315,841</u> |

Current trade receivables are non-interest bearing loans and are generally receivable within 30 days. A provision for impairment is recognised against subscriptions where there is objective evidence that an individual trade receivable is impaired. No requirement was required at 30 June 2013 (2012: Nil)

Non-Current

| | | |
|--|--------------------------|----------------|
| Subscriptions Receivable | 190,153 | 224,783 |
| Total current trade and other receivables | <u>26</u> <u>190,153</u> | <u>224,783</u> |

Non current subscriptions receivable reflect entrance fees that are receivable greater than 12 months from reporting date. The Club has for the first time this year split entrance fees between current and non current disclosure as it was deemed more appropriate. The Club has retrospectively applied this change to comparative figures for comparability.


THE GRANGE GOLF CLUB INCORPORATED
**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2013**
NOTE 13 - TRADE & OTHER RECEIVABLES (continued)
Credit Risk

The Club has no significant concentration of credit risk with respect to any single counterparty or group of counterparties. The main source of credit risk to the Club is considered to relate to the class of assets described as subscription receivable.

The following table details the Club's subscriptions receivable exposed to credit risk with ageing analysis and impairment provided for thereon. Amounts are considered as "past due" when the debt has not been settled within the terms and conditions agreed between the club and the member or counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining their willingness to pay and are provided for where there are specific circumstances indicating that the debt may not be fully paid to the Club. All members late in paying their subscriptions are potentially subject to a late payment fee.

The balances of receivables that remain within initial terms (as detailed in the table) are considered to be of high credit quality.

| | Gross Amount | Past Due and Impaired | Past Due but not Impaired | | | Within Initial Trading Terms |
|-----------------------------|-----------------|-----------------------------|---------------------------|--------------|----------------|---------------------------------------|
| | | | 31 - 60 | 61 - 90 | > 90 | |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| 2013 | | | | | | |
| Subscriptions Receivable | 459,256 | - | 13,410 | 3,305 | 128,855 | 313,686 |
| Other Receivables | 21,104 | - | - | 677 | - | 20,427 |
| Total | 480,360 | - | 13,410 | 3,982 | 128,855 | 334,113 |

| | Gross Amount | Past Due and Impaired | Past Due but not Impaired | | | Within Initial Trading Terms |
|-----------------------------|-----------------|-----------------------------|---------------------------|---------------|---------------|---------------------------------------|
| | | | 31 - 60 | 61 - 90 | > 90 | |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| 2012 | | | | | | |
| Subscriptions Receivable | 465,212 | - | 1,554 | 12,785 | 74,611 | 376,262 |
| Other Receivables | 75,412 | - | 6,485 | 10,429 | 24,992 | 33,507 |
| Total | 540,624 | - | 8,039 | 23,214 | 99,603 | 409,769 |

The Club does not hold any financial assets whose terms have been renegotiated, but which would otherwise be past due or impaired

Collateral held as security

No collateral is held as security for any of the subscriptions and other receivables balances

| | | | |
|---|-------------|-------------|-------------|
| Financial assets classified as loans and receivables: | Note | 2013 | 2012 |
| Trade and other receivables: | | \$ | \$ |
| - total current | 26 | 290,207 | 315,841 |



