Glen Iris Valley Recreation Club

ABN 71 534 109 089

Annual Report 2014

The Glen Iris Valley Recreation Club

ABN 71 534 109 089 ACN 004 103 440

260-270 High Street Road, Mt. Waverley VIC 3149

PO Box 39, Glen Iris VIC 3146

Ph. 9807 7755 www.gleniristennis.org.au info@gleniristennis.org.au

OFFICE BEARERS

President:	Peter Gillieron
Vice President:	Brett Allan
Secretary	Andrew Sucevic
Assistant Secretary:	Rosemary Cleland
Treasurer:	Rajesh Chawla
Assistant Treasurer:	Murray Calder
House Manager:	Ross Johnson

DIRECTORS

Murray Verbeek
Thomas Lo
James Curtin

ANNUAL GENERAL MEETING

Notice is hereby given that the 92nd ANNUAL GENERAL MEETING of members of The Glen Iris Valley Recreation Club will be held in the Clubhouse, 260-270 High Street Road, Mt. Waverley VIC 3149 on **Monday 25th May 2015** at **8:00 pm.**

AGENDA

1. **Welcome**
2. **Apologies**
3. **Adoption of Minutes of AGM** held Monday 28th April 2014
4. **Annual Report**
5. **Treasurer's Report**
   Receipt, consideration and adoption of the financial statements of the company for the year ended 31st December 2014.
6. **Election of Office Bearers and Directors:**
   (a) President
   (b) Vice President
   (c) Secretary
   (d) Assistant Secretary
   (e) Treasurer
   (f) Assistant Treasurer
   (g) House Manager
   (h) Directors
7. **Presentation of Awards**
8. **General Business**

The nomination of a person for the position of Director (including the position of Officer Bearer) must be made in writing on the prescribed form, signed by the proposer, seconder and the candidate, each of whom must be a current financial and voting member of the Club, and lodged with the Secretary at 260-270 High Street Road, Mt. Waverley VIC 3149 before 5:00 pm on Friday 22nd May 2015.

A Member unable to be present at the meeting may appoint a proxy to vote on his or her behalf. Notice of the appointment of a proxy must be lodged with the Secretary at the above address before 5:00 pm on Friday 22nd May 2015.

BY ORDER OF THE BOARD
Andrew Sucevic
Secretary GIVRC

MINUTES OF THE 91st ANNUAL GENERAL MEETING OF MEMBERS
Held in the
CLUBHOUSE ON MONDAY 28th APRIL 2014 AT 8:00 PM

PRESENT
P. Gillieron (President), R. Chawla (Treasurer), M. Calder (Assistant Treasurer), A. Sucevic (Secretary), R. Cleland (Assistant Secretary), R. Johnson (House Manager) and 11 additional members.

APOLOGIES
Hayden Rees, Patricia McCulloch, Patricia Seddon, James Curtin, Kathleen Grant.

RESOLUTION "*That the apologies are accepted*"
MOVED: John Semmens, SECONDED: Angie Arthurs
CARRIED

MINUTES OF THE 90TH ANNUAL GENERAL MEETING HELD 30 APRIL 2013.
RESOLUTION *"That the minutes of the AGM held 30 April 2013 are received and adopted"*
MOVED: John Semmens, SECONDED: Heather Semmens
CARRIED

CHAIRMAN'S ADDRESS AND ANNUAL REPORT
The President spoke of the Annual Report as circulated to all club members. He noted the loss of $12,500 over the last 12 months and that the treasurer would further elaborate. The past year has been a transition year to include the new determined rental of $57,000 per annum under the lease from the Riversdale Golf Club.

Directors have been considering a new management structure for the club that will maximize the use of the club's facilities and enhancing its membership benefits. Discussions have been held with representatives from Tennis Victoria and Tennis ACT about introducing professional management to the club based on a similar model that had been successfully introduced to a community based tennis club in Canberra. The membership would be consulted in relation to the proposed changes noting that members would need to be reassured, in particular, on membership subscriptions and court availability.

ADOPTION OF ANNUAL REPORT AND FINANCIAL STATEMENTS
The President requested the Secretary to formally propose the adoption of the Annual Report and financial statements for the year ended 31 December 2013.

The Secretary noted that over the past 12 months, membership has dropped by 20 with 70 new members joining but offset by 90 resignations. Therefore, if the club could retain current members the club's membership numbers would grow. Strategies to retain these members will be included in the new management policy.

The Directors are examining the club's existing structure as a company limited by guarantee and whether to restructure as an incorporated association is more appropriate.

The Secretary concluded by formally proposing *the "adoption of the Annual Report and Financial Statements for the year ended 31 December 2011."*

The Treasurer commented as follows:
The Auditor's fee of $2000 is low and every effort will be made to get balance sheets done well before the next AGM. Thanks to Auditors MSI Ragg Weir in particular Lee Wong in completion of the audit. The club's investments are with E saver accounts to gain as high interest as possible as term deposit rates are currently low.

The Treasurer concluded by formally seconding the motion of the Secretary to adopt the Annual Report and Financial Statements for the year ended 31 December 2013.

The President invited questions and comments from the floor regarding the Annual Report and Financial Statements. Following Q&A, the motion was put to the meeting:

RESOLUTION "That the Annual Report and Financial Statements for the year ended 31 December 2013 be adopted."
MOVED: Andrew Sucevic, SECONDED: Rajesh Chawla
CARRIED

DECLARATION OF VACANCIES
The President thanked all members of the Board of Directors for their interest and commitment throughout the past year and declared that, "in accordance with the club's Articles of Association, all positions were now vacant." Peter Gillieron vacated the Chair.

ELECTION OF INTERIM CHAIRMAN
The Secretary proposed that John Semmens be appointed to preside over the next item of business being the election of the President for the 2014 year.

RESOLUTION *"That John Semmens be appointed as acting Chairman for the item of election of President"*
MOVED: Dennis Rowler, SECONDED: Robyn Crozier
CARRIED

ELECTION OF PRESIDENT, OFFICE BEARERS AND DIRECTORS
John Semmens took the Chair and advised that there was only one nomination for the position of President, that of Peter Gillieron, and he formally declared Peter Gillieron to be elected to that position. He congratulated Peter on his re-election and thanked him for his leadership and work during the past year and noted the challenges for the 2014 year.

