



ANNUAL REPORT

For the financial year ended
31 December 2017

BALGOWLAH GOLF CLUB LIMITED

ABN 15 000 859 674

OFFICE BEARERS

As at 31 December 2017

BOARD OF DIRECTORS

President

Tom BOURKE

Senior Vice-President

Bill COLWELL

Vice-President's

Ian MACDONALD

Captain

Scott ALLSOPP

Vice-Captain

Ian RIGBY

Hon. Treasurer

Allan COOK

PATRON

Ronald ASSER

LIFE MEMBER'S

A SIMPSON; B EATON

Mrs M PAINTER; Mrs M. CLARKE

Auditor

John Cheadle FCA of W .L. Brown & Associates

Notice of Annual General Meeting

Notice is hereby given that the FORTY NINTH Annual General Meeting of Balgowlah Golf Club Limited will be held in the Clubhouse, 506 Sydney Road, Balgowlah, on Monday 9th April 2018 at 7pm

AGENDA

The business for the meeting is:

1. MINUTES
To confirm that the Minutes of the FORTY EIGHTH Annual General Meeting held on 13th March 2017 are a true record of that meeting.
2. APPOINTMENT OF AUDITOR
To appoint John Cheadle FCA of W .L. Brown & Associates as Auditor for the ensuing year
3. FINANCIAL STATEMENTS
To receive and adopt the Annual Report and Financial Statements for the year ended 31 December 2017, together with the Directors' and Auditors' Report thereon.
4. OTHER BUSINESS
To transact any other business which may be submitted in accordance with the Articles of Association:
5. ELECTION OF OFFICE BEARERS
That nominations for the positions of office bearers for the Club be declared and ballot(s) be held as necessary to determine the successful nominees;
6. CONFIRMATION OF PATRON
7. GENERAL BUSINESS

By Order of the Board of Directors

T. BOURKE
PRESIDENT

Note to Members:

Members who wish to raise any questions, or seek information at the meeting regarding the Annual Accounts or associated statements of the affairs of the Club, must submit their questions or requests in writing to the President by Monday 2nd April 2018. Questions without notice will not be accepted from the floor at the meeting.

PRESIDENT'S REPORT 2017

As I write my sixth Annual Report it is difficult not to reflect on years past as many significant things have occurred during that time and I request your indulgence

The most significant is certainly how you the Members saved yourself from the depths of administration and elimination. The story is long but should one day be told in full. I never cease to be amazed at the amount of moral and financial support that was forthcoming. From the first request when Margot Smith stood and donated \$1000.00 followed by, unsecured, loans from Ernst and Judith Meyer, Clare and Warwick Swann and Graham Maclean.

The Pledged \$750 monies came forward in a wave of infusiasm and some were voluntarily increased by substantial amounts Wendy and Grant Young purchased 10 year Memberships. An additional \$60,000.00 was donated for the refurbishment of the sixth and seventh fairways. All this was done in good faith without any guarantee of return. This made the ensuing years' worth working hard to ensure ongoing success. Well done and thank you.

Your Directors have submitted individual reports on the sections under their supervision and I thank them for their loyalty and support throughout the year. I am sure you will be pleased with the present state of your great club and I thank all those who have contributed to its continuing success. To those Members who have lost loved ones during the past year I wish to extend our deepest sympathy and condolences on your loss.

I wish to record in this Annual report the extreme loss felt by all members on the passing of our longest serving Member Tony Deluca. Tony was well known for his enthusiastic support and friendship. Many members attended the Celebration of his Life, wonderfully presented by his devoted family, at St Kieren's Church Manly Vale.

The Professional Matt Partridge his wife Lisa and able assistant Charlie all provide a friendly supportive service to Club members and I sincerely thank them.

The Ladies section of the Club are always available to support and assist, with great expertise, in many areas of the Club both internally and in the gardens, and without them our functions would be lackluster.

We are always well supported by our Sub Clubs and the enthusiastic support of The Birdies, Monday Vets, Teachers and Business Men, and Swingers group accompanied by the Tuesday/Friday "Computer Group" and the Thursday Oldies. Your regular attendance and support does not go unnoticed and we are eternally grateful.

