

THE RYLSTONE CLUB LIMITED
ABN 65 001 028 271

FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2016

**Liability limited by a scheme approved under
Professional Standards Legislation**

THE RYLSTONE CLUB LIMITED

ABN 65 001 028 271

REGISTERED OFFICE: 31 Cox Street Rylstone NSW 2849

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the ANNUAL GENERAL MEETING of the company will be held at The Clubhouse Cox Street Rylstone NSW 2849 on Monday 24th October 2016, commencing at 7.30 pm.

Business

- 1.** Confirmation of Minutes of the Annual General Meeting of The Rylstone Club Limited held on the 1st October 2015
- 2.** To receive and consider the Directors' Report and the Directors' Declaration for the year ended 30 June 2016.
- 3.** To receive and consider the statement of Financial position as at 30 June 2016 and the statement of Comprehensive Income for the year ended 30 June 2016 and the Independent Audit Report Thereon.
- 4.** To elect members of the Committee in accordance with the Constitution.
- 5.** To transact any other business that may be brought forward in accordance with the Constitution.

A copy of the Financial Report will be available upon request from the Registered Office or can be viewed on our website <http://\theRylstoneClub.com.au>

Peter Mogg

President

By order of the Committee

The Rylstone Club Ltd
ABN 65 001 028 271

PRESIDENT'S REPORT

Dear Members

It gives me much pleasure in presenting The Rylstone Club Ltd annual report as President of the year ending 30th June 2016.

The Club is in a very good financial position even though making a loss of around \$35000. With the purchase of new tables and chairs, new bi-fold doors, carpet and the painting of the Club is looking great. The kitchen had some upgrades during the financial year with the purchase of a new dishwasher and stainless steel benching. The improvements have been made with the vision of modernising and upgrading the Club's facilities for members and guest with the hope of attracting new members.

I would like to thank all the Directors and staff for their constant support and dedication. Their support and dedication is what has kept the Club moving in forward direction throughout the year.

I would like to thank all the sporting and community organisations for their continual support over the year. The Men's and Women's Bowling Clubs as well as the Squash and Social Golf Clubs all run regular competitions and tournaments throughout the year which benefit the Club.

We welcome Grahame Harris to the team as the Club's groundsman looking after the bowling green, golf course, Club surrounds and general maintenance.

On behalf of the committee and staff, I wish to thank all of our members for their continual support and loyalty throughout the year and ongoing support in the future.

Peter Mogg
President

THE RYLSTONE CLUB LIMITED
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THE RYLSTONE CLUB LIMITED
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DIRECTORS' REPORT

Your directors present their report on the company for the financial year ended 30 June 2016.

Directors

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

Peter Mogg
John Christie
Donna-Marie Mogg
Ross Rawlinson
Kurt Chadwick
Kathleen Hogan
Caron McDonald

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

Review of Operations

The loss of the company for the financial year after providing for income tax amounted to \$38,920.

Significant Changes in the State of Affairs

No significant changes in the company's state of affairs occurred during the financial year.

Principal Activities

The principal activities of the company during the financial year were those of a licenced club.

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

Events Subsequent to the End of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

Likely Developments and Expected Results of Operations

Likely developments in the operations of the company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company.

Environmental Regulation

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Dividends

No dividends were paid during the year and no recommendation is made as to the dividends.

The directors do not recommend the payment of a dividend.

Options

THE RYLSTONE CLUB LIMITED
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DIRECTORS' REPORT

No options over issued shares or interests in the company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

Indemnification of Officers

Rule 66 of the Constitution of the company requires the company to indemnify each officer of the company for all costs and expenses which any such officer may incur or be liable to by reason of any contract entered into or act or deed done by him or her in such office or in any way in the discharge of his or her The company has paid or agreed to pay a premium in respect of a contract insuring against a liability in respect of the above indemnity.

No director has received or become entitled to receive, during or since the end of the financial year, a benefit because of a contract made by the company or a related body corporate with the director, a firm of which a director is a member or a company in which a director has a substantial financial interest.