THE GRANGE GOLF CLUB INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2013

| | 2013 \$ | 2012 \$ |
|--|-------------------|-------------------|
| NOTE 14 - INVENTORY | | |
| Bar | 59,079 | 69,509 |
| Catering | 13,499 | 14,942 |
| Other | 33,185 | 3,361 |
| | <u>105,763</u> | <u>87,812</u> |
| NOTE 15 - OTHER CURRENT ASSETS | | |
| Prepayments | 98,038 | 94,252 |
| | <u>98,038</u> | <u>94,252</u> |
| NOTE 16 - PROPERTY, PLANT & EQUIPMENT | | |
| Freehold Land | | |
| At cost | <u>1,892,453</u> | <u>1,892,453</u> |
| Buildings & Surrounds | | |
| At Cost | 6,361,696 | 6,368,296 |
| Less: Accumulated Depreciation | (2,554,947) | (2,407,075) |
| Total Building | <u>3,806,749</u> | <u>3,961,221</u> |
| Course Construction | | |
| At Cost | 4,311,622 | 4,265,458 |
| Less: Accumulated Depreciation | (381,487) | (251,757) |
| Total Course Construction | <u>3,930,135</u> | <u>4,013,701</u> |
| Course Irrigation | | |
| At Cost | 5,042,332 | 4,921,287 |
| Less: Accumulated Depreciation | (1,315,847) | (1,084,816) |
| Total Course Irrigation | <u>3,726,485</u> | <u>3,836,471</u> |
| Plant & Equipment | | |
| At Cost | 2,932,419 | 2,800,788 |
| Less: Accumulated Depreciation | (1,689,379) | (1,455,817) |
| Total Plant & Equipment | <u>1,243,040</u> | <u>1,344,971</u> |
| Furniture & Equipment | | |
| At Cost | 1,697,105 | 1,666,609 |
| Less: Accumulated Depreciation | (1,224,446) | (1,169,171) |
| Total Furniture & Equipment | <u>472,659</u> | <u>497,438</u> |
| Capital Works in Progress | | |
| At Cost | <u>70,871</u> | <u>86,997</u> |
| Total Property Plant & Equipment | <u>15,142,392</u> | <u>15,633,252</u> |

THE GRANGE GOLF CLUB INCORPORATED

 NOTES TO THE FINANCIAL STATEMENTS (continued)
 FOR THE YEAR ENDED 30 JUNE 2013

NOTE 16 - PROPERTY, PLANT & EQUIPMENT (continued)

Movement in Carrying Amounts

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

| | Freehold Land | Buildings & Surrounds | Course Construction | Course Irrigation | Plant and Equipment | Furniture and Equipment | Capital Works in Progress | Total |
|---------------------------|------------------|--------------------------|------------------------|----------------------|------------------------|----------------------------|------------------------------|------------|
| Balance at 30th June 2011 | 1,892,453 | 4,111,571 | 1,872,486 | 3,511,957 | 1,498,554 | 534,320 | 606,334 | 14,027,675 |
| Additions | - | - | 294,371 | 399,341 | 165,207 | 36,546 | 2,511,780 | 3,407,245 |
| Disposals | - | - | (294,262) | (389,267) | (24,134) | - | - | (707,663) |
| Transfers | - | - | 2,350,733 | 680,384 | - | - | (3,031,117) | - |
| Depreciation Expense | - | (150,350) | (89,699) | (211,175) | (294,656) | (73,428) | - | (819,308) |
| Impairment Expense * | - | - | (119,928) | (154,769) | - | - | - | (274,697) |
| Balance at 30th June 2012 | 1,892,453 | 3,961,221 | 4,013,701 | 3,836,471 | 1,344,971 | 497,438 | 86,997 | 15,633,252 |
| Additions | - | - | 48,862 | 39,630 | 227,237 | 52,618 | 65,289 | 433,636 |
| Disposals | - | (4,863) | (979) | - | (30,968) | (2,562) | - | (39,372) |
| Transfers | - | - | - | 81,415 | - | - | (81,415) | - |
| Depreciation Expense | - | (149,609) | (131,449) | (231,031) | (298,200) | (74,835) | - | (885,124) |
| Impairment Expense * | - | - | - | - | - | - | - | - |
| Balance at 30th June 2013 | 1,892,453 | 3,806,749 | 3,930,135 | 3,726,485 | 1,243,040 | 472,659 | 70,871 | 15,142,392 |

Impairment Expense

Course Construction and Course Irrigation assets were impaired in the 2011/12 financial year to reflect the revised projected remaining useful lives of these course assets as a result of the East Course construction. The East Course was officially completed in January 2013.

| | Note | 2013 \$ | 2012 \$ |
|---|------|----------------|----------------|
| NOTE 17 - TRADE AND OTHER PAYABLES | | | |
| Current | | | |
| Deposits - Weddings & Trade Days | | 56,006 | 59,400 |
| Member Top-ups - House Accounts | | 28,498 | 23,956 |
| Trade Payables | | 379,830 | 316,159 |
| Employee Benefits | | 219,588 | 199,930 |
| Accrued Expenses | | 80,670 | 79,716 |
| | 17.a | <u>764,592</u> | <u>679,161</u> |

a. Financial liabilities at amortised cost classified as trade and other payables

