

48th ANNUAL REPORT & STATEMENT OF ACCOUNTS 2017-2018



YOUR LOCAL CLUB, SUPPORTING OUR LOCAL COMMUNITY

SARAH CLAYDON RETIREMENT VILLAGE
 ULLADULLA SCRABBLE GROUP
 ULLADULLA GAME FISHING CLUB
 ULLADULLA HIGH SCHOOL - ROBOTICS
 UNIVERSITY OF WOLLONGONG
 ULLADULLA SENIOR DOCKERS
 ULLADULLA EMOTIONAL
 DISTURBANCE UNIT
 TRIPLE O SERVICES
 NAIDOC FUN DAY
 ULLADULLA JUNIOR DOCKERS
 PHILOSOPHY GROUP
 RSL PIGEON HOUSE DAY CLUB
 MILTON ULLADULLA RSL SUB BRANCH
 ULLADULLA PROBUS CLUB
 ULLADULLA SPORTS
 PARK COMMITTEE
 SCULPTURE AT PETANA
 TATHRA FIRE APPEAL
 RSPCA
 SOUTH COAST COLLEGES
 PCYC SHOALHAVEN
 OUTDOOR CINEMA EVENT
 ULLADULLA HIGH PRESENTATION NIGHT
 ULLADULLA & DISTRICTS NETBALL ASSOCIATION
 ULLADULLA PHYSICAL CULTURE
 ULLADULLA UNITED CRICKET TEAM
 ULLADULLA CRICKET ASSOCIATION
 MILTON ULLADULLA VIEW CLUB
 SENIORS WEEK
 ULLADULLA FISHING CLUB
 ST VINCENT DE PAUL
 SOUTHERN DISTRICT DARTS ASSOC.
 ULLADULLA GARDEN CLUB
 ULLADULLA HIGH TOUCH FOOTBALL TEAM

YOUR LOCAL CLUB

SUPPORTING OUR LOCAL COMMUNITY

BUILDING PARTNERSHIPS WITH OUR LOCAL COMMUNITY



BOARD OF DIRECTORS 2017-2018



WILLIAM DRURY
President



ANNETTE STEEL
Vice President



SIMON LAW
Vice President



EDWIN WILD
Director



PAUL WARREN
Director



TONY IRELAND
Director



TONY HOPPER
Director



DARRYL BOZICEVIC
Secretary Manager

CURRENT LIFE MEMBERS:

Joe Hughes, Shelley Payten and Jeanie Walsh

PAST LIFE MEMBERS:

M Bolin, J Gittens, E McMahon, J Lyall, F Pascoe, H Warren, M Gittens,
B Barkl, F Duncan, R Coster, J Donkin

CURRENT PATRONS:

Dawn Rash and Mick Timmings

PAST PATRONS:

Norm Ralston



The Board extends sincere sympathy to the families of members who have passed away in the last year; there will be a minute silence at the AGM.

THE MILTON ULLADULLA EXSERVOS CLUB LIMITED

ABN 90 000 858 364

Notice is hereby given that the 48th ANNUAL GENERAL MEETING of the MILTON ULLADULLA EXSERVOS CLUB LIMITED is to be held on **Sunday 4th November 2018** commencing at **9.30am** in the Club lounge, 212-222 Princes Highway, Ulladulla, New South Wales.

William Drury
President

AGENDA

1. Welcome
2. Introduction
3. Reception of Apologies
4. One minute silence for deceased members
5. Returning Officer Report on Elections
 - 1 x President
 - 2 x Ordinary Board members (Directors)
6. Confirmation of Minutes of the 47th Annual General Meeting held on Sunday 12th November 2017
7. To receive and consider the President's Report
8. To receive and consider the Secretary Manager's Report
9. To receive and consider the Trading Account, Profit and Loss Statement, Balance Sheet and Auditor's Report for the year ended 30 June 2018
10. Notices of Resolutions - Ordinary
11. Club Property Report
12. Amalgamation Expressions of Interests received / Unsolicited
Merger Offers Received
14. General Business

The full annual report can be viewed or downloaded from the
Milton Ulladulla ExServos www.ulladullaexservos.com.au
or obtained at the Club in person or by calling 02 4455 1444

PRESIDENT'S ANNUAL REPORT 2018

It is my pleasure to present my President's report for our Club's 48th Annual Financial Report. This year saw the retirement from the Board of Past President and Life Member Brian Wilkins. Brian's influence and commitment to our Club has resulted in the Milton Ulladulla ExServos Club being the Club that it is today. It was my pleasure to serve on the Board with Brian as Chairman and he has proved to be an exceptional mentor not only for me, but all Board members and Management. Thank you Brian for all your hard work. With Brian's retirement saw Tony Hooper, a local businessman filling the role of Director. Tony has a strong local background and is an asset to our Club. Welcome to the Board Tony.

This year saw the Club achieve a profit of \$241,255 which is down from the previous year. The market in which we operate is a very competitive one, with the Board and Management being focussed on continued improvement across all areas. Part of this improvement was stage one of the Master Plan, which saw the repair of the (now new) driveway that will last as long as any drive in the region, improvements to the car parking surfaces, the installation of new offices under the main Club, new service yard, with new keg room and other infrastructure being modernised to put our Club in a position for a strong future for all our members and guests.

The second stage will be completed by December 2018 and this will see new furniture throughout the Club as well as a new and improved gaming floor, along with cosmetic and modern look and feel improvements.

Strategic planning remains a key focus for the Board, with the plan (as always) being revisited on an ongoing basis and improved to ensure that it is aligned with the key objectives of our Club. This is the framework that our Club uses to ensure that we are always looking to improve. It gives direction to our Management team and keeps us all on track and working collaboratively.

Our community support is as always at the forefront of what we do as a Club and is a key strategic objective for the Board and Management. I would like to highlight one of the many programs we are involved with; the Kokoda Youth Leadership Challenge. This is a program which we partner with our local RSL Sub Branch (with Paul Warren as President) and Ulladulla High School (with Principal Denise Lofts and Head Teacher HSIE Ben Barry) as the driving forces to send 2-3 year 11 students to walk the Kokoda Trek. I have had the pleasure of being involved with these students before and after the Trek. The quality of young people coming through Ulladulla High School is exceptional and are a credit to all who have been involved; when the kids return from the Trek it is a great feeling to know the future is in good hands.