Our Junior/Cadet section continues to grow but modern day activities do not always produce regular attendance. I urge all Members to become involved with them, I assure you the experience will be rewarded.

Yes Deb has returned to the fold, this is undoubtedly, to the advantage of BGC and I welcome her expertise and knowledge as a great plus for all of us. Finally I would like to congratulate our incoming Board of Directors and wish them well in the future management of Royal Balgowlah.

Best Wishes to All members.
Kind Regards

Tom Bourke
President

TREASURER'S REPORT

I am extremely pleased on behalf of the Board of Directors and Club Management to formally present the Balgowlah Golf Clubs Annual Report and Financial Statements for the Year Ended 31/12/2017.

The Full Year Result as promulgated in the Clubs Audited Financial Statements discloses a Net Profit of \$46,659.32, an excellent result which continues the positive trend in Trading Results achieved over the past four (4) years

An overview of the major 2017 Income and Expenditure categories is as follows:

FINANCIAL RESULTS OVERVIEW 2017

Income Earned comprised:		Expenditure Incurred comprised:	
Bar Trading	\$23,149	Course Maintenance	\$290,319
Gaming Receipts	\$2,304	Administration Expenses	\$145,958
Catering Trading	\$704	Clubhouse Expenses	\$65,525
Match Contributions	\$261,781		
Membership Receipts	\$184,090		
Other Income	\$76,433		
TOTAL INCOME	\$548,461	TOTAL EXPENSES	\$501,802

NET PROFIT 2017 \$46,659

The Clubs Net Assets/Members Funds are now valued at \$125,065.32 with our Cash on Hand and in Term Deposits in a strong and positive position which will provide us with the necessary liquidity, resources and confidence to continue to operate effectively and to implement the Clubs Asset Acquisition and Replacement Plan in 2018 and Forward Years. Of course, this strong Financial Trading Result could not have been achieved without the continuing and concerted efforts and contributions made by Board and Club Management and Staff, Members and Visitors

THE YEAR 2017 IN REVIEW

The 2017 Year presented many operating challenges as a result of severe climatic conditions during the year. In the early months we endured extreme heat with playing numbers and actual competition and social match contributions well below budget. During the latter months of 2017 almost a total lack of rain again resulted in reduced competition and social match contributions. Of course this reduced number of Members and Visitors playing numbers had an adverse effect on the Clubs Bar and Gaming Revenues.

Unfortunately, as a direct result of the lack of rain and the need to maintain the course it was necessary to purchase large quantities of water at a significant cost. As Members are aware this lack of rain continues in the early months of 2018 with water still being purchased. After detailed consideration of various options the Board reluctantly approved a small water levy to assist in the funding of these additional and unavoidable costs. As always the Members responded strongly to assist the Club to partly fund the costs incurred.

In fact, this support was further clearly demonstrated when a Fund Raising Night was organised by loyal club members including Jan MacDonald and Barbie Cook to raise additional funding. The evening was very well supported with almost \$3,000 raised. In order to fully fund the increased water costs and provide for ongoing recurrent operating costs, the Board continued to closely monitor all areas of Income and Expenditure to ensure adequate funds were available to meet operational needs.

However, major mechanical /system failure in the Clubs Water Management and Pumping system with estimated repair/replacement costs amounting to approximately \$50,000 provided a significant problem which the Board were required to address urgently After careful consideration of various funding and financing options the Board determined to allocate Grant Funding received in previous years. The required Accounting treatment for this Grant Income is detailed below

ACCOUNTING FOR GRANT INCOME

As disclosed in the Clubs 2016 audited Financial Statements, a Current Provision of **\$62,835** was booked with the following note provided

(A)...’During the year the Club received a Local Government Grant of \$50,000. This is to be expended on Special projects expected to be incurred in 2017. In addition, there is a balance of \$12,835 carried forward that will be expended in the current year....’
In accordance with the above advice and consistent with Australian Accounting Standards this amount (**\$62,835**) has now been brought to account as Grant Income in the Clubs audited 2017 Financial Statements

Consistent with Note A above and as described above, Board Approved the undertaking of a major special project funded from the above grant involving the replacement and enhancement of the Clubs Course Water Management and Pumping system at a total cost of **\$49,033.69**. The balance of the Grant Income of **\$13,801.19** will provide funding for the implementation of the Clubs 2018 Asset Acquisition and Replacement Plan detailed below.