Peter Gillieron then assumed the Chair, thanked all those in attendance and asked the Secretary to proceed with the announcement of candidates of Office Bearers and Directors of the Club for the ensuing year.

The Secretary advised that there is one nomination for the position of Vice President, being Brett Allan. The President announced that Brett Allan was elected to the position of Vice President.

The Secretary advised that there is one nomination for the position of Treasurer, being Rajesh Chawla. The President announced that Rajesh Chawla was elected to the position of Treasurer.

The Secretary advised that there is one nomination for the position of Assistant Treasurer, being Murray Calder. The President announced that Murray Calder was elected to the position of Assistant Treasurer.

The Secretary advised that there is one nomination for the position of Secretary, being Andrew Sucevic. The President announced that Andrew Sucevic was elected to the position of Secretary.

The Secretary advised that there is one nomination for the position of Assistant Secretary, being Rosemary Cleland. The President announced that Rosemary Cleland was elected to the position of Assistant Secretary.

The Secretary advised that there is one nomination for the position of House Manager, being Ross Johnson. The President announced that Ross Johnson was elected to the position of House Manager.

The President congratulated all those elected into the Executive/Director positions. The President noted that while the Executive positions were filled, that there were still casual vacancies for Directors. The Board would be looking at the membership to fill these positions to assist the Board in its deliberations over the ensuing year.

DECLARATION OF AUDITOR

The President announced that, being eligible, Mr Lee Wong from MSI Ragg Weir will continue in this capacity for the 2014 financial year.

PRESENTATION OF TROPHIES

The President was advised by Teams Selection Convenor, Andrew Semmens, of the winners of the following perpetual trophies.

The **J B Liddelow Trophy** for the club's best performed pennant player in Tennis Victoria's Pennant Competition was won by **Stephen Sharp**.

The **Ian Occleshaw Trophy** for the club's best performed pennant team in Tennis Victoria's Pennant Competition was won by the Men's Grade 8 team comprising **Stephen Sharp**, **James Curtin**, **Ryan Sharp**, **Glenn Harris** and **Daniel Sharp**.

The meeting acknowledged the winners.

GENERAL BUSINESS

The President asked whether there were any items of General Business to be raised for discussion. The following items were raised:

a) Suggestion to buy a carpet sweeper for the club room.
b) Suggestion to place a sign in the kitchen that the last to leave turns the dishwasher on. To reinforce this with team captains.
c) Suggestion to add some phone numbers next to the phone in the kitchen.
d) Thank you to all board members, their work is appreciated.

The President declared that there being no further discussions, thanked all attending members for their interest in the club and that the 91st AGM was formally closed. He invited members to remain for supper.

MEETING CLOSED 9:45 PM

President's Report

Peter Gillieron
President

I report, on behalf of the Board, the Annual Report to members for the year ended 31 December 2014.

The club produced a deficit on its cash operations of $36,689 increasing to $84,413 when depreciation of the club's improvements is provided for. This result is a direct reflection of the full year impact of the Riversdale rental determination that took effect from September 2013. The club has previously been able to generate surpluses of up to $30,000 pa. The board recognised from the rental determination that the club's operations had to be restructured to ensure the club's sustainability in the medium to longer term.

The determination, while disappointing, now gave the club a certainty with which to consider its future operations and to ensure its financial sustainability over the longer term. The board considered various management models for community based tennis clubs that had been developed successfully interstate, in particular, in Perth and in Canberra. The board was assisted by Tennis Victoria and by Tennis ACT in understanding these models. We are appreciative of the support they provided together with offers of any future assistance or advice that we might have requested. The board then started to develop a draft management agreement that was based on the interstate models but based on our specific requirements, in particular, members' rights. During the development of the management agreement, discussions were held with a number of active sections within the club on their initial comments on the proposed management model.

The board was approached in July 2014 by members of the MCC (Melbourne Cricket Club) Tennis Section as to whether there would be interest on the part of Glen Iris to consider a merger with the MCC Tennis Section. The background to the request was the uncertainty over the occupancy that the MCC had for its Tennis Section at the St Kilda Road Reserve (Junction Oval). The Reserve was nominated (since confirmed) for the re-development for headquarters for Cricket Victoria and Shield Cricket. These initial approaches subsequently expanded into discussions including both the MCC and the MCC Foundation. While continuing to develop the professional management model, discussions between the club and the MCC would appear to be of long term benefit to the members of both clubs by developing a stronger club culture at High Street Road and to put the proposed merger club on a sustainable financial footing. Members have since been informed of the MCC proposal and the board undertakes that it will consult with its members on this proposal.

There has been a very close attention to the club's finances during 2014 notwithstanding the deficit result. I record, with appreciation, the diligence of Treasurer **Rajesh Chawla** and Assistant Treasurer **Murray Calder** who have kept a very tight rein and, at all times, fully informed the board of the club's financial position. A comprehensive explanation of the 2014 operating result is contained in the accompanying Treasurer's Report.

The club's operation manager, **VIDA Tennis** has continued to operate successfully at the club having responsibility for coaching, junior teams, clubhouse and court hire, and the club's Australia Day Tournament in January and the Junior Underage Tournament in July. It was pleasing to see the increasing number of junior teams representing the club during 2014. Our thanks to **Kane Dewhurst** and the team at VIDA for their efforts during the year.