During last year we held the vote to amalgamate with the Milton Ulladulla Bowling Club which did not proceed past the voting stage. Although disappointed in the result after much hard work and expense, I wish all involved all the best moving forward. I am a firm believer that Clubs are the backbone of our community and I am committed to ensuring that all the great things that not only our Club does, but that all Clubs do for the community, continues well into the future. I would also like to thank ClubsNSW for their support throughout the amalgamation process.

Maggie Warren and Annie Alexander hold the role of Welfare Officers for our Club. The work these two wonderful women do for our members behind the scenes is exceptional and I thank them on behalf of everyone involved with our Club.

Our Club continues to offer a high level of food within the SeaSalt Restaurant. It is a pleasure to see so many happy faces in our Club enjoying our food offering that is supplied by our Club Caterer (Stewart's Catering) run by Sally Stewart.


To say the past year has been busy would be an understatement, with many improvement initiatives coming to fruition over this time. The Club continues to remain in a strong position due to the work of all involved. To Darryl Bozicevic our Club CEO, I extend not only my thank you but that of the Board for your continued work ethic. It is clear that you run the Club as you would your own business, with your passion not only for our Club but the local area being clear for all to see. The Club is in the strong position it is today due in no small part to your efforts. Thank you.

To Matt, Alison, Belinda, Michelle, Rob, Paul, Marlee and Kirstyn, thank you all for your continued work on behalf of our members. I also thank all of our staff members who ensure our Club presents the way it does every day we open. You are all a credit to the Milton Ulladulla ExServos Club. I always enjoy seeing our members and guests enjoying our Club facilities and this is not possible without all your efforts.

To the Vice Presidents Annie Steel and Simon Law and to Directors, Ted Wild, Paul Warren, Tony Ireland and Tony Hooper. Each year the role of a Director becomes more demanding and technical, with the ever increasing level of governance, training and education that is required. I thank you all for your time and commitment; our Club, members and community are very grateful for your efforts.

To all our members that support our Club, thank you. We will continue to ensure that our Club is always a focal point of our wonderful community.

Regards,

A handwritten signature in black ink, appearing to read 'W Drury', with a stylized flourish at the end.

William Drury
PRESIDENT

SECRETARY MANAGER'S REPORT 2018

On behalf of the Board of Directors and I, it is with pleasure that I present to you our Club's 48th Annual Financial Report for the year ended 30 June 2018 as Secretary Manager.

The Club's financial performance over the year has allowed your Club to achieve a net profit of \$241,255, which is a decrease against last year's result, which was \$469,986. The revenue from ordinary activities increased by \$64,550 which is an increase of 0.7%.

We have seen our expenses increase this year by \$249,389. This is mainly due to the refurbishment, an increase in depreciation on our buildings and we continue to update our plant and equipment; this, combined with the stage one refurbishment has seen an increase in depreciation of \$125,571. Our workers compensation insurance increased by \$43,986 and the other major cost was the attempted amalgamation with the Milton Ulladulla Bowling Club. These three expense items have affected the bottom line. Additionally the other expense items that have seen an increase are electricity, interest due to the refurbishment, licences and registrations, and general training.

Our membership is virtually the same as last year, being 16,956 compared to last years' 16,900, which is good to see; our summer memberships continue to be a popular option over the holiday period.

The biggest changes in the balance sheet this year are in the bank loans; both non-current (long term) and current (short term) liabilities increased by \$2.6m with all funds being spent on stage one renovations.

The Club continues to contribute and support local community events, sporting teams, community organisations and fundraisers. This year the Club has contributed back to the community \$156,844.

This year we have continued our relationship with the RSL Sub-branch. We made some enhancements to our memorial area and held another very successful Anzac Day dawn service. The RSL Day Club also continues to be a great success, with the volunteers giving up their time to help the elderly gather for some social activity; which helps get them out and stay active. Well done to everyone involved with the Milton Ulladulla RSL Sub-branch. A special thank you also to Ulladulla High School and their involvement with Anzac Day and the RSL. The joint ExServos, RSL Sub-branch and High School initiative to send students to do the Kokoda trek was another great success this year.

We have seen a lot of planning by the Board of Directors in regards to our Strategic Plan and commencement of the Master Plan. This year stage one of the Master Plan was completed with our new and improved driveway, some carpark improvements, new storage area and new keg room under the Club, as well as the new administration offices. All up the total spend was \$2.6m.

In the past, the Board has been very focused on debt reduction to allow for the Master Plan to commence this year and we have seen our debt increase from \$2,271,196 to \$4,899,371. This coming year we will see a further spend of approximately \$1.6m on refurbishment of the main Club. This will include improvements to our technology, restaurant, entrance, lounge area, and gaming (indoor and outdoor) and approximately 70% of our furniture will be replaced. Once completed, the Board and management will re-focus on debt reduction and plan for stage 3 of the Master Plan.

To the Board of Directors: President William Drury, Vice Presidents Annie Steel and Simon Law, Directors Brian Wilkins, Ted Wild, Paul Warren, Tony Ireland and new Director Tony Hopper, I would like to thank you all for your support in what has been another extremely busy year. The Board's commitment to the Strategic and Master Planning has been focused and dedicated. Congratulations to you all for your commitment to the planning of the Club's future. I am sure the members of this Club appreciate your efforts and the significant amount of time you invest; we can sometimes forget that your time is voluntary! On behalf of Management and Staff I would like to thank you for your time, passion and commitment. The direction and support you provide to me and the team is outstanding. Thank you!

On another Board note I believe a HUGE thank you should go out to Brian Wilkins; Board member for 18 years and President for 6 years. Brian has been nothing but inspirational for this Club. For me, since my arrival in January 2011, he has been a mentor, leader and astute business man who has put this Club on a path that no one could have envisaged. His commitment to direction, leadership and succession planning of the Board is certainly one that many will use as an example going forward in this industry. Brian, we wish you and your lovely wife Jeni all the best for the future and I cannot thank you enough for your commitment to this Club. WELL DONE!!!

To all our staff; and our PEAKing TEAM, well done. Thank you for your continued support and commitment to the ExServos Club. Our team has certainly seen some great steps forward as a united front; you have focused on great customer service, delivering great products and services with a friendly smile. As I said last year, it takes a team to make a Club successful and everyone has a role to play. Let's keep PEAKing and striving to be the best!

To the management team of Matt, Alison, Belinda, Rob, Paul, Marlee, Kirstyn and Michelle and new-comer Kim at the Sandbar; congratulations and thank you all for your loyalty, integrity and contribution to this last year. Your support of me and your commitment to the Club is greatly appreciated.