As regards the most appropriate treatment for the Accounting and Reporting of the Course Watering System expenditure of **\$49,033.69** the Board determined that the **Australian Accounting Standard for the IMPAIRMENT OF ASSETS should be adopted** This Standard states.....” **Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable....’**

Having regards to the practical nature and use of the Course Watering System, the Board concluded that the carrying amount would not be recoverable and no future economic benefit could be expected to arise.

Accordingly, the total cost of the project \$49.033.69 has been recorded as Course Expenditure in 2017.

By bringing to account the total project cost in the 2017 Financial Statements, the Club will realise Annual savings in respect of deferred Depreciation Expense from 2018

THE YEAR 2018 AHEAD

In respect of the Year Ahead, The Board have developed and Approved the 2018 Operating Budget which forecasts a continuing Surplus Result

The Budget includes the following works and projects which the Board considers will continue to improve and enhance the Course and Club Facilities and amenities.

- Development and Implementation of a rolling Tree Management Plan
- Rehabilitation/Refurbishment of 8th Fairway and Green
- Replacement/Renewal of some seating
- Painting wash rooms and toilets
- Complete Installation and Go Live with POS Terminals and Cash Tills
- Implement MYOB in Administration Office

As mentioned above the Board have been progressively developing the Clubs initial Asset Acquisition and Replacement Plan which is designed to identify both Major and Minor

Projects required to be undertaken to maintain and enhance the Course and Clubhouse facilities and amenities.

These projects will be scheduled on a priority basis depending on need/cost/funding source with the objective to complete when possible over a Five to Ten Year Rolling Basis
Members will be kept informed of the Plans Status

As Members are aware, the Board Approved and received Members Endorsement and Support for the sale of four(4) Poker Machines in the latter period of 2017 . Total payments for these machines were received and banked in early 2018.

The Board is currently reviewing its Debt and Investment Management Policies and Procedures to ensure the most optimum allocation of these monies.

In conclusion. I would like to extend to my fellow Directors, Deb McDonald and Club employee's and Club Members my sincere appreciation for their support and assistance throughout 2017.

Allan COOK
Hon Treasurer

MEMBERSHIP REPORT

	2017	2016	2015	2014	2013	2012
Playing						
Gold 7 Day	53	57	66	75	60	91
Silver 7 Day	20	20	22	20	27	38
Bronze 7 Day	27	32	35	40	33	32
Silver 6 Day	61	73	86	89	93	92
Bronze 6 Day	41	41	35	42	49	44
Senior	10	11	9	10	12	15
Senior Gold	1	3	4	4	4	3
Life Playing	0	0	1	1	1	1
Student 18 – 21	5	4	7	7	10	14
Junior 16 – 17	10	6	3	3		4
Cadet 12 – 15	29	33	34	21	15	14
Non-Metropolitan	1	0	3	3	4	6
User Pays	144	125	32			
Total Playing	405	399	336	319	311	357
Life Non Playing	4	4	3	3	3	3
Non Playing	34	41	46	49	54	63
Social	64	49	52	61	66	59
Total Non-Playing	102	94	101	110	120	122
Total Members:	507	493	437	429	431	479

GOVERNANCE REPORT

The Club's Governance remains a key area of the Board's attention and a number of governance issues were addressed during the year.



Constitution and By-Laws

Our present Constitution (being the Memorandum and Articles of Association (M & AA)) was written in 1970 under the provisions of the then Companies Act 1961. That was part of the process of incorporation of Balgowlah Golf Club Ltd as a company limited by guarantee. Obviously much has changed since then in both the governing law, now the Corporations Act 2001, and commercial practices. There was some updating in 2008 but more needs to be done as the M & AA does not reflect current trends and business practices.