Tennis activities, the mainstay of the club and why we are at High Street Road Mount Waverley were full on during the year. Congratulations to **Matthew Leffler** as our 2014 Club Champion for the 2nd year in a row, a high honour indeed. Congratulations also to **Andrea Mastrippolito** as our Ladies 2014 Club Champion. The club was well represented in competition across midweek, midweek night, weekend seniors and weekend juniors. Congratulations to all members who represented the club in competition and trust that, irrespective of the final result, you enjoyed the journey with fellow members. The winner of the J B Liddelow Trophy for the best singles result in the 2014 Tennis Victoria Pennant season was **Murray Burchett** with a record of 6 wins and no losses without dropping a set, an outstanding result. The winner of the I Occleshaw Trophy for the best team result in the 2014 Tennis Victoria Pennant season was the Men's Grade 5 team comprising **Stephen Swann**, **David Littlewood**, **Murray Calder**, **Oliver Kitchingman** and **Murray Burchett** who came 1 match short of making the Grand Final. I acknowledge **Andrew Semmens** and **Natalie Edwards** for their efforts with the weekend teams. Andrew has resigned from the position of Teams Selection Committee having served the club for many years in that important capacity. The club has a well supported intra-club night competition on Tuesday, Wednesday and Thursday nights. Thanks to **Adam Borstelj**, **Dennis Rowler** and **Grant Fry** for continuing to run these valuable competitions.

The club has continued to enjoy the ongoing relationships with **Tennis Victoria** and various district associations, in particular the **Waverley & District Tennis Association**. These relationships are extremely important to the club and we acknowledge the respective roles that they play in the life of the club.

The club's Underage Tournament, a major tennis event on the club's calendar was again well supported by the tennis community. There has been some decline in the entries over the last 2 years due to another major junior tournament being conducted at the same time. I acknowledge the members who were able to support the tournament.

The club has been very well served by professional support during the year. We thank **Joni Chandra** for his role as grounds person. **Mark Hughes** kept the Clubhouse clean and the extensive lawns at the club looking trim. **John Richards** continues his long association with the club ensuring that the courts are at their very best and we thank him for his prompt and personal interest in the club. **Genna** and **Eloise Verbeek** open and close the club's premise. They have given us all comfort exercising this responsibility.

The board has welcomed Murray Verbeek and Thomas Lo to fill casual vacancies on the board. They made an immediate impact and the board has appreciated their enthusiastic contributions. On your behalf, I thank all the directors for their efforts during the year to ensure that the operations of the club have been exercised in your interest. The workload previously around the rental determination and, now the future of the club has been substantial.

I look forward to seeing you at the club's Annual General Meeting on Monday 25th May 2015.

Treasurer's Report

Rajesh Chawla
Treasurer

Operating loss for the year, before depreciation of fixed assets and amortization of the club's leasehold was $38,612. (2013 – loss of $12,205). Net deficit after depreciation and amortization was $84,415 (2013 - $119,706).

Our Gross Revenue was $138,165 (2013 - $132,624), an increase of 4.2% over the previous year.

Most notable INCOME contributors to this result (as compared to last year) are the following:

- 15% increase in membership receipts representing $5,614 to $42,082 (2013 - $36,468).
- 57% increase in our team entries to competitions which saw our revenue going up by $3,420 to $9,415 (2013 - $5,995). This was due to an increase in the number of Junior teams.
- 43% drop in clubhouse hire representing $3,174 to $4,208 (2013 - $7,383).
- 15% drop in tournament revenue held at the club primarily from the Australia Day and Junior Tournament (July) held each year. Gross revenue for tournaments was down by $6,545 to a total of $38,143 (2013 - $44,688). This was primarily due to staging of other tournaments by Tennis Victoria around Melbourne at the same time. To mitigate this in 2015, the club has secured another tournament during the Melbourne Cup weekend.
- Our non-operating income from interest and investments was up by $5,686 to $14,616 (2013 - $8,980).

The club increased its focus on club membership that did lead to an increase in junior membership numbers and revenue went up marginally during 2014 as a result. This remains our key focus. Our association with VIDA led by Kane Dewhurst continues to benefit the club in attracting new junior members to the club and retaining them.

On the expenses side, our total expenses excluding depreciation and amortization were up by $31,948 to $176,776 (2013 - $144,828). While most expenses were controlled and managed, key expense items were as follows:

- Marginal increase in general maintenance of the club house and ground including opening/closing of the club house by $543 to $34,611 (2013 - $34,066).
- Marginal increase in Services costs including rates, utilities, security etc. by $301 to $21,321 (2013 - $21,020). This was largely due to increased water and rates costs while there was a marginal drop in power and gas costs.
- 61% increase in Administration costs by $33,997 to $89,324 (2013 - $55,328). This was largely due to rental expenses of $57,536 (2013 – $16,625) paid to the Riversdale Golf Club being the first full year of lease effective 16 September 2013. Other key costs included:
    - Legal costs of $5,088 incurred during the year relating to renewal of the club's lease, Tennis Vic affiliation fee of $6,023, etc. Payment to VIDA of $10,681 (2013 - $11,445) relating to club tournament entries and court/club hire fees. Executive Officer's Honorary payments were $600 (2013 - $Nil).

In most of the other categories, the club did well to keep a handle on expenses. Depreciation of fixed assets and leasehold amortization was $48,437 (2013 - $107,504). The club had amortized its leasehold improvements in the 2013 year at the end of its first 25 year lease with the Riversdale Golf Club. Directors had revalued these improvements at $1,145,000 in 2013 that have now been amortized at an annual rate of 4% in line with our current 25 year lease and this charge was $45,800 (2013 - $90,163).

Overall Operating Result
Overall, the operating result was a net deficit of $31,948, after all expenses excluding depreciation and amortization (2013 - Deficit $12,205).

The club will continue to focus on providing better facilities to its members and promote tennis and attract new members while continuing to explore other opportunities to raise additional revenues (e.g. holding various prestigious tournaments at its facilities) in light of the current lease with the Riversdale Golf Club, clubhouse maintenance requirements etc. It is looking at alternate sustainable options including strategic mergers, club management commercial arrangements etc and will keep members posted with developments.

Cash Position
Cash flow from operations was a net outflow of $62,174 (2013- Net outflow $13,027).

The club has investment value of $40,996.43 (2013- $Nil) in Vanguard LifeStrategy Growth Fund (Cost $40,000). The club has sold out of its Mercer managed funds investment in November 2014 realising an amount of $31,920.60 (2013 - $31,092.82 Market Value) in line with the investment strategy adopted by the board keeping medium to long term investment options. We had a total of $ 141,996 in cash deposits (2013 – $204,170) in term deposit, savings (high interest accounts) and business accounts.