Trade and other payables:

| | | | |
|--|----|----------------|----------------|
| - total current | | <u>764,592</u> | <u>679,161</u> |
| | | <u>764,592</u> | <u>679,161</u> |
| Less deposits received in advance | | 56,006 | 59,400 |
| Less member top-ups | | 28,498 | 23,956 |
| Less employee benefits | | 219,588 | 199,930 |
| Financial liabilities as trade and other payable | 26 | <u>460,500</u> | <u>395,875</u> |

NOTE 18 - BORROWINGS

Current

| | | | |
|---------------|--|---|------------------|
| Business Loan | | - | 4,800,000 |
| | | - | <u>4,800,000</u> |

Non-Current

| | | | |
|--------------------------------------|--|-----------|-----------|
| Business Loan | | 4,200,000 | - |
| Loans - Membership Investment Scheme | | 1,810,515 | 1,413,000 |

| | | | |
|-------------------------|-----------|-------------------------|-------------------------|
| Total Borrowings | 26 | <u>6,010,515</u> | <u>6,213,000</u> |
|-------------------------|-----------|-------------------------|-------------------------|

As a result of the Business Loan facility changing from 12 months to 24 month facility, the borrowings have been transferred from current to non-current for the 2012/13 financial year. Membership Investment Scheme loans shown as non-current given that historically these amounts have been invested long term and are not expected to be repaid in the next 12 months.

NOTE 19 - AMOUNTS RECEIVED IN ADVANCE

| | | | |
|--|--|------------------|------------------|
| 2012/13 Membership Subscriptions Paid in Advance | | <u>1,631,034</u> | <u>1,874,555</u> |
|--|--|------------------|------------------|

**THE GRANGE GOLF CLUB INCORPORATED****NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2013**

| | 2013 | 2012 |
|---|----------------|----------------|
| | \$ | \$ |
| NOTE 20 - PROVISIONS | | |
| Provision for Employee Benefits | | |
| Long Service Leave | 165,339 | 146,678 |
| | <u>165,339</u> | <u>146,678</u> |
| Provision for Long Service Leave | | |
| Opening Balance | 146,678 | 154,424 |
| Movement in Provision | 18,661 | (7,746) |
| Balance at 30 June 2013 | <u>165,339</u> | <u>146,678</u> |
| Analysis of Total Provisions | | |
| Current | | |
| Long Service Leave | 137,841 | 124,786 |
| Non-Current | | |
| Long Service Leave | 27,498 | 21,892 |
| | <u>165,339</u> | <u>146,678</u> |

NOTE 21 - CAPITAL AND LEASING COMMITMENTS

There are no other Capital or Leasing Commitments.

NOTE 22 - CONTINGENT LIABILITIES AND CONTINGENT ASSETS

As at 30th June 2013 there are no contingent liabilities or assets to be reported.

NOTE 23 - EVENTS AFTER THE REPORTING PERIOD

There are no events subsequent to balance date which necessitate disclosure in the Financial Statements at 30th June 2013.

As at reporting date the Club was in negotiations with the South Australian National Football League (SANFL) for the purchase of a parcel of land adjacent Brebner Drive. There has been no contract or commitment to the purchase of the land.



THE GRANGE GOLF CLUB INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2013

NOTE 24 - RELATED PARTY TRANSACTIONS

a. Key Management Personnel

| | 2013 | 2012 |
|--|------|------|
| | \$ | \$ |
| Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Club, directly or indirectly, including its Committee members, is considered key management personnel. | | |

Key Management Personnel Compensation

| | | |
|--------------------------------|----------------|----------------|
| - Short-term employee benefits | 533,871 | 546,900 |
| - Post employment benefits | - | - |
| | <u>533,871</u> | <u>546,900</u> |

b. Other Related Parties

Other related parties include immediate family members of key management personnel, and entities that are controlled or significantly influenced by those key management personnel individually or collectively with their immediate family members.

| | | |
|--|----------|----------|
| | <u>-</u> | <u>-</u> |
|--|----------|----------|