A full review of our Constitution was undertaken during 2017 based on in-puts from Clubs NSW seminars, Golf NSW forum and from industry research. From that, a draft of a new Constitution that reflects where we are now and how we want BGC to be governed has been prepared. Whilst this is a single document to replace the old style M & AA, with the necessary legal requirements of the Gaming Machines Act, Liquor Act and Registered Clubs Act, the document still runs to more than 40 pages.

This will be reviewed, revised as necessary and agreed by the Board during 2018 and will, in due course, be put before members for approval.

Another area of governance is the By Laws - our current By Laws, likewise, need updating to reflect current practices and the import of a new Constitution. Allan Fisher made a good start on this process a couple of years ago and the Board is working on a new comprehensive set of By Laws to be introduced alongside the new Constitution.

Banking and Insurance

During 2017, we tested both the banking and insurance markets to ensure that our current arrangements are appropriate.

With banking, the structure of our facilities with CBA and the convenience of the Seaforth Branch, confirmed that this package continues to suit BGC for the time being.

Our insurance arrangements with Sportscover Australia are industry specific and tailored to our situation. We have been impressed with the responses to claims made under this cover.

Finance Systems

The long awaited switch from MicroPower to MYOB with improved POS terminals was approved late in 2017 and is now underway. This will not only update our systems but will result in operational cost savings.

Local Sports Grant

We were successful in an application for installing practice nets and duly received a net \$1,248 (after GST) from NSW Dept of Sport which was used for that purpose.

Bill Colwell
Senior Vice President

CAPTAIN'S MATCH REPORT

Thank you to all the Members whom have represented BGC in events during the year, you do our club honour with your sportsmanship and skill.

I would like to thank the Board, General Manager and Staff of BGC for their help and encouragement throughout the year.

To all the Members and past members who donate prizes, for Saturday Competitions and Special Events throughout the year, I would like to personally thank them for their generosity.

Representative Teams and Players

This year BGC played in the Metropolitan Mixed Pennants, and a big congratulation goes to the Squad, because they won their division. And as I write this report, the team are into the finals, with our 1st game against Pennant Hills in early March

Metropolitan Mixed Pennants

Ian Rigby
Scott Allsopp
Jeremy Foster
Russ Ewing
Gary Hare
Steve Moore
Andrew Sherbourne
Tim McIntyre
Tim Mara

Jenny Loveridge (C)
Wendy Young
Jan MacDonald
Lynda Trevenar
Robyn Hare
Bronwyn Beale
Kirby Grattan

Warren and Gibson Shield

This year BGC played in the Warren & Gibson Shield, in our division we had Eastlakes Golf Club, Palm Beach Golf Club, and Northbridge Golf Club. Although we didn't win, we came a very respectable 2nd place in the Warren Shield and 3rd place in the Gibson Shield. I would like to thank all the members of both squads for their effort and sportsmanship, they represented BGC very well.

Representation in Warren Shield

Russell Ewing
Mike Barr
Martin Stelzer
Hanz Zeegers
Luke Miles
Doug Hanshaw

David Paton
David Hill
Robert Ewing
Anthony Beale
Richard De Luca
Robin Farr

Representation in Gibson Shield

Rob Charlton
Keith Rheaume
Peter Grainger
Peter Ross
John Brown
Peter Cooper-Southam

Michael Cook
Steve MacDonald
Darren Watson
Tom Lennon
Frank Pikardt

Other Representatives of BGC during 2017 were;

Mrs Barbie Cook and Mrs Jenny Loveridge in the Ladies Keno Fourball Knockout, and in the Mens Keno Fourball we were represented by Mr Michael Cook and Mr Steven MacDonald, who also did very well.

We also had a couple of members playing in the finals of Handiskins, played this last year at Royal Pines Golf Course on the Gold Coast Queensland, well done to Mr Tony Fenwick who came 3rd overall, and Mr David Paton who came very close to the final 4.

Thanks to all members who have encouraged me through the year, it has been a very rewarding experience being your Club Captain

Below are the Club Championship and Event Winners of 2017.