Club's Total assets including leasehold revaluation stood at $1,301,820 (2013 - $1,391,007) and its' liabilities including provisions for expenses and prepaid membership fees totaled $14,662 (2013 - $13,262).

I take this opportunity of thanking all members of the board for their support and hard work over the last twelve months. It has been a challenging but exciting time at the club with exploring options on our sustainability strategies where we have made some progress and look forward to talking to our members during the year. Thanks to **Murray Calder**, my fellow board member and Assistant Treasurer for his continuing assistance and commitment to the club as we manage financial affairs of the club. Thank you to other board members for their support and it has been a pleasure working another year on the board and to our members to have given me this opportunity. Finally I would like to thank the auditors MSI Ragg Weir and in particular Lee Wong and his staff for the efficient and timely completion of the audit.

The Glen Iris Valley Recreation Club

260-270 High Street Road
MOUNT WAVERLEY VIC 3149
PO Box 39, GLEN IRIS VIC 3146

Profit & Loss [Last Year Analysis]

January 2014 through December 2014

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	This Year	Last Year	$ Difference	% Difference
Income				
Subscriptions	$42,081.51	$36,468.36	$5,613.15	15.4%
Night Tennis	$12,084.76	$12,007.24	$77.52	0.6%
Ball Money & Team Fees	$9,415.11	$5,994.67	$3,420.44	57.1%
Junior Underage Tourn (Inc)	$10,918.02	$14,427.26	-$3,509.24	(24.3%)
Club House & Corporate Hire	$4,208.16	$7,382.87	-$3,174.71	(43.0%)
Court Hire	$5,969.09	$4,856.50	$1,112.59	22.9%
Other Income	$11,646.85	$12,246.69	-$599.84	(4.9%)
Tournaments	$27,224.96	$30,261.15	-$3,036.19	(10.0%)
Interest Income	$5,857.71	$7,750.02	-$1,892.31	(24.4%)
Investment Income	$8,758.39	$1,229.02	$7,529.37	612.6%
Total Income	$138,164.56	$132,623.78	$5,540.78	4.2%
Expenses				
Salaries & Related Costs	$506.45	$502.38	$4.07	0.8%
R&M - Tennis Courts	$11,140.10	$8,157.18	$2,982.92	36.6%
R&M - Clubhouse	$8,784.24	$8,413.77	$370.47	4.4%
R&M - Grounds	$15,840.82	$17,495.61	-$1,654.79	(9.5%)
Administration	$78,639.44	$43,883.40	$34,756.04	79.2%
Services	$19,396.43	$21,020.46	-$1,624.03	(7.7%)
Ball Purchases	$6,787.41	$6,335.31	$452.10	7.1%
Junior Underage Tourn (Exp)	$5,185.45	$7,435.12	-$2,249.67	(30.3%)
Club Administrator	$10,680.73	$11,445.11	-$764.38	(6.7%)
Tournaments	$11,597.86	$15,644.48	-$4,046.62	(25.9%)
Competition Expenses	$3,530.50	$3,567.08	-$36.58	(1.0%)
Other Expenses	$2,049.57	$928.51	$1,121.06	120.7%
Other - Clothing expenses	$715.36	$0.00	$715.36	NA
Total Expenses	$174,854.36	$144,828.41	$30,025.95	20.7%
Operating Profit	-$36,689.80	-$12,204.63	-$24,485.17	(200.6%)
Other Income				
Other Expenses				
Interest Expense	$2.51	$0.00	$2.51	NA
Depreciation & Amortisation	$47,721.31	$107,503.57	-$59,782.26	(55.6%)
Total Other Expenses	$47,723.82	$107,503.57	-$59,779.75	(55.6%)
Net Profit / (Loss)	-$84,413.62	-$119,708.20	$35,294.58	29.5%

Membership Report

Andrew Sucevic

Membership Secretary

CATEGORY	2010	2011	2012	2013	2014
Adult Unrestricted	131	131	136	122	119
Adult Midweek	41	41	38	36	37
Night	38	40	36	38	45
Pennant	8	11	10	9	9
Adult (18-21 years)	46	35	25	20	19
Junior (15-17 years)	32	29	35	33	28
Junior (Under 15 years)	72	59	62	67	71
Country	5	6	4	1	0
Non Playing	15	11	8	9	7
Honorary Annual	6	6	6	6	3
Honorary Life	17	18	17	16	16
TOTAL	**411**	**387**	**377**	**357**	**354**

Membership remained steady in 2014, reversing the slide of the previous few years. While the total number decreased by 3, the number of paying financial members remained the same when taking into account the reduction of 3 Honorary Annual members. As a result, most categories remained largely the same with the exception of an increase in 7 (18%) in Night membership, 4 (6%) in Junior (Under 15 years) members and a reduction of 5 (15%) in Junior (15-17 years) membership. Of the total number of 354 members, 59 of those (or 16.5%) are part of a family membership.

We had 85 (70 in 2013) new members join us in 2014 which is a very pleasing result considering the Open Day in early February wasn't very successful due to the hot and windy conditions on the day where we gained only 5 new members. Conversely, this translates to the same number of 85 (90 in 2013) members leaving the club and a 24% turnover in the membership. Upon asking members that resigned the reason for not renewing, the vast majority are not due to joining a nearby club but either due to relocation, not using the courts much, playing other sports, injury or time poor.

The club has a new website with a modern and responsive look and feel with a calendar showing events and available member courts. I encourage all members to look at the calendar before coming down to the club for a hit to ensure there are available courts free.

There is a lot of work to be done with membership so any assistance with providing the best service to our members would be appreciated, especially around getting members involved in social and night tennis programs.

I'd like to thank all members for their support in 2014 and to **Kane Dewhurst** from VIDA for his assistance in taking membership enquiries and coordinating the new website.