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



THE GRANGE GOLF CLUB INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2013

| NOTE 25 - CASH FLOW INFORMATION | 2013 | 2012 |
|---|----------------|----------------|
| | \$ | \$ |
| Reconciliation of Cash Flow from Operations with Profit | | |
| Net Surplus | (189,597) | (418,880) |
| <i>Non-cash flows in profit</i> | | |
| Depreciation & Asset Impairment | 885,124 | 1,094,005 |
| Net (gain) / loss on disposal of property, plant and equipment | 15,599 | (740) |
| <i>Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries</i> | | |
| (Increase) / decrease in trade and other receivables | 60,264 | 45,063 |
| (Increase) / decrease in inventory | (17,950) | (5,894) |
| (increase) / decrease in other assets | (3,786) | (4,455) |
| Increase / (decrease) in trade and other payables | (158,090) | (64,673) |
| Increase / (decrease) in provisions | 18,660 | (7,746) |
| Cashflow from operations | 610,224 | 636,680 |



THE GRANGE GOLF CLUB INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2013

NOTE 26 - FINANCIAL RISK MANAGEMENT

The Club's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable, short term bank bill financing and investments from members.

The total for each category of financial instruments, measured in accordance with AASB 1039 as detailed in the accounting policies to these financial statements, are as follows:

| | Note | 2013 \$ | 2012 \$ |
|--|------|------------------|------------------|
| Financial Assets | | | |
| Cash and Cash Equivalents | 12 | 555,406 | 557,530 |
| Loans and receivables | 13 | 480,360 | 315,841 |
| Total financial assets | | 1,035,766 | 873,371 |
| Financial Liabilities | | | |
| Financial liabilities at amortised cost: | | | |
| - trade and other payables | 17 | 460,500 | 395,875 |
| - borrowings | 18 | 6,010,515 | 6,213,000 |
| | | 6,471,015 | 6,608,875 |

Financial Risk Management Policies

The Committee of the Club meet monthly to review financial reports prepared by management and is responsible for, among other issues, monitoring and managing financial risk exposures of the club. The Committee monitors the Club's transactions and reviews the effectiveness of controls relating to credit risk, financial risk and interest rate risk. Discussions on monitoring and managing financial risk exposures are held monthly and minuted by the Committee.

Specific Financial Risk Exposures and Management

a. Credit Risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Club.

Credit risk is managed through maintaining procedures (such as the utilisation of systems for the approval, granting and removal of credit limits, regular monitoring of exposure against such limits and monitoring of the financial stability of significant customers and counterparties) ensuring, to the extent possible, that members and counterparties to transactions are of sound credit worthiness.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating.

Credit Risk Exposures

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

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed at Note 13.

The Club does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Club. Details with respect to credit risk of trade and other receivables are provided in Note 13.



THE GRANGE GOLF CLUB INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2013

NOTE 26 - FINANCIAL RISK MANAGEMENT (continued)

b. Liquidity Risk

Liquidity risk arises from the possibility that the Club might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Club manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financial activities;
- only investing surplus cash with major financial institutions; and,
- proactively monitoring the recovery of unpaid subscriptions.

The table below reflects an undiscounted contractual maturity analysis for financial liabilities.

Cashflows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cashflows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates

Financial Liability and Financial Asset Maturity Analysis

| | Within 1 Year | | 1 to 5 years | | Over 5 Years | | Total | |
|--|----------------|----------------|----------------|----------------|--------------|----------|------------------|------------------|
| | 2013 | 2012 | 2013 | 2012 | 2013 | 2012 | 2013 | 2012 |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Financial Liabilities due for payment | | | | | | | | |
| Trade and other payables (excluding employee entitlements deposits & member top ups) | 460,500 | 395,875 | - | - | - | - | 460,500 | 395,875 |
| Total Contractual Outflows | 460,500 | 395,875 | - | - | - | - | 460,500 | 395,875 |
| Total Expected Outflows | 460,500 | 395,875 | - | - | - | - | 460,500 | 395,875 |
| Financial Assets - cash flows realisable | | | | | | | | |
| Cash and cash equivalents | 555,406 | 557,530 | - | - | - | - | 555,406 | 557,530 |
| Trade and other receivables | 290,207 | 315,841 | 190,153 | 224,783 | - | - | 480,360 | 540,624 |
| Available-for-sale investments | - | - | - | - | - | - | - | - |
| Total anticipated inflows | 845,613 | 873,371 | 190,153 | 224,783 | - | - | 1,035,766 | 1,098,154 |
| Net (outflow)/ inflow on financial instruments | 385,113 | 477,496 | 190,153 | 224,783 | - | - | 575,266 | 702,279 |