To our other key staff: Judy, in Accounts, our Cellar/Maintenance team of Trevor, Michael and Ben, the Marketing team: Hannah, Tara; thanks for your efforts. Our Club Supervisors, Cecilia, Jason, Rob and Tait thank you. To our Co-Ordinators, Duncan, Gabe and Cara, and our new Functions Co-Ordinator Sasha, thank you also for your efforts this year, as well as all of the Staff. Nice work team, we're certainly PEAKing!!

To the Club's Caterer Sally Stewart and all the Stewarts Catering team; thank you all for your efforts and commitment to the Club. We continue to serve variety with seasonal change and great, consistent food. Well done and thank you.

To our members; "Your Local Club, Supporting our Local Community" is still our slogan. This year has certainly not been our best from a financial result perspective. In saying that, I believe we have achieved a lot in ensuring our Club remains current, up-to-date and vibrant. We have been focused on the renovations of stage one (now complete), with stage two planning due to be executed before Christmas 2018, the update of our rewards program and the technology that supports this program. You have seen some introduction of this and there is more to come. I can assure you that the Board, Management and Staff are always looking for new ideas, ways to improve and challenging ourselves to ensure our Club is one of the best in the region.

Our Members and our Staff are our key asset; we strive to be personable and offer a great customer experience and service through our staff, premises and offerings. We hope that you continue to support what we have built and are continuing to build for the future.

On behalf of the Board of Directors, Management and Staff I would like to thank you for your loyalty and support of the ExServos Club.

We will continue to strive to provide you with the best facilities, products and services that we can, and most importantly, our friendly smiles will always be here waiting to greet you!

The festive season is nearly upon us again, so to you and your families we hope that you remain safe and be festive! I wish you all the best for the coming year and look forward to seeing you, your family and friends in our Club again soon.

A handwritten signature in black ink, appearing to read 'Darryl Bozicevic', with a stylized flourish at the end.

Darryl Bozicevic
Secretary Manager

NOTICE OF ORDINARY RESOLUTIONS

Members will be asked to consider and if thought fit pass the following resolutions, which are proposed as Ordinary Resolutions:

First Ordinary Resolution

That pursuant to the Registered Clubs Act:

- a) The members hereby approve and agree to expenditure by the Club in the sum not exceeding \$10,000 until the next Annual General Meeting of the Club Ltd. For the following expenses, subject to approval by the Board of Directors of the Club:
 - (i) The reasonable cost of a meal and beverage for each Director immediately before or immediately after a Board or Committee meeting.
 - (ii) Reasonable expenses incurred by Directors within the Club or elsewhere in relation to such other duties including entertainment of special guests to the Club and other promotional activities approved by the Board, on production of documentary evidence of such expenditure.
 - (iii) Reasonable expenses for the members of the Board of Directors and their partners to attend an end of year dinner.
 - (iv) Reasonable expenditure on food and refreshments for Directors and Senior Management in entertaining members and guests of the Club.
 - (v) The Club providing each Director with a uniform of a blazer, trousers or skirt, shirt or blouse, and a jumper.
- b) The members acknowledge that the benefits in a) above are not available to members generally but only for those who are Directors of the Club and those members directly involved in the above activities.

Second Ordinary Resolution

That pursuant to the Registered Clubs Act:

- a) The members hereby approve and agree to expenditure by the Club in the sum not exceeding \$20,000 for the professional development and education of Directors until the next Annual General Meeting and being:
 - (i) The reasonable cost of Directors attending the ClubsNSW Annual General Meeting.
 - (ii) The reasonable cost of Directors attending legislated training, seminars, lectures, trade displays, organised study tours, fact finding tours and other similar events as may be determined by the Board from time to time.
 - (iii) Attendance at Functions with spouses where appropriate and required to represent the Club.
- b) The members acknowledge that the benefits in (a) above are not available to members generally but only for those who are Directors of the Club.

Dated at Ulladulla this 27th day of August 2018.

By Direction of the Board



Darryl Bozicevic
SECRETARY MANAGER

EXPLANATORY NOTES FOR ORDINARY RESOLUTIONS:

These notes are to be read in conjunction with the proposed resolution.

1. The First Ordinary Resolution is to have the members in General Meetings approve an amount no greater than \$10,000 for expenses incurred by Directors in the performance of their duties.
2. The Second Ordinary Resolution is to have the members in General Meetings approve an amount no greater than \$20,000 for the expenditure by the Club for Directors to attend legislated training, seminars, lectures, trade displays and other similar events including the ClubsNSW Annual General Meeting. Also, to enable the Club's governing body to be kept abreast of current trends and developments, which may have a significant bearing on the nature and the way in which the Club conducts its business. Included in the above would be the attendances at functions with spouses where appropriate and required to represent the Club.
3. Each of the resolutions must be passed as a whole and cannot be amended from motions from the floor of the meeting or divided into two or more separate resolutions.
4. To be passed each ordinary resolution must receive votes in its favour from not less than a simple majority of those members, who being entitled to do so, vote in person at the meeting.

CLUB PROPERTY REPORT
MILTON ULLADULLA EXSERVOS CLUB LIMITED

Pursuant to Section 41J(2) of the Registered Clubs Act for the financial year ended 30 June, 2018:

- a) the following properties are core property of the Club:
 - (i) licensed premises at 212-222 Princes Highway, Ulladulla (being Lot 16 of deposited plan 747884);
 - (ii) car park facilities at 212-222 Princes Highway, Ulladulla (being Lot 16 of deposited plan 747884);

- b) the following properties are non-core property of the Club:
 - (i) land located at 206 Princes Highway, Ulladulla (being Lot 206 of deposited plan 236164);
 - (ii) land located at 208 Princes Highway, Ulladulla (being Lot 208 of deposited plan 236164); and
 - (iii) land located at 210 Princes Highway, Ulladulla (being Lot 210 of deposited plan 236164).