The Glen Iris Valley Recreation Club
A.B.N 71 534 190 089

Financial Statements
For the Year Ended 31 December 2014

The Glen Iris Valley Recreation Club
A.B.N 71 534 190 089

Directors' Report
31 December 2014

The directors present their report on The Glen Iris Valley Recreation Club for the financial year ended 31 December 2014.

1. General information

Information on directors

The names of each person who has been a director during the year and to the date of this report are:

P.J. Gillieron

Qualifications	Property Services Manager Graduate Diploma in Property, Associate of the Australian Property Institute-Certified Practising Valuer Graduate Diploma of Accounting, Professional member of the Institute of Public Accountants
Experience	20 Years President and Director of GIVRC
Special responsibilities	President

B.C. Allan

Qualifications	Bachelor of Business (Accounting), member CPA
Experience	12 years on GIVRC Board as Assistant Treasurer
Special responsibilities	Vice-President

R.L. Johnson

Qualifications	Bachelor of Electronic and Communications Engineering (RMIT)
Experience	Member of GIVRC Board

A. Sucevic

Qualifications	Bachelor of Engineering (Electronics and Computer Systems)
Experience	Member of the GIVRC Board

R. Chawla

Qualifications	Bachelor of Commerce, member of the Institute of Chartered Accountants, Registered Tax Agent
Experience	Ex-board member (and Treasurer) at the Australian India Business Council, Senior Consultant at DFK Benjamin King Money
Special responsibilities	Treasurer

M. Calder

Qualifications	Bachelor of Business (Accounting) Member of the Institute of Chartered Accountants
Experience	Manager, Business Solutions, RSM Bird Cameron with over 10 years experience
Special responsibilities	Assistant Treasurer

Directors' Report
31 December 2014

1. General information continued

Information on directors continued

R. Cleland	
Qualifications	Professional dentist
Experience	Member of the GIVRC Board
M. Verbeek	Appointed 16 June 2014
Qualifications	Clinical trained in Critical Care, Graduate Diploma in Business Management, Masters of Business Management
Experience	17 years working in both public and private sectors throughout Australia and New Zealand.
T. Lo	Appointed 13 October 2014
Qualifications	Bachelor of Commerce (Marketing)
Experience	8 years working at NAB, currently a Associate Director within Corporate Transaction Solutions at NAB.

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

Principal activities

The principal activity of The Glen Iris Valley Recreation Club during the financial year was to provide and facilitate the opportunity for members of the club to participate in the sporting game of tennis.

No significant changes in the nature of the Company's activity occurred during the financial year.

Short term objectives

The Company's short term objectives are to:

– Increase membership across all categories

– Increase coaching numbers

– Increase competition participation in all categories

– Maintain the Club’s facilities at the highest possible standard

1. General information continued

Long term objectives

The Company's long term objectives are to:

- Fund and undertake a continuing capital works program to ensure that the Club's facilities are at the highest standard
- Continue to maintain relationships with the peak associations in tennis, e.g. Tennis Australia, Tennis Victoria
- Continue to provide sustainable member services at an affordable level.

Strategy for achieving the objectives

To achieve these objectives, the Company has adopted the following strategies:

- Agreed on the terms and conditions for a new 3-year management agreement with VIDA Tennis.
- Promote and support "open days" in conjunction with Tennis Victoria
- Maintain affiliation with Tennis Victoria and other tennis associations
- Improve communications with club members
- Continue to make the Club's facilities available to tennis associations, educational institutions and to the public

Members guarantee

The Glen Iris Valley Recreation Club is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each members and any person or association who ceased to be a member in the year prior to the winding up, is limited to $ 4.20 for members that are corporations and $ 4.20 for all other members, subject to the provisions of the company's constitution.

At 31 December 2014 the collective liability of members was $ 4.20 (2013: $ 4.20)

The Glen Iris Valley Recreation Club
A.B.N 71 534 190 089

Directors' Report
31 December 2014

Meetings of directors

During the financial year, 11 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
P.J. Gillieron	11	11
B.C. Allan	11	8
R.L. Johnson	11	9
A. Sucevic	11	11
R. Chawla	11	11
M. Calder	11	7
R. Cleland	11	10
M. Verbeek	7	3
T. Lo	3	3

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the Corporations Act 2001, for the year ended 31 December 2014 has been received and can be found on page 5 of the financial report.

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

Director: ....
P.J. Gillieron

Dated 22/4/15

MSI RAGG WEIR
Chartered Accountants

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Hawthorn Victoria
Australia

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Auditors Independence Declaration
under Section 307C of the Corporations Act 2001
To the Directors of The Glen Iris Valley Recreation Club

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2014, 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.

MSI Ragg Weir

MSI RAGG WEIR
Chartered Accountants

L.S WONG
Partner
Melbourne: 22 April 2015

Member of msi Global Alliance Independent Professional Firms

LIABILITY LIMITED BY A SCHEME APPROVED UNDER PROFESSIONAL STANDARDS LEGISLATION

Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 31 December 2014

	Note	2014 $	2013 $
Revenue	2	138,165	132,624
Employee benefits expense		(1,233)	(502)
Depreciation and amortisation expenses	3	(47,720)	(107,504)
Other expenses from ordinary activities		(8,784)	(7,329)
Services		(21,321)	(21,021)
Administration		(89,324)	(55,327)
Competition and tournament expenses		(19,587)	(26,579)
Repairs and maintenance		(34,611)	(34,068)
Profit before income tax		(84,415)	(119,706)
Income tax expense		-	-
Loss for the year		(84,415)	(119,706)
Other comprehensive income, net of income tax			
Other comprehensive income		-	1,149,089
Other comprehensive income for the year, net of tax		-	1,149,089
Total comprehensive income for the year		(84,415)	1,029,383

The Glen Iris Valley Recreation Club
A.B.N 71 534 190 089

Statement of Financial Position
31 December 2014

	Note	2014 $	2013 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	141,996	204,170
Trade and other receivables	5	7,154	3,817
Other assets	7	9,774	3,902
TOTAL CURRENT ASSETS		158,924	211,889
NON-CURRENT ASSETS			
Property, plant and equipment	6	1,101,900	1,148,025
Other assets	7	40,996	31,093
TOTAL NON-CURRENT ASSETS		1,142,896	1,179,118
TOTAL ASSETS		1,301,820	1,391,007
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	14,662	13,262
TOTAL CURRENT LIABILITIES		14,662	13,262
TOTAL LIABILITIES		14,662	13,262
NET ASSETS		1,287,158	1,377,745
EQUITY			
Reserves		1,220,054	1,226,226
Retained earnings		67,104	151,519
TOTAL EQUITY		1,287,158	1,377,745

The accompanying notes form part of these financial statements.