Proceedings on Behalf of the Company

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

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

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DIRECTORS' REPORT

Board of Directors – Qualifications, Experience and Special Responsibilities

Peter A Mogg	- President
Qualifications	- Nil
Experience	- Director of Club since 2009
	- Farmer
Special Responsibilities	- Market Night, Liaison with bar staff
John Christie	- Treasurer
Qualifications	- Retired Accountant
Experience	- Director of Club since 2010
Special Responsibilities	- Financial Reporting, Poker Machines, Bowls
Donna-Marie Mogg	- Director
Qualifications	- Nil
Experience	- Director of Club since 2010
	- Business Owner
Special Responsibilities	- Poker Machines, Market Night, Members Draw, Functions
Ross Rawlinson	- Director
Qualifications	- Nil
Experience	- Director of Club since 2012
Special Responsibilities	- Market Night, Functions
Kurt Chadwick	- Director
Qualifications	- Nil
Experience	- Nil
Special Responsibilities	- Market Night, Middy Club
Kathleen Hogan	- Director – appointed 30 October 2014
Qualifications	- Nil
Experience	- Manager of Rylstone District Care & Transport
Special Responsibilities	- Market Night, Poker Machines
Caron McDonald	- Director – appointed 30 October 2014
Qualifications	- Nil
Experience	- Nil
Special Responsibilities	- Market Night, Poker Machines

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DIRECTORS' REPORT

Directors Remuneration

The remuneration for each director during the financial year was as follows:

Name of Director	Salary, Fees and Commissions	Superannuation Contribution	Cash Bonus	Non-cash benefits	Options	Total
P A Mogg	-	-	500	-	-	500
J Christie	-	-	500	-	-	500
K Chadwick	-	-	500	-	-	500
R Rawlinson	-	-	200	-	-	200
DM Mogg	-	-	200	-	-	200
K Hogan	-	-	200	-	-	200
C McDonald	-	-	200	-	-	200
TOTAL	-	-	2,300	-	-	2,300

Directors of Meetings during the financial year

There were 12 meetings of the Board of Directors during the year end 30 June 2016. The number of meetings attended by the Directors of the company during the year is as follows:

Name of Director	Monthly Meetings	
	Number Eligible to Attend	Number Attended
P A Mogg	12	11
J Christie	12	11
K Chadwick	12	12
DM Mogg	12	11
R Rawlinson	12	7
K Hogan	12	7
C McDonald	12	10


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DIRECTORS' REPORT

Auditors' Independence Declaration

A copy of the auditors' independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 5.

Signed in accordance with a resolution of the Board of Directors:

Director: 
Peter Mogg

Director: 
John Christie

Date this 28th day of September 2016

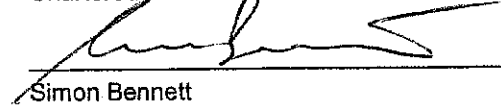
**AUDITORS' INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
THE RYLSTONE CLUB LIMITED**

We declare that, to the best of our knowledge and belief, during the year ended 30 June 2016 there have been:

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

Name of Firm: Lawrence Bennett Portelli Pty Limited
Chartered Accountants

Name of Director:


Simon Bennett

Address: 9/79 Market Street, Mudgee

Dated this 26th day of September 2016

THE RYLSTONE CLUB LIMITED
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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
Income			
Revenue	3	972,306.95	871,256.88
Changes in inventories of finished goods and work in progress		6,789.39	1,868.68
Raw materials and consumables used		(237,210.62)	(201,839.50)
Expenditure			
Advertising expenses		(10,532.03)	(9,353.57)
Auditors' remuneration	4	(8,800.00)	(8,600.00)
Depreciation and amortisation expenses		(87,069.56)	(87,695.56)
Directors' fees		(530.88)	(1,343.92)
Employee benefits expenses		(371,816.51)	(344,222.21)
Freight and cartage		(5,289.10)	(4,947.60)
Other expenses		(292,793.68)	(294,298.74)
		<u>(34,946.04)</u>	<u>(79,175.54)</u>
Loss before income tax	5	<u>(34,946.04)</u>	<u>(79,175.54)</u>
Income tax expense	6	(3,974.40)	(7,315.25)
Loss for the year		<u>(38,920.44)</u>	<u>(86,490.79)</u>
Total comprehensive income for the year		<u><u>(38,920.44)</u></u>	<u><u>(86,490.79)</u></u>

The accompanying notes form part of these financial statements.