Notes to Members

1. Section 41J(2) of the Registered Clubs Act requires the annual report to specify the core property and non-core property of the Club as at the end of the financial year to which the report relates.
2. Core property is any real property owned or occupied by the Club that comprises:
 - a) the defined premises of the Club; or
 - b) any facility provided by the Club for use of its members and their guests; or
 - c) any other property declared by a resolution passed by a majority of the members present at a general meeting of Ordinary members of the Club to be core property of the Club.
3. Non-core property is any other property (other than that referred to above as core property) and any property which is declared by the members at a general meeting of ordinary members of the Club not to be core property.
4. The significance of the distinction between core property and non-core property is that the Club cannot dispose of any core property unless:
 - a) the property has been valued by a registered valuer within the meaning of the Valuers Act 2003; and
 - b) the disposal has been approved at a general meeting of the Ordinary members of the Club at which the majority of the votes cast support the approval;
 - c) any sale is by way of public auction or open tender conducted by an independent real estate agent or auctioneer.
5. These disposal provisions and what constitutes a disposal for the purposes of section 41J are to some extent modified by regulations made under the Registered Clubs Act and by Section 41J itself. For example, the requirements in paragraph 4 above, amongst other things, do not apply to:
 - Core property that is being leased or licensed for a period not exceeding 10 years on terms that have been the subject of a valuation by a registered valuer; or
 - Core property that is leased or licensed to a telecommunications provider for the purposes of a telecommunication tower.
6. Non-core property is not subject to the limitations referred to in paragraph 4 and 5 above and can be disposed of without the Club having to following the procedure referred to in paragraph 4 above.

MILTON ULLADULLA EXSERVOS CLUB LIMITED

ABN 90 000 858 364

DIRECTORS' REPORT

The Directors present their report together with the financial report of the Milton Ulladulla ExServos Club Limited for the year ended 30 June 2018 and the auditor's report thereon.

Directors

The Directors of the Company at any time during or since the end of the financial year are:

Name	Experience and Special Responsibilities
Mr William Ernest Drury <i>President</i>	Mr Drury has been a Director since September 2011. He is the owner of Ulladulla Printing Service, President of South Coast Group 7 Referees' Association, President of NSW Country Rugby League Referees' Association and has been a member of the ExServos Club for over 25 years. He is also a long serving member of Mollmook Surf Lifesaving Club. Mr Drury is actively involved in many local community events, groups and sporting associations such as Milton Ulladulla Junior Rugby League Football Association. Mr Drury is committed to his position as President of the Club and aims to ensure that the Club continues to flourish, prosper and grow stronger in the community for the benefit of members and their invited guests.
Mrs Annette Irene Steel <i>Vice President</i>	Mrs Steel has been a Director since June 2006. She has been the IMB Ulladulla Bank Manager since 2002 and has been actively involved in all commercial and residential aspects of finance for over 35 years. Her community responsibilities include being an active Justice of the Peace since 1996. Mrs Steel is committed to her position as a Director of the Club and is dedicated to promoting the Club and ensuring it is always successful and in a sound financial position.
Mr Simon Thomas Law <i>Vice President</i>	Mr Law has been a Director since May 2013. He has owned Milton Ulladulla Funeral Services since 2004 and has worked as a Funeral Director since 1993. Mr Law was a Board member of the Milton Ulladulla Football Club (Soccer) for 15 years, is past President of the NSW/ACT Division of the Australian Funeral Directors Association and has been a member of the Ulladulla unit of the State Emergency Service since 2001, a Scout leader as well as being an Authorised Marriage Celebrant since 2010. Mr Law is committed to the development & growth of the Club for the benefit of its members, guests and the community as a whole.
Mr Brian Burleton Wilkins <i>Director until April 2018</i>	Mr Wilkins served as a Director since 2000. He retired from the board this year, with his last meeting being April 2018. He is a taxi proprietor, the current President of the NSW Taxi Association and the Australian Taxi Association and held managerial positions for over 30 years. Since joining the Board he has been part of a team that has overseen the steady growth of the Club, resulting in membership tripling and the Club's financial position increasing. He was President of the Club from 2010 until 2015. Mr Wilkins has always been committed to his position as a Director of the Club and is dedicated to the Club which was created for the benefit of members and their invited guests and the local community as a whole.
Mr Edwin Robert Wild <i>Director</i>	Mr Wild has been a Director since August 2006 and has been the Managing Director of Ulladulla Printing Services Pty Ltd for 36 years. A printing proprietor for 51 years, he is a past President and Paul Harris Fellow of Rotary, a member of the Mollmook Surf Lifesaving Club, an active sponsor of sporting and other local organisations and won business person of the year in 2002. Committed to his position as a Director of the Club Mr Wild is dedicated to the process of delivering to members a bigger and better Club for their comfort and enjoyment.
Mr Paul Anthony James Warren <i>Director</i>	Mr Warren has been a Director since September 2011. He retired from the Royal Australian Navy as a Chief Petty Officer after 20 years of service, and was also a Duty Manager at Coles Ulladulla for 9 years. Mr Warren has been the President of the Milton Ulladulla RSL Sub-Branch for the last 8 years, was Vice President/Pensions Officer for several years prior, and is a current Chairman of the Milton Ulladulla War Memorial Trust. Mr Warren has lived in Burrill Lake since 1985 and has been an active member of the Club for 38 years. Mr Warren is committed to his position as a Director of the Club and helping to guide the Club forward for the benefit of members and guests.

DIRECTORS' REPORT

Mr Anthony James Ireland
Director

Mr Ireland has been a Director since January 2017. He is an Optometrist, completing undergraduate studies in 1998, and Master of Optometry degree in 2008. Mr Ireland has been working in the Shoalhaven since 1999, and started his first practice in Ulladulla in 2003. Mr Ireland also has practices in Batemans Bay and Merimbula, and is a founding member of EyeQ Optometrists. Mr Ireland is a very active member of Mollymook Surf Life Saving Club, and has been involved in surf lifesaving for over 25 years. He coaches Nippers as well as the senior swim board and ski team, and has won state and national medals as a competitor. Mr Ireland is excited to be steering the Club into the future, for the benefit of members and the local community.

Mr Anthony Derek Hopper
Director from April 2018

Mr Hopper has been a Director since April 2018. He is a real estate veteran with 40 years experience in the real estate industry having worked in large well established organisations such as Knight Frank Group & M J Davies Industrial. Tony has a wealth of knowledge in Residential / Industrial sales marketing, leasing and management. Tony is successful and respected in the local property market and a long term member of the prestigious Multi Million Dollar Club that recognises high sales turnover. Tony and his family have been supportive members of the local community for over 25 years.

Director's Meetings

The number of Directors' meetings (including special meetings) and number of meetings attended by each of the Directors of the company during the financial year are:

Director	Directors' Meetings		Special Meetings	
	A	B	A	B
W E Drury	12	12	5	5
A I Steel	8	12	3	5
S T Law	10	12	5	5
B B Wilkins	8	10	4	4
E R Wild	10	12	5	5
P AJ Warren	10	12	4	5
A J Ireland	12	12	5	5
A D Hopper	2	2	1	1

Note: All Directors are not required to be in attendance at all special meetings called.