The Glen Iris Valley Recreation Club
A.B.N 71 534 190 089

Statement of Changes in Equity
For the Year Ended 31 December 2014

2014

	Retained Earnings	General Reserves	Financial Assets Reserve	Revaluation Reserve	Total
	$	$	$	$	$
Balance at 1 January 2014	151,519	74,058	7,168	1,145,000	1,377,745
Loss attributable to members of the entity	(84,415)	-	-	-	(84,415)
Revaluation (decrement) of available for sale investment	-	-	(7,168)	-	(7,168)
Revaluation Increment of available for sale investment	-	-	996	-	996
Balance at 31 December 2014	67,104	74,058	996	1,145,000	1,287,158

2013

	Retained Earnings	General Reserves	Financial Assets Reserve	Revaluation Reserve	Total
	$	$	$	$	$
Balance at 1 January 2013	271,225	74,058	3,079	-	348,362
Loss attributable to members of the entity	(119,706)	-	-	-	(119,706)
Revaluation of available for sale investment	-	-	4,089	-	4,089
Revaluation of leasehold improvements	-	-	-	1,145,000	1,145,000
Balance at 31 December 2013	151,519	74,058	7,168	1,145,000	1,377,745

The Glen Iris Valley Recreation Club
A.B.N 71 534 190 089

Statement of Cash Flows
For the Year Ended 31 December 2014

	Note	2014 $	2013 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from members and visitors		125,018	140,807
Payments to suppliers and employees		(183,537)	(162,294)
Interest received		6,022	8,460
Interest paid		(3)	-
Net cash provided by (used in) operating activities	15	(52,500)	(13,027)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sale of available-for-sale investments		31,921	-
Purchase of property, plant and equipment		(1,595)	-
Purchase of available-for-sale investments		(40,000)	-
Net cash used by investing activities		(9,674)	-
Net increase (decrease) in cash and cash equivalents held		(62,174)	(13,027)
Cash and cash equivalents at beginning of year		204,170	217,197
Cash and cash equivalents at end of financial year	4	141,996	204,170

The accompanying notes form part of these financial statements.

Notes to the Financial Statements
For the Year Ended 31 December 2014

The financial statements are for The Glen Iris Valley Recreation Club as an individual entity, incorporated and domiciled in Australia. The Glen Iris Valley Recreation Club is a not-for-profit Company limited by guarantee.

The functional and presentation currency of The Glen Iris Valley Recreation Club is Australian dollars.

1 Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

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

(b) Comparative Amounts

Comparatives are consistent with prior years, unless otherwise stated.

(c) Income Tax

No provision for income tax has been raised as the Company is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997.

(d) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the Company are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

Notes to the Financial Statements
For the Year Ended 31 December 2014

1 Summary of Significant Accounting Policies continued

(e) 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.

All revenue is stated net of the amount of goods and services tax (GST).

(f) Goods and Services Tax (GST)

Revenue, 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 Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(g) Property, Plant and Equipment

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

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Assets measured using the revaluation model are carried at fair value at the revaluation date less any subsequent accumulated depreciation and impairment losses. Revaluations are performed whenever there is a material movement in the value of an asset under the revaluation model.

Leasehold Improvements

Leasehold Improvements are measured using the revaluation model.

1 Summary of Significant Accounting Policies continued

(g) Property, Plant and Equipment continued

Plant and equipment

Plant and equipment are measured using the cost model.

Plant and equipment that have been contributed at no cost, or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

Depreciation

Property, plant and equipment, excluding freehold land, 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.

The depreciation/amortisation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation/ amortisation rates
Leasehold Land	2%
Plant and Equipment	20%
Leasehold improvements	4%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(h) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is the equivalent to the date that the Company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

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

1 Summary of Significant Accounting Policies continued

(h) Financial instruments continued

Amortised cost is calculated as:

(a) the amount at which the financial asset or financial liability is measured at initial recognition;

(b) less principal repayments;

(c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and

(d) less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

The classification of financial instruments depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and at the end of each reporting period for held-to-maturity assets.

The Company does not designate any interest as being subject to the requirements of accounting standards specifically applicable to financial instruments.

(i) Financial assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting year.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Company's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

1 Summary of Significant Accounting Policies continued

(h) Financial instruments continued

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

If during the period the Company sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire held-to-maturity investments category would be tainted and reclassified as available-for-sale.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to be sold within 12 months after the end of the reporting period.

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Fees payable on the establishment of loan facilities are recognised as transaction costs of the loan.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Impairment of financial assets

At the end of the reporting period the Company assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

Impairment on loans and receivables is reduced through the use of an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

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

1 Summary of Significant Accounting Policies continued

(h) Financial instruments continued

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.

(i) 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 and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, 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.

(j) Cash and cash equivalents

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

(k) Adoption of new and revised accounting standards

During the current year, the following standards became mandatory and where applicable have been adopted by the Company:

- AASB 2013 – 6 Amendments to AASB 136 arising from Reduced Disclosure Requirements
- AASB 2013 – 4 Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting
- AASB 2012-3 Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities [AASB 132]

1 Summary of Significant Accounting Policies continued

(k) Adoption of new and revised accounting standards continued

- AASB 2013 – 3 Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets.