Scott Allsopp
Captain

Championship and Special Event Winners

Our Club Championship winners were officially acknowledged at the Club's 2017 Presentation held late last year. I would like to personally like to congratulate all our Club and Special Event Winners for 2017.

Club Champion	Mr Scott Allsopp
Runner-Up	Mr Tim McIntyre
B Grade Champion	Mr Ross Humphries
Runner-up	Mr Michael Barr
C Grade Champion	Mr Steven MacDonald
Runner-up	Mr Jordan Richards
Junior Champion	Mr Josh Hanshaw
Runner-up	Mr Jordan Richards
Foursomes Champions	Mr Scott Allsopp & Mr Lee Harrison
Runner-up	Mr Ian Rigby & Mr Ross Humphries
Mixed Foursomes Champions	Mr Michael Broadhurst & Mrs Lynda Trevena
Runner-up	Mr Ian Rigby & Mrs Janice MacDonald
Veterans Champion	Mr Michael Tomchin
Murdoch McLeod Cup	Mr Michael Tomchin
Medal Qualifiers Plate 2017	Mr Christian Birk
Fourball Knockout	Mr Robert Ewing & Mr Jonathan Stock
Mixed Fourball Knockout	Mr Russell Ewing & Mrs Lynda Trevenar
Runner Up	Mr Ian MacDonald & Mrs Barbie Cook
Founders Cup	Mr Michael Morris
Encourage Cup Winner	Mr Jordan Richards
Rookie of the year	Mr Jordan Richards

Lady Events Winners 2017

Lady Champion	Mrs J MacDonald
Runner Up	Ms S Pattinson
Club President's Trophy	Mrs S Mouldey
Lady President's Trophy	Mrs W Young
Professional's Trophy	
Runner Up	
Medal of Medal	Mrs B Beale & Mrs W Young
Veteran's Salver	
Bronze Champion	Mrs B Cook
Runner Up	Mrs L Hoffman
Birdies 1 st Division	Mrs R Hare
Birdies 2 nd Division	Mrs P Richardson
Foursomes Champion	Mrs W Young & Mrs J Loveridge
Runner Up	Mrs R Hare & Mrs S Lane
Mavis Moppett	Mrs B Beale & Mrs B Cook

Ladies Committee 2017/2018

President	Wendy Young
Captain	Jenny Loveridge
Secretary	Pat Pashley
Veteran Delegate	Claire Swann
Committee Members	Jan MacDonald, Mary Clarke & Barbie Cook

VICE CAPTAIN REPORT

GREEN'S AND MATCH COMMITTEE ANNUAL REPORT

Since the re-introduction of the Green's and Match Committee in April 2017, there has been lots of hard work put in by the committee to improve the course back to a standard where people want to come and play. There have been some major obstacles put in our way, i.e. weather, on course works, mechanical failure and some insect infestation on three of our fairways. Of most concern was the mechanical failure which saw our water pumping system breakdown, this caused severe water shortage to the course. With hard work and perseverance from our volunteers and Course staff the problem has been fixed and the course is starting to come back to its former self.

Some small improvements have been made to the course, installation of the practice net, which has been widely used by members. A special thank you to Scott Allsopp for the time and effort he put in to make sure the project came to fruition.

Some other works that have been carried out include, the placement of Tee Mats on the 8th Tee, this has allowed the rejuvenation of the remainder of the Tee, which has now come back and looking quite healthy. The Patching of the Dam this has shown a significant improvement in water retention in the Dam. A special thank you goes to Pete Grainger and Marty Stelzer for their hard work.

Future works in the pipeline include;

- a. Walkway rear of 9th green to have Mesh laid and turfing;
- b. Forward area of the 3rd Tee to have Mesh and Turf laid ;
- c. 7th Fairway walkway adjacent to the right bunker to have Mesh laid and turfing. On completion of this maintenance work it is hoped that all areas will then become playable, no GUR anymore.