THE RYLSTONE CLUB LIMITED
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STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

	Note	2016 \$	2015 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	473,502.75	483,394.22
Trade and other receivables	8	7,390.15	4,541.03
Inventories	9	27,633.91	20,844.52
Other current assets	10	11,741.50	10,307.41
TOTAL CURRENT ASSETS		<u>520,268.31</u>	<u>519,087.18</u>
NON-CURRENT ASSETS			
Property, plant and equipment	11	1,962,093.25	1,979,631.11
TOTAL NON-CURRENT ASSETS		<u>1,962,093.25</u>	<u>1,979,631.11</u>
TOTAL ASSETS		<u>2,482,361.56</u>	<u>2,498,718.29</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	12	108,420.25	85,778.48
Tax liabilities	13	2,069.40	4,014.50
TOTAL CURRENT LIABILITIES		<u>110,489.65</u>	<u>89,792.98</u>
NON-CURRENT LIABILITIES			
Provisions	14	21,218.99	19,351.95
Tax liabilities	13	46,755.30	46,755.30
TOTAL NON-CURRENT LIABILITIES		<u>67,974.29</u>	<u>66,107.25</u>
TOTAL LIABILITIES		<u>178,463.94</u>	<u>155,900.23</u>
NET ASSETS		<u>2,303,897.62</u>	<u>2,342,818.06</u>
EQUITY			
Reserves	15	1,014,924.92	1,014,924.92
Retained earnings	16	1,288,972.70	1,327,893.14
TOTAL EQUITY		<u>2,303,897.62</u>	<u>2,342,818.06</u>

The accompanying notes form part of these financial statements.

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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2016

	Note	Retained earnings \$	Asset Revaluation Reserve \$	Total \$
Balance at 1 July 2014		1,414,384		1,414,384
Opening balance for the year			1,014,925	1,014,925
Profit attributable to equity shareholders		(86,491)		(86,491)
Balance at 30 June 2015		<u>1,327,893</u>	<u>1,014,925</u>	<u>2,342,818</u>
Profit attributable to equity shareholders		(38,920)		(38,920)
Balance at 30 June 2016		<u><u>1,288,973</u></u>	<u><u>1,014,925</u></u>	<u><u>2,303,898</u></u>

The accompanying notes form part of these financial statements.

THE RYLSTONE CLUB LIMITED
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from members and visitors	957,106.19	839,249.77
Payments to suppliers and employees	(907,007.98)	(858,651.00)
Receipts from member subscriptions	5,940.00	5,355.00
Interest received	9,521.52	21,847.93
Government grant received	-	11,538.90
Income tax (paid)/refunded	(5,919.50)	8,799.20
Net cash provided by operating activities	19 <u>59,640.23</u>	<u>28,139.80</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	<u>(69,531.70)</u>	<u>(65,996.82)</u>
Net cash used in investing activities	<u>(69,531.70)</u>	<u>(65,996.82)</u>
Net decrease in cash held	(9,891.47)	(37,857.02)
Cash at beginning of financial year	483,394.22	521,251.24
Cash at end of financial year	7 <u><u>473,502.75</u></u>	<u><u>483,394.22</u></u>

The accompanying notes form part of these financial statements.

THE RYLSTONE CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

The financial reports cover The Rylstone Club Limited as an individual entity. The Rylstone Club Limited is a for profit company incorporated and domiciled in Australia.

The functional and presentation currency of The Rylstone Club Limited is Australian dollars.

The financial report was authorised for issue by the Directors on 26/09/2016.

Comparatives are consistent with prior years, unless otherwise stated.

1 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 other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

These financial statements and associated notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

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.

The significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated .

2 Summary of Significant Accounting Policies

Income Tax

The tax expense recognised in the statement of profit or loss and other comprehensive income comprises of current income tax expense plus deferred tax expense.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (loss) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

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

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of manufactured products includes direct materials, direct labour and an appropriate portion of variable and fixed overheads. Overheads are applied on the basis of normal operating capacity. Costs are assigned on the basis of weighted average costs.