Financial Assets pledged as collateral

No financial assets have been pledged as security for any financial liability.

c. Market Risk

(i) Interest Rate Risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows.

Interest rate risk is managed by ensuring investments are reviewed regularly. The Club's debt as at 30 June 2013 comprised \$4,200,000 of Commonwealth Bank Business Loan and \$1,810,515 of investments by members.

The Club had an undrawn overdraft facility of \$100,000 as at 30 June 2013.

The Membership Investment Scheme paid interest at a rate of 6.0% for the six months ended 31st December 2012, and 5.5% for the six months ended 30th June 2013.

THE GRANGE GOLF CLUB INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2013

NOTE 26 - FINANCIAL RISK MANAGEMENT (continued)

(ii) *Price Risk*

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices of securities held.

The Club is not exposed to any material commodity price risk.

(ii) *Currency Risk*

Exposure to foreign exchange risk may result in the fair value or future cash flows of a financial instrument fluctuating due to movement in foreign exchange rates of currencies in which the Club holds financial instruments which are other than the AUD functional currency. Following the completion of the East Corse re-development the Club no longer hold any foreign currency and therefore no longer exposed to any currency risk.

Net Fair Values

Fair value estimation

The fair values of financial assets and liabilities are presented in the following table and can be compared to their carrying values as presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

| | Footnote | 2013 | | 2012 | |
|------------------------------------|----------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| | | Net Carrying Value \$ | Net Fair Value \$ | Net Carrying Value \$ | Net Fair Value \$ |
| Financial Assets | | | | | |
| Cash and cash equivalents | (i) | 555,406 | 555,406 | 557,530 | 557,530 |
| Trade and other receivables | (i) | 480,360 | 480,360 | 540,624 | 540,624 |
| Total Financial Assets | | 1,035,766 | 1,035,766 | 1,098,154 | 1,098,154 |
| Financial Liabilities | | | | | |
| Trade and other payables | (i) | 460,500 | 460,500 | 395,875 | 395,875 |
| Total Financial Liabilities | | 460,500 | 460,500 | 395,875 | 395,875 |

The fair values disclosed in the above table have been determined based on the following methodologies:

- (i) Cash and cash equivalents, trade and other receivables and trade and other payables are short term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables exclude amounts provided relating to employee entitlements and deposits held for functions, which are not considered financial instruments.



THE GRANGE GOLF CLUB INCORPORATED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2013**

NOTE 27 - CLUB DETAILS

The registered office of the Club is:

The Grange Golf Club Incorporated
White Sands Drive
GRANGE SA 5022

The principal place of business of the Club is:

The Grange Golf Club Incorporated
White Sands Drive
GRANGE SA 5022



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GRANGE GOLF CLUB INCORPORATED

Report on the Financial Report

We have audited the accompanying financial report of The Grange Golf Club Inc (the Association), which comprises the statement of financial position as at 30 June 2013, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the certification by members of the Committee on the annual statements giving a true and fair view of the financial position and performance of the Association.

Committee's Responsibility for the Financial Report

The Committee of the Association is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Associations Incorporation Act SA 1985* and for such internal control as the Committee determines is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

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

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

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Auditor's Opinion

In our opinion, the financial report of The Grange Golf Club Inc is in accordance with the *Associations Incorporation Act SA 1985*, including:

- i. giving a true and fair view of the Association's financial position as at 30 June 2013 and of its performance for the year ended on that date; and
- ii. complying with Australian Accounting Standards as disclosed in Note 1.

DEAN NEWBERY & PARTNERS
CHARTERED ACCOUNTANTS

SAMANTHA ALLARD
PARTNER

Signed on the 30th day of August 2013,
 At 214 Melbourne Street, North Adelaide, South Australia 5006.