A - Number of meetings attended.

B - Number of meetings held during the time the Director held office during the year.

Principal activities

The principal activities of the Company during the year were:

*Conduct of a Registered Club.

There were no significant changes in the nature of the Company's principal activities during the financial year.

The operating profit was \$241,255 (2017 \$469,986) after charging income tax of \$18,171 (2017 \$40,516).

DIRECTORS' REPORT

Dividends

As the company is precluded from paying a dividend to its members, no dividend has been paid or recommended.

State of Affairs

In the opinion of the Directors there were no significant changes in the state of affairs of the company that occurred during the financial year under review not otherwise disclosed in this report or the financial report.

Events Subsequent to Balance Date

In the interval between the end of the financial year and the date of this report, the club has committed to Stage 2 of it's major upgrade and extension to the building at an approximate cost of \$1,450,000.

Directors' Indemnity and Insurance Premiums

Directors' and Officers indemnity premiums amounting to \$1,635 (2017 \$1,635) have been paid by the Company during the year for Directors' and Officers' liability insurance. The insurance is in respect of legal liability for damages and legal costs to a maximum of \$5,000,000 arising from claims made by reason of any omission or act (other than dishonesty) by them whilst acting in their individual or collective capacity as Directors or Officers of the Company. The Company has not, during or since the financial year, in respect of any person who is or has been an officer or auditor of the Company indemnified or made any relevant agreement for indemnifying against a liability, including costs and expenses in successfully defending legal proceedings.

Directors' Benefits

Since the end of the previous financial year no Director of the company has received or become entitled to receive any benefit by reason of a contract made by the company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest other than in respect of Mr B B Wilkins, Director of a Taxi Company \$1,852, Mr W E Drury, Director of Ulladulla Printing Service Pty Ltd \$171,698, and Mrs A I Steel, Manager of IMB the Club's Financial Institution.



.....
W E DRURY: Director
PRESIDENT



.....
A I STEEL: Director
VICE PRESIDENT

Dated at Ulladulla this 27th day of August 2018

Signed in accordance with a resolution of the Directors.

MILTON ULLADULLA EXSERVOS CLUB LIMITED

ABN 90 000 858 364

DIRECTORS' REPORT

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: The Directors of the Milton Ulladulla ExServos Club Limited

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2018 there have been:

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



.....
BSP Advisory Group



.....
M D BURCHER

Dated at Ulladulla this 27th day of August 2018

MILTON ULLADULLA EXSERVOS CLUB LIMITED
ABN 90 000 858 364

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2018

	NOTE	2018 \$	2017 \$
Revenues from Ordinary Activities	2	9,535,100	9,470,550
Cost of Sales		(1,448,759)	(1,375,768)
Bar, Function and Bottle Shop Expenses		(663,094)	(719,236)
Poker Machine Expenses		(1,807,919)	(1,911,990)
TAB and Keno Expenses		(257,804)	(266,879)
Civic Centre Expenses		(335,478)	(240,767)
Local Express Expenses		(239,507)	(140,631)
Sandbar Expenses		(47,062)	-
Entertainment Expenses		(520,080)	(607,883)
Occupancy Expenses		(663,648)	(651,496)
Administration Expenses		(1,092,361)	(1,065,819)
Amortisation		(34,858)	(34,858)
Depreciation Expense	3	(932,923)	(810,906)
Borrowing Costs Expense	3	(161,292)	(134,556)
Other Expenses from Ordinary Activities		(1,004,652)	(999,259)
Profit from Ordinary Activities before Income Tax Expense		<u>325,663</u>	<u>510,502</u>
Extraordinary Items	22	(66,237)	-
Income Tax Expense Relating to Ordinary Activities	5a	(18,171)	(40,516)
Profit from Ordinary Activities after related Income Tax Expense		<u>241,255</u>	<u>469,986</u>

The Income Statement is to be read in conjunction with the notes to the financial statements set out on pages 9 to 19.

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
Profit from Ordinary Activities before Income Tax Expense	<u>241,255</u>	<u>469,986</u>
Other Comprehensive Income <i>Items that will not be reclassified to profit and loss</i>		
Revaluation of non current assets	-	2,258,771
Other Comprehensive Income Net of Income Tax	<u>-</u>	<u>2,258,771</u>
Total Comprehensive Income	<u>241,255</u>	<u>2,728,757</u>

MILTON ULLADULLA EXSERVOS CLUB LIMITED
ABN 90 000 858 364

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018

	Retained Earnings \$	Asset Revaluation Reserve \$	Total Equity \$
2018			
Balance at 1 July 2017	9,876,244	2,258,771	12,135,015
Net profit after tax for the year	241,255	-	469,986
Other Comprehensive Income	-	-	-
Balance at 30 June 2018	<u>10,117,499</u>	<u>2,258,771</u>	<u>12,376,270</u>
2017			
Balance at 1 July 2016	9,406,258	-	9,406,258
Net profit after tax for the year	469,986	-	469,986
Other Comprehensive Income	-	2,258,771	2,258,771
Balance at 30 June 2017	<u>9,876,244</u>	<u>2,258,771</u>	<u>12,135,015</u>

The Statement of Comprehensive Income is to be read in conjunction with the notes to the financial statements set out on pages 9 to 19.

MILTON ULLADULLA EXSERVOS CLUB LIMITED
ABN 90 000 858 364

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018**

	NOTE	2018 \$	2017 \$
CURRENT ASSETS			
Cash Assets	6	965,090	229,218
Receivables	7	109,815	82,244
Inventories	8	213,671	166,954
Other	9	124,606	122,002
TOTAL CURRENT ASSETS		<u>1,413,182</u>	<u>600,418</u>
NON CURRENT ASSETS			
Property, Plant and Equipment	10	16,810,109	14,283,694
Intangible Assets	11	602,104	636,962
Deferred Tax Assets	5c	21,380	22,510
TOTAL NON CURRENT ASSETS		<u>17,433,593</u>	<u>14,943,166</u>
TOTAL ASSETS		<u>18,846,775</u>	<u>15,543,584</u>
CURRENT LIABILITIES			
Payables	12	974,901	517,320
Interest Bearing Liabilities	13	388,000	78,000
Current Tax Liabilities	5b	(14,521)	4,976
Provisions	14	545,604	527,816
Other	15	-	21,959
TOTAL CURRENT LIABILITIES		<u>1,893,984</u>	<u>1,150,071</u>
NON CURRENT LIABILITIES			
Interest Bearing Liabilities	13	4,511,371	2,193,196
Provisions	14	65,150	65,302
TOTAL NON CURRENT LIABILITIES		<u>4,576,521</u>	<u>2,258,498</u>
TOTAL LIABILITIES		<u>6,470,505</u>	<u>3,408,569</u>
NET ASSETS		<u>12,376,270</u>	<u>12,135,015</u>
ACCUMULATED FUNDS			
Accumulated Profits		<u>10,117,499</u>	<u>9,876,244</u>
Asset Revaluation Reserve		2,258,771	2,258,771
TOTAL ACCUMULATED FUNDS		<u>12,376,270</u>	<u>12,135,015</u>

The Statement of Financial Position is to be read in conjunction with the notes to the financial statements set out on pages 9 to 19.