- Interpretation 21 Levies

- AASB 2013 – 5 Amendments to Australian Accounting Standards – Investment Entities [AASB 1, AASB 3, AASB 7, AASB 10, AASB 12, AASB 107, AASB 112, AASB 124, AASB 127 AASB 132, AASB 134 & AASB 139]

- AASB 2013-8 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities – Control and Structured Entities [AASB 10, AASB 12 & AASB 1049]

- AASB 2013 – 7 Amendments to AASB 1038 arising from AASB 10 in relation to consolidation and interests of policy holders (AASB 1038)

- AASB 2013-9 Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments

The accounting policies have been updated to reflect changes in the recognition and measurement of assets, liabilities, income and expenses and the impact of adoption of these standards is discussed below.

In accordance with the transition provisions in the standard, the comparative figures have been restated.

(l) New Accounting Standards and Interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Company has decided not to early adopt these Standards. The following table summarises those future requirements, and their impact on the Company where the standard is relevant:

1 Summary of Significant Accounting Policies continued

(l) New Accounting Standards and Interpretations continued

Standard Name	Effective date for entity	Requirements	Impact
AASB 9 Financial Instruments. AASB 2010 7Amendments to Australian Accounting Standards arising from AASB 9 (December 2009). AASB 2012 6 Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transitional Disclosures. AASB 2013-9 Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments. AASB 2014-1 Amendments to Australian Accounting Standards.	31 December 2018	Significant revisions to the classification and measurement of financial assets, reducing the number of categories and simplifying the measurement choices, including the removal of impairment testing of assets measured at fair value. The amortised cost model is available for debt assets meeting both business model and cash flow characteristics tests. All investments in equity instruments using AASB 9 are to be measured at fair value. Amends measurement rules for financial liabilities that the entity elects to measure at fair value through profit and loss. Changes in fair value attributable to changes in the entity's own credit risk are presented in other comprehensive income. AASB 2013 -9 adds chapter 6 Hedge Accounting to AASB 9 which supersedes the general hedge accounting requirements in AASB 139 Financial Instruments: Recognition and Measurement, which many consider to be too rules-based and arbitrary. Chapter 6 requirements include a new approach to hedge accounting that is intended to more closely align hedge accounting with risk management activities undertaken by entities when hedging financial and non-financial risks. Some of the key changes from AASB 139 are as follows:	Impacts on the reported financial position and performance have not yet been determined.

1 Summary of Significant Accounting Policies continued

(l) New Accounting Standards and Interpretations continued

Standard Name	Effective date for entity	Requirements	Impact
		- to allow hedge accounting of risk components of non-financial items that are identifiable and measurable (many of which were prohibited from being designated as hedged items under AASB 139); - changes in the accounting for the time value of options, the forward element of a forward contract and foreign-currency basis spreads designated as hedging instruments; and - modification of the requirements for effectiveness testing (including removal of the 'bright-line' effectiveness test that offset for hedging must be in the range 80-125%). Revised disclosures about an entity's hedge accounting have also been added to AASB 7 Financial Instruments: Disclosures. AASB 2013 – 9 also permits an entity to elect to apply the own credit risk provisions without applying the other requirements in AASB 9 (2010). If an entity does so, it is required to disclose that fact and provide the disclosures in paragraphs 10-11 of AASB 7 concerning financial liabilities designated at fair value. AASB 2014-1 defers the effective date to 1 January 2018 and contains consequential amendments to a number of standards as a consequence of the introduction of Chapter 6 Hedge Accounting to AASB 9.	

1 Summary of Significant Accounting Policies continued

(l) New Accounting Standards and Interpretations continued

Standard Name	Effective date for entity	Requirements	Impact
AASB 2014-4 Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation	31 December 2016	This standard amends AASB 116 Property, Plant and Equipment and AASB 138 Intangible Assets to: a. establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset; b. clarify that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset; and c. clarify that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances.	There is no impact as the entiy is not using a revenue based method of depreciation or amortisation.
AASB 2014-1 Amendments to Australian Accounting Standards.	31 December 2015	The amendments clarify that if the amount of the contributions is independent of the number of years of service, an entity is permitted to recognise such contributions as a reduction in the service cost in the period in which the related service is rendered, instead of attributing the contributions to the periods of service. In contrast, if the amount of the contributions is dependent on the number of years of service, an entity is required to attribute those contributions to periods of service using the same attribution method required by paragraph 70 of AASB 119 for the gross benefit.	There will be no impact as the entity does not have a defined benefit plan.

Notes to the Financial Statements
For the Year Ended 31 December 2014

1 Summary of Significant Accounting Policies continued

(l) New Accounting Standards and Interpretations continued

Standard Name	Effective date for entity	Requirements	Impact
AASB 2014-1 Amendments to Australian Accounting Standards	31 December 2015	AASB 2014 -1 makes amendments to particular Australian Accounting Standards to delete their references to AASB 1031 Materiality as each standard is amended for another purpose.	There is not expected to be any changes to the reported financial position, performance or cash flows of the entity.

Notes to the Financial Statements
For the Year Ended 31 December 2014

1 Summary of Significant Accounting Policies continued

(l) New Accounting Standards and Interpretations continued

Standard Name	Effective date for entity	Requirements	Impact
AASB 2014-1 Amendments to Australian Accounting Standards (2010 – 2012 cycle).	31 December 2015	The following standards and changes are made under AASB 2014-1: - AASB 2 Share-based Payments – amendments to definitions - AASB 3 Business Combinations – clarification that contingent consideration that is classified as an asset or a liability shall be measured at fair value at each reporting date. - AASB 8 Operating Segments – amendments to disclosures - AASB 3 Business Combinations – references to contingent consideration - AASB 13 Fair value measurement – minor clarification re: measurement of short-term receivables and payables - AASB 116 Property, plant and equipment – clarifies that when an item of property, plant and equipment is revalued the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount. - AASB 124 Related Party Disclosures – clarifies that an entity providing key management personnel services to the reporting entity or to the parent of the reporting entity is a related party of the reporting entity. - AASB 138 Intangible Assets – clarifies that when an intangible asset is revalued the gross carrying amount is adjusted in a	There are not expected to be any changes to reported financial position or performance arising from the adoption of part A of AASB 2014-1.