Property, Plant and Equipment

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

Land and buildings

Land and buildings are measured using the cost model.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

Property, plant and equipment, is depreciated on a straight line basis over the assets useful life to the Company, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

Financial Instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

The company's trade and most other receivables fall into this category of financial instruments.

Significant receivables are considered for impairment on an individual asset basis when they are past due at the reporting date or when objective evidence is received that a specific counterparty will default.

The amount of the impairment is the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

In some circumstances, the company renegotiates repayment terms with customers which may lead to changes in the timing of the payments, the company does not necessarily consider the balance to be impaired, however assessment is made on a case-by-case basis.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that do not qualify for inclusion in any of the other categories of financial assets or which have been designated in this category. The company's available-for-sale financial assets comprise listed securities.

Available-for-sale financial assets are measured at fair value, with subsequent changes in value recognised in other comprehensive income.

Gains and losses arising from financial instruments classified as available-for-sale are only recognised in profit or loss when they are sold or when the investment is impaired.

In the case of impairment or sale, any gain or loss previously recognised in equity is transferred to the profit or loss.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

Available-for-sale financial assets

A significant or prolonged decline in value of an available-for-sale asset below its cost is objective evidence of impairment, in this case, the cumulative loss that has been recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Any subsequent increase in the value of the asset is taken directly to other comprehensive income.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

Impairment of Non-Financial Assets

At the end of each reporting period the company determines whether there is an evidence of an impairment indicator for non-financial assets.

Where this indicator exists the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss , except for goodwill.

Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date.

Defined superannuation schemes

In respect of defined benefit plans, the cost of providing the benefits is determined using the projected unit credit method. Actuarial valuations are conducted every three years, with interim valuations performed on an annual basis. Consideration is given to any event that could impact the funds up to balance sheet date where the interim valuation is performed at an earlier date.

The amount recognised in the balance sheet represents the present value of the defined benefit obligations adjusted for any unrecognised actuarial gains and losses and unrecognised past service costs less the fair value of the plan's assets. Any asset recognised is limited to unrecognised actuarial losses, plus the present value of available refunds and reductions in future contributions to the plan.

Actuarial gains and losses are amortised over the expected average remaining working lives of the participating employees in the scheme. Gains or losses on the curtailment or settlement of a defined benefit plan are recognised in the income statement when the company is demonstrably committed to the curtailment or settlement.

Past services costs are recognised when incurred to the extent that benefits are vested, and are otherwise amortised on a straight-line basis over the vesting period.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

Provisions

Provisions are recognised when the company 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 are measured at the present value of management's best estimate of the outflow required to settle the obligation at the end of the reporting year. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the unwinding of the discount is taken to finance costs in the statement of other comprehensive income.

Cash and Cash Equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Revenue and Other Income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Sale of goods

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

Interest revenue

Interest revenue is recognised using the effective interest rate method.

Rendering of services

Revenue in relation to rendering of services is recognised depends on whether the outcome of the services can be measured reliably. If this is the case then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period. If the outcome cannot be reliably measured then revenue is recognised to the extent of expenses recognised that are recoverable.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

Other income

Other income is recognised on an accruals basis when the company is entitled to it.

Trade and Other Payables

Trade and other payables represent the liabilities at the end of the reporting period for goods and services received by the company that remain unpaid.

Trade payables are recognised at their transaction price. Trade payables are obligations on the basis of normal credit terms.

Goods and Services Tax (GST)

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 Tax 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.

Comparative Figures

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
3 Revenue and Other Income		
Revenue		
Sales revenue:		
Sale of goods	411,670.10	360,133.46
Net Poker Machine takings	502,366.51	448,614.23
	914,036.61	808,747.69
Other revenue:		
Interest received	9,566.01	14,153.70
Other revenue	48,704.33	48,355.49
	58,270.34	62,509.19
Total revenue	972,306.95	871,256.88
Interest revenue from:		
Interest Received	9,566.01	14,153.70
Total interest revenue on financial assets not at fair value through profit or loss	9,566.01	14,153.70
Other revenue from:		
Cottage Income	23,563.19	20,435.92
Keno & TAB Commission	31,772.43	37,724.08
Squash Hire & Sales	374.62	842.67
Subscriptions	5,634.75	6,515.50
Market Night	(5,124.88)	(11,370.22)
Bingo	(9,334.04)	(8,971.20)
Sundry Revenue	1,818.26	3,178.74
Total other revenue	48,704.33	48,355.49
4 Auditors' Remuneration		
Auditor's Remuneration		
Accounting Standards	8,000.00	8,000.00
Other Services	800.00	600.00
	8,800.00	8,600.00