MILTON ULLADULLA EXSERVOS CLUB LIMITED
ABN 90 000 858 364

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018**

	NOTE	2018	2017
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Receipts in the Course of Operations		9,507,529	9,417,007
Cash Payments in the Course of Operations		(7,881,997)	(8,158,428)
Income Taxes Paid		(36,538)	(50,007)
Net Cash Provided by Operating Activities	17b	<u>1,588,994</u>	<u>1,208,572</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from Sale of Property, Plant and Equipment -		-	
Proceeds/Expense from Insurance Claim on Property, Plant and Equipment		(21,959)	(155,001)
Payments for Property, Plant and Equipment		(3,405,319)	(1,110,224)
Payments for Intangible Assets		-	-
Net Cash Used in Investing Activities		<u>(3,427,278)</u>	<u>(1,265,225)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings - Bank Loan		2,707,803	-
Borrowings Repaid - Bank Loan		(79,628)	(569,406)
Net (Cash Used in)/Cash From Financing Activities		<u>2,628,175</u>	<u>(569,406)</u>
Net Increase/(Decrease) in Cash Held		735,872	(626,059)
Cash at the Beginning of the Financial Year	17a	229,218	855,277
Cash at the End of the Financial Year	17a	<u>965,090</u>	<u>229,218</u>

The Statement of Cash Flows is to be read in conjunction with the notes to the financial statements set out on pages 9 to 19.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The significant policies which have been adopted in the preparation of this financial report are:

a i) Basis of Preparation

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards and the requirements of the Corporations Act 2001.

It has been prepared on the basis of historical costs and does not take into account changing money values or current valuations of non-current assets.

ii) Statement of Compliance

The financial report complies with Australian Accounting Standards, which include Australian equivalent to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reports Standards (IFRS).

- The Financial Statements were approved by The Board of Directors.

b Property, Plant and Equipment - Note 10

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

The depreciable amount of property, plant and equipment excluding freehold land, roadwork and carpark are depreciated over their estimated useful lives.

Depreciation is calculated on poker machines and buildings by the straight line method at depreciation rates of 20% and 2% respectively. Depreciation is calculated on other assets by the reducing balance and straight line methods at depreciation rates of 7.5% to 60%.

c Recoverable amount of non current assets valued on cost basis

The carrying amounts of non-current assets valued on the cost basis are reviewed to determine whether they are in excess of their recoverable amount at balance date. If the carrying amount of a non-current asset exceeds its recoverable amount, the asset is written down to the lower amount. The write-down is expensed in the reporting period in which it occurs. Current valuations for land and buildings are carried out every three years.

Where a group of assets working together supports the generation of cash inflows, recoverable amount is assessed in relation to that group of assets.

In assessing recoverable amounts of non-current assets the relevant cash flows have not been discounted to their present value.

d Goods and Services Tax

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

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a net basis.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

e Taxation - Note 5

Income Tax

The Company adopts the liability method of tax effect accounting. Income tax expense is calculated on operating profit adjusted for permanent differences between taxable and accounting income. The tax effect of timing differences, which arise from items being brought to account in different periods for income tax and accounting purposes is carried forward in the balance sheet as a future income tax benefit.

f Provision for Employee Benefits - Note 14

Annual Leave

Liabilities for employee benefits for annual leave represent present obligations resulting from employees' services provided to reporting date, calculated at undiscounted amounts based on remuneration wage rates that the company expects to pay as at reporting date including related on costs.

Long Service Leave

Long service leave is provided in respect of all employees with five or more years of service based on current remuneration rates.

g Superannuation

The company contributes to an employee superannuation fund on the basis of the relevant legislation. Such company contributions are charged against income.

h Inventories - Note 8

Inventories are carried at cost.

i Payables - Note 12

Liabilities are recognised for amounts to be paid in the future for goods or services received. Trade accounts payable are normally settled within 60 days.

j Interest Bearing Liabilities - Note 13

The Bank Loan has a term of twenty years.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
2 REVENUE		
Operating Activities		
Sale of Goods	3,200,725	2,925,197
Poker Machine Receipts	5,446,095	5,761,868
Commissions	303,641	300,952
Interest Received - Other Parties	6,607	3,995
Members Subscriptions	62,393	62,920
Entertainment Income	188,533	201,716
Rental Revenue	143,175	136,645
Advertising Revenue	166,651	72,466
Sundry Income	17,280	4,791
Total Revenue From Ordinary Activities	<u>9,535,100</u>	<u>9,470,550</u>
 3 PROFIT FROM ORDINARY ACTIVITIES BEFORE INCOME TAX EXPENSE		
Profit from ordinary activities before income tax expense has been determined after:		
	2018 \$	2017 \$
Borrowing Costs - Other Persons		
Interest Expense	161,292	134,556
 Depreciation of Non Current Assets		
Buildings	322,863	254,865
Poker Machines	300,560	238,669
Plant and Equipment	309,500	317,372
Total Depreciation	<u>932,923</u>	<u>810,906</u>
Loss on Disposal of Fixed Assets	-	-
Net Expense from Movements in Provision for Employee Benefits	(15,238)	(691)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
4 AUDITOR'S REMUNERATION		
Audit Services	18,085	16,795
5 INCOME TAX		
a Income Tax Expense		

The Income Tax Assessment Act, provides that under the concept of mutuality clubs are only assessed for income tax on the proportion of income derived from non members. In view of this special circumstance it is not appropriate to compare income tax payable with the operating profit as disclosed in the statement of financial performance.