Major works for future approval include are;

1st, 5th and 6th Fairway's bare patches have been caused by an insect infestation of Ground Pearl. Course Superintendent Stuart Gray is investigating the best way to eradicate the problem, the worst case scenario will necessitate the digging out of the bare patches down to possibly a metre and then replacing the soil and re-turfing of the area. This is a fairly large job for us to undertake and will take some time plan and instigate.

Further Tree and Branch removal on the course will be carried out in the near future.

Some maintenance work will also need to be carried out on the 6th and 7th fairways, this will be carried out on completion of all the Dam surround works. New turf will be placed on these areas after some earth works which needs to be carried out.

Finally I would like to thank the Green's and Match Committee, Scotty Allsopp, Peter Grainger, Marty Stelzer and Steve Moore for their support and behind the scenes hard work and endeavour to improve the course. Hopefully the committee will back up for another year as there is still a lot of work to do to get Balgowlah back to being the Premier 9 Hole Golf Course on the Peninsula.

Ian Rigby
Chairman
Greens and Match Committee.

COURSE REPORT

Our current Course Maintenance Contractors, Wakehurst Golf Club, have now entered the Second Year of their contract period.

Following a difficult start, which was hampered by extremely bad weather, they are now on track and the Course continues to show improvement in playing surface and aesthetics. The Dam, with water at last, is looking good and the improved rock face enhances its appearance, the addition of the swale between the 6th fairway and dam has saved many a ball and decreases anger as a good shot is now being rewarded.

Lantana Hill has had a lot of soil deposited and has now been shaped to allow wood chip and ground cover to be added to enhance its appearance, the top section will be grassed and the Greens Nursery will now be completed, should look good when finished. Areas of bare fairway are now being regrassed, with a portion of the sixth, seventh and rear of the ninth now completed, this will continue to be a priority with the near sixth green areas on both the sixth and seventh fairways being next in line.

I wish to thank all our Working Bee Members for their wonderful contribution to the wellbeing of our course the extensive team headed by Bill Colwell and Jeanne -Pierre Schmid, who give additional time and effort every Tuesday morning, greatly assists our Course Superintendant in having the course well presented.

The efforts of Marty Stelzer, Peter Grainger, Jeremy Foster and Steve Moore in giving their time and expertise to many on course tasks will always be welcomed and appreciated. Thank You.

The efforts of Steve Macdonald, in our enhanced Fairway Watering Programme, has made a noticeable difference to the standard of fairways. There is a contingency plan for the course and the refurbishment of the eighth fairway is well entrenched, as is our Tree Management programme.

Finally I would like to express my sincere thanks to our Course Superintendant Stuart Gray and his very able assistant Chris Osborne it is a pleasure to work with you both your interest and keenness is exemplified in the current condition and appearance of your course. To Glen Hickey thank you for your excellent counsel and assistance your keenness to support Royal Balgowlah is outstanding.

Tom Bourke
President

HOUSE REPORT

During the year every effort has been made to uphold the standard of our Clubhouse although this does present some challenges due to its age and need for constant repairs to the building.

I do Thank those Member who consistently use the Clubhouse facilities and give great support to our Bar. This greatly aids our profitability.

During the past year we have received great service from the Fairway Bistro and Louis support of our Club is greatly appreciated. If you have not enjoyed a Friday Night Dinner at the Club, I would recommend you do so as the meals are truly delicious.

The Club held two Trivia Night functions last year, with special mention the October night had 80 Members attending and hard efforts of our Members Michael Cook as Quizmaster and Barbie Cook who drummed up many donations of prizes from local businesses to be used as Auction items. All these efforts along with some Members making private donation on the night, assisted the Club financially to purchase equipment on the course.

The Club is a great venue for all types of Functions and I ask you to consider it for any future event.

During the coming year we will be running events such as Trivia Nights, Friday Night Dinners and our Melbourne Cup Luncheon on the 6th November. Your support of these functions is needed to ensure their continuously.

I again Thank Member for their valued support during the year and look forward to seeing you in the Clubhouse during 2018.

During 2018 we are planning to make improvements to our Clubhouse. This will include the exterior of the Clubhouse building and a range of new furniture in our main lounge area.

Ian MacDonald
Vice President - House