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
5 Loss for the year		
Profit before income tax from continuing operations includes the following specific expenses:		
Expenses		
Cost of sales	230,421.23	199,970.82
Depreciation of property, plant and equipment	87,069.56	87,695.56
6 Income Tax Expense		
The components of tax expense comprise:		
Income Tax Expense	3,974.40	7,315.25
The prima facie tax payable on loss before income tax is reconciled to the income tax expense as follows:		
Prima facie tax payable on loss before income tax at 30% (2015: 30%):	(10,483.60)	(23,753.75)
Less:		
Tax effect of:		
Adjustment re Mutuality Principle	(14,458.00)	(30,982.00)
Prior year adjustment	-	(87.00)
Income tax expense attributable to company	3,974.40	7,315.25
7 Cash and Cash Equivalents		
Cash on Hand	38,090.00	35,111.00
Security Deposits - TAB Account	5,000.00	5,000.00
Cash at Bank	107,870.42	79,728.40
Short Term Deposits	322,542.33	363,554.82
	473,502.75	483,394.22
Reconciliation of cash		
Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:		
Cash and cash equivalents	473,502.75	483,394.22
	473,502.75	483,394.22

THE RYLSTONE CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
8 Trade and Other Receivables		
Current		
Other Debtors	<u>7,390.15</u>	<u>4,541.03</u>
<p>The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short term nature of the balances.</p>		
9 Inventories		
Current		
At cost:		
Stock on hand	<u>27,633.91</u>	<u>20,844.52</u>
10 Other Non-Financial Assets		
Current		
Prepayments	<u>11,741.50</u>	<u>10,307.41</u>
11 Property, Plant and Equipment		
LAND AND BUILDINGS		
Freehold land at:		
Independent Valuation	<u>586,780.00</u>	<u>586,780.00</u>
	<u>586,780.00</u>	<u>586,780.00</u>
Buildings at:		
Independent valuation	1,186,711.00	1,186,711.00
Directors' valuation	61,471.39	61,471.39
Less accumulated depreciation	<u>(263,494.28)</u>	<u>(232,314.72)</u>
	<u>984,688.11</u>	<u>1,015,867.67</u>
Total Land and Buildings	<u>1,571,468.11</u>	<u>1,602,647.67</u>

THE RYLSTONE CLUB LIMITED
ABN 65 001 028 271

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
PLANT AND EQUIPMENT		
Plant and Equipment:		
At cost	1,453,215.76	1,383,684.06
Accumulated depreciation	(1,062,590.62)	(1,006,700.62)
Total Plant and Equipment	390,625.14	376,983.44
Total Property, Plant and Equipment	1,962,093.25	1,979,631.11

Movements 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	Plant and Equipment	Leased Plant and Equipment	Total
	\$	\$	\$	\$	\$
Balance at 30 June 2014	586,780.00	1,047,047.23	367,502.62	-	2,001,329.85
Additions	-	-	65,996.82	-	65,996.82
Depreciation expense	-	(31,179.56)	(56,516.00)	-	(87,695.56)
Balance at 30 June 2015	586,780.00	1,015,867.67	376,983.44	-	1,979,631.11
Additions	-	-	69,531.70	-	69,531.70
Depreciation expense	-	(31,179.56)	(55,890.00)	-	(87,069.56)
Carrying amount at 30 June 2016	586,780.00	984,688.11	390,625.14	-	1,962,093.25

12 Trade and Other Payables

Current

Trade Creditors	57,254.87	40,173.19
Subscriptions Paid In Advance	3,236.75	2,931.50
GST Payable	10,006.12	9,213.47
Provision for Annual Leave	37,769.21	33,196.21
Provision for Rostered Days Off	153.30	264.11
	108,420.25	85,778.48

All amounts are short term and the carrying values are considered to be a reasonable approximation of fair value