Income Tax Expense attributable to operating profit is made up of:

	2018 \$	2017 \$
Current Income Tax Provision	17,041	40,466
Future Income Tax Benefit	1,130	50
	<u>18,171</u>	<u>40,516</u>

b Current Tax Liabilities
Provision for Current Income Tax

Current Year's Income Tax Expense on Operating Profit	17,041	40,466
Adjustment from Prior Year	-	-
Income Tax Paid	(31,562)	(35,490)
Payable/(Refundable)	<u>14,521</u>	<u>4,976</u>

c Deferred Tax Asset
Future Income Tax Benefit

Future income tax benefit comprises the estimated future benefit at the applicable rate of 27.5% on:
Provisions for Employee Benefits not currently deductible

<u>21,380</u>	<u>22,510</u>
---------------	---------------

6 CASH ASSETS

Cash on Hand	412,492	390,041
Cash at Bank	116,721	(160,862)
Cash at Bank at Call Investment	435,877	39
	<u>965,090</u>	<u>229,218</u>

The At Call Investment pay interest at the end of each month at average 3.3% (2.6% 2017). It is noted that a bank account is held by the club in trust for the Shoalhaven City Council to cover operational expenses for the Civic Centre. The balance at 30 June 2018 was \$27,317.27 which has not been brought to account as this is not an asset of the club.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
7 RECEIVABLES		
Sundry Debtors	109,815	82,244
	<hr/>	<hr/>
8 INVENTORIES		
Trading Stock - at Cost	168,323	121,606
Stores - at Cost	45,348	45,348
	<hr/>	<hr/>
	213,671	166,954
	<hr/>	<hr/>
9 OTHER CURRENT ASSETS		
Prepayments	124,524	121,920
Insurance Claim Receivable	82	82
	<hr/>	<hr/>
	124,606	122,002
	<hr/>	<hr/>
10 PROPERTY, PLANT AND EQUIPMENT		
Land - at Fair Value / Cost		
Freehold Land	320,160	320,160
Roadworks, Carpark and Improvements	3,386,294	1,018,704
Market Value Movement	1,461,136	1,461,136
	<hr/>	<hr/>
	5,167,590	2,800,000
	<hr/>	<hr/>
Buildings - at Fair Value / Cost		
Club Buildings	11,386,136	11,333,999
Market Value Movement	797,635	797,635
	<hr/>	<hr/>
	12,183,771	12,131,634
	<hr/>	<hr/>
Accumulated Depreciation	(2,754,498)	(2,431,634)
	<hr/>	<hr/>
	9,429,273	9,700,000
	<hr/>	<hr/>
Poker Machines - at Cost	2,846,121	2,135,922
Accumulated Depreciation	(1,584,044)	(1,283,483)
	<hr/>	<hr/>
	1,262,077	852,439
	<hr/>	<hr/>
Plant, Furniture and Motor Vehicle - at Cost	3,154,400	2,821,234
Accumulated Depreciation	(2,203,231)	(1,889,979)
	<hr/>	<hr/>
	951,169	931,255
	<hr/>	<hr/>
Total Property, Plant and Equipment		
Net Book Value	16,810,109	14,283,694
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

The independent valuation of the Company's freehold land and buildings carried out on 9th August 2017 on the basis of fair value resulted in a valuation of buildings of \$9,700,000 and a valuation of land of \$2,800,000. This valuation has been brought to account in the previous financial year.

In the current market conditions, the Directors believe the property, plant & equipment has been recorded at fair value, with no revaluation and no impairment of property, plant and equipment has been or required to be recorded.

Reconciliations

Reconciliations of the carrying amounts for each class of property, plant and equipment are set out below:

	2018 \$	2017 \$
Land, Roadworks and Carpark		
Carrying amount at beginning and end of year	2,800,000	1,140,514
Additions	2,367,590	198,350
Market Value Movement	-	1,461,136
	<hr/>	<hr/>
Carrying amount at end of year	5,167,590	2,800,000
Buildings		
Carrying amount at beginning of year	9,700,000	9,087,443
(Cost Recovery)/Additions	52,136	69,787
Market Value Movement	-	797,635
Depreciation	(322,863)	(254,865)
	<hr/>	<hr/>
Carrying amount at end of year	9,429,273	9,700,000
Poker Machines		
Carrying amount at beginning of year	852,439	612,670
Additions	710,198	478,438
Depreciation	(300,560)	(238,669)
	<hr/>	<hr/>
Carrying amount at end of year	1,262,077	852,439
Plant, Furniture and Motor Vehicles		
Carrying amount at beginning of year	931,255	884,978
Additions	329,414	363,649
Depreciation	(309,500)	(317,372)
	<hr/>	<hr/>
Carrying amount at end of year	951,169	931,255

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
11 INTANGIBLE ASSETS		
Poker Machine Entitlements	599,199	599,199
Loyalty Program Development	2,905	37,763
	<u>602,104</u>	<u>636,962</u>
Reconciliations		
Reconciliations of the carrying amounts of intangible assets		
Loyalty Program Development		
Carrying amount at beginning of year	37,763	72,621
Amortisation	(34,858)	(34,858)
Carrying amount at end of year	<u>2,905</u>	<u>37,763</u>
12 PAYABLES		
Current		
Trade Creditors	667,360	274,401
Other Creditors and Accruals	307,541	242,919
	<u>974,901</u>	<u>517,320</u>
13 INTEREST-BEARING LIABILITIES		
Current		
Bank Loan	<u>388,000</u>	<u>78,000</u>
Non Current		
Bank Loan	<u>4,511,371</u>	<u>2,193,196</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
14 PROVISIONS		
Current		
Employee Benefits	188,254	203,340
Link Jackpot	357,350	324,476
	545,604	527,816
Non Current		
Employee Benefits	65,150	65,302
15 OTHER		
Insurance Proceeds	-	21,959

The Insurance Provision is comprised of proceeds received in relation to initial engineering work on the main club building. The directors are of the view that the amount received is reasonable and fair.

16 COMMITMENTS

There were no financial commitments at 30 June 2018.