**HOUSE TRADING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2012**

| | Bar | | Catering | |
|---------------------------------------|----------------|----------------|----------------|----------------|
| | 2013 | 2012 | 2013 | 2012 |
| | \$ | \$ | \$ | \$ |
| Sales | 1,026,636 | 1,016,748 | 1,207,148 | 1,303,650 |
| Less: Cost of Goods Sold | 382,057 | 364,770 | 478,350 | 501,041 |
| Gross Profit | <u>644,579</u> | <u>651,978</u> | <u>728,798</u> | <u>802,609</u> |
| Gross Profit Percentage | 62.79% | 64.12% | 60.37% | 61.57% |
| EXPENDITURE | | | | |
| Computer Maintenance | 3,914 | 3,914 | 4,899 | 4,893 |
| Depreciation | 5,826 | 5,624 | 21,521 | 20,465 |
| Marketing | 14,753 | 9,181 | 14,753 | 9,181 |
| Member Birthday Vouchers | - | - | 7,473 | 7,154 |
| Repairs & Maintenance | 4,599 | 5,364 | 7,429 | 10,299 |
| Supplies & Laundry | 12,276 | 14,865 | 53,305 | 63,662 |
| Wages & Related Costs | 403,216 | 433,371 | 594,642 | 597,237 |
| Total Operating Expenses | <u>444,584</u> | <u>472,319</u> | <u>704,022</u> | <u>712,891</u> |
| Net Operating Surplus(Deficit) | 199,995 | 179,659 | 24,776 | 89,718 |
| Add: Unexpended Levies | 17,010 | 19,449 | 17,010 | 19,449 |
| NET SURPLUS | <u>217,005</u> | <u>199,108</u> | <u>41,786</u> | <u>109,167</u> |



SUMMARY OF LAST 5 YEARS

| | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---------|---------|---------|---------|---------|
| Number of Members | 2089 | 2136 | 2222 | 2307 | 2,340 |
| Staff (including trainees and apprentice staff) | | | | | |
| - Administration (Full-Time only) | 5.3 | 5.3 | 5.3 | 5.3 | 5.3 |
| - Course (Full-Time Equivalent) | 18 | 21 | 22 | 22 | 23 |
| - Bar & Catering (Full-Time only) | 4.7 | 6.7 | 5.7 | 5.7 | 6.7 |
| Subscription Rate (exc GST) | \$2,211 | \$2,057 | \$1,914 | \$1,822 | \$1,735 |

STATEMENT OF FINANCIAL PERFORMANCE AND MEMBERS FUNDS MOVEMENTS

Income

| | | | | | |
|-------------------------------|-------|-------|-------|-------|-------|
| Subscription Fees | 3213 | 3128 | 3116 | 3063 | 3,020 |
| Gross Profits - House Trading | 1373 | 1455 | 1397 | 1357 | 1,294 |
| Other Income | 915 | 742 | 894 | 853 | 2,744 |
| Entrance Fees | 294 | 168 | 348 | 442 | 401 |
| Call on members | 0 | 0 | 0 | 0 | 0 |
| | 5,795 | 5,493 | 5,755 | 5,715 | 7,459 |

Less Expenditure

| | | | | | |
|---------------------------------|-------|-------|-------|-------|-------|
| Total Salaries & Wages | 2671 | 2695 | 2475 | 2435 | 2,467 |
| Other Expenses | 2051 | 1751 | 1948 | 1782 | 1,756 |
| Depreciation & Asset Impairment | 885 | 1094 | 1385 | 747 | 706 |
| Interest | 378 | 372 | 262 | 191 | 232 |
| | 5,985 | 5,912 | 6,070 | 5,155 | 5,161 |

Operating Surplus

| | | | | | |
|--------------------------------------|--------------|--------------|--------------|--------------|--------------|
| | (190) | (419) | (315) | 560 | 2,298 |
| Members Funds' at Beginning of Year | 8,000 | 8,419 | 8,734 | 8,174 | 5,876 |
| Members Fund's at End of Year | 7,810 | 8,000 | 8,419 | 8,734 | 8,174 |



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