THE RYLSTONE CLUB LIMITED
ABN 65 001 028 271

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
13 Tax		
Liabilities		
Current		
Provision for Income Tax	<u>2,069.40</u>	<u>4,014.50</u>
Non-current		
Provision for Deferred Tax Liability	<u>46,755.30</u>	<u>46,755.30</u>
14 Provisions		
Non-current Provision for Long Service Leave	<u>21,218.99</u>	<u>19,351.95</u>
	<u>21,218.99</u>	<u>19,351.95</u>
15 Reserves		
Asset Revaluation Reserve		
The asset revaluation reserve records revaluation of non-current assets.		
16 Retained Earnings		
Retained earnings at the beginning of the financial year	1,327,893.14	1,414,383.93
Net loss attributable to members of the company	<u>(38,920.44)</u>	<u>(86,490.79)</u>
Retained earnings at the end of the financial year	<u>1,288,972.70</u>	<u>1,327,893.14</u>

17 Key Management Personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director of that entity is considered key management personnel.

The total remuneration paid to key management personnel of the company during the year was \$2,300.

THE RYLSTONE CLUB LIMITED
ABN 65 001 028 271

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
18 Related Party Transactions		
<p>Transactions between related parties are on normal commercial terms and conditions. These terms and conditions are no more favourable than those available to other parties unless otherwise stated.</p> <p>Transactions with related parties:</p> <p>Meat supplies used by the company in Market Night prizes, Brasserie and social barbecues were provided by Rylstone Butchery. Mrs Donna Mogg is the owner of Rylstone Butchery.</p>		
	<u>23,327.77</u>	<u>17,572.00</u>
19 Cash Flow Information		
Reconciliation of Cash Flow from Operations with Profit after Income Tax		
Loss after income tax	(38,920.44)	(86,490.79)
Non-cash flows in profit		
Depreciation	87,069.56	87,695.56
Changes in assets and liabilities, net of the effects of purchase and disposals of subsidiaries		
(Increase) Decrease in current inventories	(6,789.39)	(1,868.68)
(Increase) Decrease in current receivables	(44.49)	7,895.22
(Increase) Decrease in prepayments	(1,434.09)	1,967.35
Increase (Decrease) in trade creditors	14,277.05	(1,757.05)
Increase (Decrease) in provisions	6,329.23	5,288.72
Increase (Decrease) in income tax payable	(1,945.10)	16,114.45
Increase (Decrease) in net GST payable	792.65	455.52
Increase (Decrease) in income in advance	305.25	(1,160.50)
	<u>59,640.23</u>	<u>28,139.80</u>

THE RYLSTONE CLUB LIMITED
ABN 65 001 028 271

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
20 Financial Risk Management		
The company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, and accounts receivable and payable.		
The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements are as follows:		
	2016	2015
	\$	\$
Financial Assets		
Cash and cash equivalents	473,502.75	483,394.22
Trade and other receivables	7,390.15	4,541.03
Total Financial Assets	<u>480,892.90</u>	<u>487,935.25</u>
Financial Liabilities		
Trade and other payables	57,254.87	40,173.19

21 Company Details

The registered office of the company is:

The Rylstone Club Limited

Cox Street
Rylstone NSW 2849

The principal place of business is:

Cox Street
Rylstone NSW 2849

22 Segment Reporting

The company operates in the licenced club industry, wholly within Australia

23 Members' Guarantee

The company is limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of \$2 each towards meeting any outstanding obligation of the company. At 30 June 2016 the number of members was 743 (30 June 2015 730).

THE RYLSTONE CLUB LIMITED
ABN 65 001 028 271

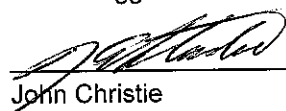
DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 1 to 23, for the year ended 30 June 2016 are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standards, which, as stated in basis of preparation Note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
 - (b) give a true and fair view of the financial position and performance of the company.
2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director: 
Peter Mogg

Director: 
John Christie

Dated this 28th day of September 2016

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE RYLSTONE CLUB LIMITED
ABN 65 001 028 271**

Report on the Financial Report

We have audited the accompanying financial report of The Rylstone Club Limited which comprises the statement of financial position as at 30 June 2016 and the statement of comprehensive income, statement changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that the financial statements comply with International Financial Reporting Standards (IFRS).