17 NOTES TO THE STATEMENT OF CASH FLOWS

a Reconciliation of Cash

For the purpose of the Statement of Cash Flows, cash includes cash on hand, at bank and short term deposits. Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to related items in the statement of financial position as follows:

Cash on Hand	412,492	390,041
Cash at Bank	116,721	(160,862)
Cash at Bank at Call Investment	435,877	39
	965,090	229,218

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
17 NOTES TO THE STATEMENT OF CASH FLOWS (CONT)		
b Net Cash Provided by Operating Activities		
Profit from Ordinary Activities After Income Tax	241,255	469,986
Items Classified as Investing/Financing Activities: (Profit)/Loss from Sale of Plant and Equipment	-	-
Non Cash Items		
Decrease Deferred Tax Asset	1,130	50
Amortisation	34,858	34,858
Depreciation	932,923	810,906
Net Cash Provided by Operating Activities Before Change in Assets and Liabilities	1,210,166	1,315,800
Change in Assets and Liabilities During the Financial Year		
(Increase)/Decrease in Receivables	(27,571)	18,923
(Decrease)/Increase in Leave Provisions	(15,238)	(691)
Increase/(Decrease) in Income Tax Payable	(19,497)	(9,541)
(Increase)/Decrease in Inventory	(46,717)	17,753
(Increase)/Decrease in Other Current Assets	(2,604)	(39,705)
Increase/(Decrease) in Creditors and Accruals	490,455	(93,967)
Net Cash Provided by Operating Activities	1,588,994	1,208,572
18 DIRECTORS REMUNERATION		
Indemnity Insurance Paid on Behalf of Directors	1,635	1,635
Directors Meeting Expenses	4,502	6,171
Directors Training	8,286	1,948
	14,423	9,754

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

19 FINANCIAL INSTRUMENTS

a Interest Rate Risk

The Company's exposure to interest rate risk and the effective weighted average interest rate for classes of financial assets and financial liabilities is set out below:

	Note	Weighted Average Interest Rate	Floating Interest Rate	Fixed Interest Rate		Non Interest Bearing	Total
	2018			1 Year or Less	1 to 5 Years		
<i>Financial Assests</i>							
Cash Assets	6	3.30%	552,598	-	-	412,492	965,090
Receivables	7	0.00%	-	-	-	109,815	109,815
Total Financial Assets			552,598	-	-	522,307	1,074,905
<i>Financial Liabilities</i>							
Payables	12	0.00%	-	-	-	974,901	974,901
Bank Loan	13	4.50%	388,000	-	4,511,371	-	4,899,371
Total Financial Liabilities			388,000	-	4,511,371	974,901	5,874,272
2017							
<i>Financial Assests</i>							
Cash Assets	6	2.60%	(160,823)	-	-	390,041	229,218
Receivables	7	0.00%	-	-	-	82,244	82,244
Total Financial Assets			(160,823)	-	-	472,285	311,462
<i>Financial Liabilities</i>							
Payables	12	0.00%	-	-	-	517,320	517,320
Bank Loan	13	5.30%	78,000	-	2,193,196	-	2,271,196
Total Financial Liabilities			78,000	-	2,193,196	517,320	2,788,516

b Credit Risk

The maximum exposure to credit risk at balance date to recognised financial assets is the carrying amount, as disclosed in the statement of financial position and notes to and forming part of the financial statements.

The Company does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

19 FINANCIAL INSTRUMENTS (CONT)

c Net Fair Values

The carrying amount of financial assets and financial liabilities recorded in the financial statements represents their respective net fair values, determined in accordance with the accounting policies disclosed in Note 1 to the financial statements. No financial assets or financial liabilities are readily traded on organised markets in standardised form.

The aggregate net fair values and carrying amounts of financial assets and the financial liabilities are disclosed in the statement of financial position and in the notes to and forming part of the financial statements.

20 SUBSEQUENT EVENTS

In the interval between the end of the financial year and the date of this report, the club has committed to Stage 2 of it's major upgrade and extension to the building at an approximate cost of \$1,450,000.

21 RELATED PARTY TRANSACTIONS

Since the end of the previous financial year no Director of the company has received or become entitled to receive any benefit by reason of a contract made by the company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest other than in respect of Mr B B Wilkins, Director of a Taxi Company \$1,852, Mr W E Drury, Director of Ulladulla Printing Service Pty Ltd \$171,698, and Mrs A I Steel, Manager of IMB the Club's Financial Institution.

22 EXTRAORDINARY ITEMS

Expenditure on "Extraordinary Items" was incurred during the potential amalgamation of the Milton Ulladulla ExServos Club and the Milton Ulladulla Bowling Club that did not proceed.


DIRECTORS' DECLARATION

In the opinion of the Directors of the Company:

- 1 The financial statements and notes set out on pages 5 to 19 are in accordance with the Corporations Act 2001, including:
 - a) giving a true and fair view of the financial position of the Company as at 30 June 2018 and performance as represented by the results of operations and cash flows, for the year ended on that date; and
 - b) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and
 - c) the financial report also complies with the International Financial Reporting Standards as disclosed in note 1a).
- 2 There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Dated at Ulladulla this 27th day of August 2018

Signed in accordance with a resolution of the Directors.



**W E DRURY: Director
PRESIDENT**



**A I STEEL: Director
VICE PRESIDENT**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

Opinion

We have audited the financial report of the Milton Ulladulla ExServos Club Limited (the Entity), which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration by those charged with governance.

In our opinion, the accompanying financial report presents fairly, in all material respects, (or gives a true and fair view of) the financial position of the Entity as at 30 June 2018, and (of) its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in the Entity's annual report for the year ended 30 June 2018, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

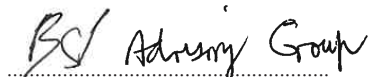
In preparing the financial report, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease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

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

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

Dated at Ulladulla this 27th day of August 2018



.....
BSP Advisory Group CHARTERED ACCOUNTANTS



.....
M D BURCHER

REGISTERED CLUB ACT

IMPORTANT INFORMATION FOR CLUB MEMBERS

This Club is by law required to keep a register containing information that relates to the management and financial administration of the Club including:

1. A list of disclosures, declarations and returns made by the governing body and employees of the Club.
2. The salary bands of the Club's top executives.
3. Details of the overseas travel made by the governing body and employees of the Club.
4. Details of loans given by the Club to employees.
5. Details of certain contracts executed by the Club.
6. Salary details of Club employees who are close relatives of a member of the Club's governing body or a top executive.
7. Details of the payments made by the Club for consultant services.
8. Details of legal settlements made by the Club with a member of the governing body or an employee of the Club.
9. Details of legal fees paid by the Club for a member of the governing body or an employee of the Club.
10. The Club's annual gaming machine profit.
11. The amount applied by the Club to community development and support.

AND

The Club must prepare quarterly financial statements for the governing body that incorporate:

1. The Club's profit and loss accounts and trading accounts for the quarter, and
2. A balance sheet as at the end of the quarter.

**Members may view the register or the financial statements
by written request to the Club.**

The Club's financial statements
may also be viewed on the Club's website
www.ulladullaexservos.com.au

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