Auditors' 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 about 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 auditors' 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 auditors consider internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, 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.

Independent

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE RYLSTONE CLUB LIMITED
ABN 65 001 028 271**

Auditors' Opinion

In our opinion:

- (a) the financial report of The Rylstone Club Limited is in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the company's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and
- (b) The financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Name of Firm: Lawrence Bennett Portelli Pty Limited
Chartered Accountants

Name of Director: _____


Simon Bennett

Address: 9/79 Market Street, Mudgee

Dated this 26th day of September 2016

THE RYLSTONE CLUB LIMITED
ABN 65 001 028 271

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
SALES		
Sales	389,035.70	360,133.46
Sales - Brasserie	22,634.40	-
	411,670.10	360,133.46
LESS: COST OF GOODS SOLD		
Opening Stock	20,844.52	18,975.84
Purchases	219,415.76	201,839.50
Purchases - Brasserie	17,794.86	-
Closing Stock	(26,398.23)	(20,844.52)
Closing Stock - Brasserie	(1,235.68)	-
	230,421.23	199,970.82
GROSS PROFIT FROM TRADING	181,248.87	160,162.64
OTHER INCOME		
Net Poker Machine Takings	502,366.51	437,075.33
Paid Parental Leave	-	11,538.90
Interest Received	9,566.01	14,153.70
Cottage Income	23,563.19	20,435.92
Keno & TAB Commission	31,772.43	37,724.08
Squash Hire & Sales	374.62	842.67
Subscriptions	5,634.75	6,515.50
Market Night	(5,124.88)	(11,370.22)
Bingo	(9,334.04)	(8,971.20)
Sundry Revenue	1,818.26	3,178.74
	560,636.85	511,123.42
	741,885.72	671,286.06

The accompanying notes form part of these financial statements.

THE RYLSTONE CLUB LIMITED
ABN 65 001 028 271

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
EXPENSES		
Advertising, Printing, Stationary & Postage	10,532.03	9,353.57
Auditor's Remuneration	8,800.00	8,600.00
Bank Charges	2,901.38	3,024.77
Bar Expenses	4,255.28	3,820.09
Bowling & Golf Club Expenses	4,039.20	4,133.18
Cleaning & Refuse Disposal	64,989.44	62,074.98
Consultancy Fees	250.00	295.00
Cottage Expenses	21,596.93	19,395.36
Depreciation - Buildings	31,179.56	31,179.56
Depreciation - Plant & Equipment	55,890.00	56,516.00
Directors' Expenses	530.88	1,343.92
Directors' Fees	2,300.00	2,100.00
Donations	3,144.52	3,378.68
Freight & Cartage	5,289.10	4,947.60
Gas Expenses	6,216.36	4,303.41
General Expenses	9,460.35	8,763.59
Insurance	19,171.51	21,713.58
Interest Paid	-	227.89
Kitchen Subsidy	16,440.97	17,952.53
Licenses, Fees & Taxes	4,086.36	9,887.93
Light & Power	27,008.66	27,190.31
Motor Vehicle Expenses	7,183.28	6,354.55
Music & Entertainment	5,129.67	9,836.82
Penalty Fee	-	74.00
Provision for Long Service Leave	1,867.04	1,678.48
Provision for Annual Leave	4,462.19	3,610.24
Rates - Shire	8,661.09	10,434.24
Rent	462.05	456.00
Repairs & Maintenance	28,380.50	29,465.23
Salaries & Wages	329,706.53	302,989.23
Security Costs	2,240.23	1,362.49
Sky Expenses	13,777.57	15,785.69
Squash Club Expenses	1,200.00	1,200.00
Staff Training & Welfare	11,462.69	14,085.10
Superannuation Contributions	30,647.29	27,147.88
Telephone	8,702.16	8,374.16
Trophies & Prizes	23,736.75	16,886.69
Uniforms	1,130.19	518.85
	776,831.76	750,461.60

The accompanying notes form part of these financial statements.

THE RYLSTONE CLUB LIMITED
ABN 65 001 028 271

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2016

	2016 \$	2015 \$
Loss before income tax	<u>(34,946.04)</u>	<u>(79,175.54)</u>

The accompanying notes form part of these financial statements.