Notes to the Financial Statements
For the Year Ended 31 December 2014

1 Summary of Significant Accounting Policies continued

(l) New Accounting Standards and Interpretations continued

Standard Name	Effective date for entity	Requirements	Impact
AASB 2014-1 Amendments to Australian Accounting Standards (2011 – 2013 cycle).	31 December 2015	The following standards and changes are made under AASB 2014-1: - AASB 1 First-time Adoption of Australian Accounting Standards – clarification in the basis of conclusion - AASB 3 Business Combinations - Clarifies that AASB 3 excludes from its scope the accounting for the formation of a joint arrangement in the financial statements of the joint arrangement itself. - AASB 13 Fair Value Measurement - Clarifies that the scope of the portfolio exception defined in paragraph 52 of AASB 13 includes all contracts accounted for within the scope of AASB 139 Financial Instruments: Recognition and Measurement or AASB 9 Financial Instruments, regardless of whether they meet the definition of financial assets or financial liabilities as defined in AASB 132 Financial Instruments: Presentation. - AASB 140 Investment Property - Clarifies that determining whether a specific transaction meets the definition of both a business combination as defined in AASB 3 Business Combinations and investment property as defined in AASB 140 Investment Property requires the separate application of both standards independently of each other.	There are not expected to be any changes to reported financial position or performance arising from the adoption of part A of AASB 2014-1.

Notes to the Financial Statements
For the Year Ended 31 December 2014

2 Revenue and Other Income

Revenue from continuing operations

Finance income includes all interest-related income, other than those arising from financial assets at fair value through profit or loss. The following amounts have been included in the finance income line in the statement of profit or loss and other comprehensive income for the reporting periods presented:

	2014 $	2013 $
Sales revenue		
- Subscripitions	42,082	36,469
- Donations	55	584
- Other	81,412	86,591
	123,549	123,644
Finance income		
- Interest	6,846	8,980
Other revenue		
- other trading revenue	7,770	-
Total Revenue	138,165	132,624

3 Result for the Year

The result for the year includes the following specific expenses:

Other expenses:

	2014 $	2013 $
Deprciation and amortisation:		
- Amortisation - Leasehold rent prepaid	-	14,167
- Amortisation - Leasehold improvements	45,800	-
- Depreciation - Leasehold improvements	-	90,164
- Depreciation - Plant and equipment	196	348
- Depreciation - Furnishings	1,724	2,825
Total depreciation and amortisation	47,720	107,504

4 Cash and cash equivalents

	2014	2013
	$	$
Short-term bank deposits	110,638	146,883
Cash at bank and on hand	31,358	57,287
	141,996	204,170

5 Trade and other receivables

CURRENT		
Trade receivables	706	921
Sundry Debtors	585	332
GST receivable	5,863	2,564
Total current trade and other receivables	7,154	3,817

6 Property, plant and equipment

Plant and equipment		
At cost	20,492	19,610
Accumulated depreciation	(19,589)	(19,393)
Total plant and equipment	903	217
Furnishings		
At cost	34,857	34,144
Accumulated depreciation	(33,060)	(31,336)
Total office equipment	1,797	2,808
Leasehold improvements		
Leasehold improvements - at independent valuation	1,145,000	1,145,000
Accumulated depreciation	(45,800)	-
Total improvements	1,099,200	1,145,000
Total property plant and equipment	1,101,900	1,148,025
Total property, plant and equipment	1,101,900	1,148,025

Notes to the Financial Statements
For the Year Ended 31 December 2014

6 Property, plant and equipment continued

(a) Movements in carrying amounts of property, plant and equipment

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

	Plant and Equipment	Furnishings	Leasehold improvements - at independent valuation	Total
	$	$	$	$
Year ended 31 December 2014				
Balance at the beginning of the year	217	2,808	1,145,000	1,148,025
Additions at cost	882	713	-	1,595
Depreciation expense	(196)	(1,724)	(45,800)	(47,720)
Balance at the end of the year	903	1,797	1,099,200	1,101,900

	Plant and Equipment	Furnishings	Leasehold improvements - at independent valuation	Total
	$	$	$	$
Year ended 31 December 2013				
Balance at the beginning of the year	565	5,633	90,164	96,362
Asset revaluation	-	-	1,145,000	1,145,000
Depreciation expense	(348)	(2,825)	(90,164)	(93,337)
Balance at the end of the year	217	2,808	1,145,000	1,148,025

7 Other non-financial assets

	2014	2013
	$	$
CURRENT		
Prepaid expense	7,863	2,941
Inventory	1,911	961
	9,774	3,902

7 Other non-financial assets continued

	2014 $	2013 $
NON-CURRENT		
Investment	40,996	31,093

8 Trade and other payables

	2014 $	2013 $
CURRENT		
Prepaid subscriptions	1,385	1,099
Accruals	13,277	12,163
	14,662	13,262

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

9 Capital and Leasing Commitments

(a) Leasehold

	2014 $	2013 $
Minimum lease payments:		
- not later than one year	58,767	57,000
- between one year and five years	230,456	223,526
- later than five years	1,044,617	1,071,339
Minimum lease payments	1,333,840	1,351,865
Present value of minimum lease payments	1,333,840	1,351,865

10 Financial Risk Management

The Company is exposed to a variety of financial risks through its use of financial instruments.

The Company's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The Company does not speculate in financial assets.

The most significant financial risks to which the Company is exposed to are described below:

Specific risks

- Market risk - currency risk, interest rate risk and price risk
- Credit risk

10 Financial Risk Management continued

- Liquidity risk

Financial instruments used

The principal categories of financial instrument used by the Company are:

- Trade receivables
- Cash at bank
- Bank overdraft
- Managed Investments
- Trade and other payables

Objectives, policies and processes

Risk management is carried out by the Company's risk management committee under the delegated power from the Board of Directors. The Finance Manager has primary responsibility for the development of relevant policies and procedures to mitigate the risk exposure of the Company, these policies and procedures are then approved by the risk management committee and tabled at the board meeting following their approval.

Specific information regarding the mitigation of each financial risk to which the Company is exposed is provided below.

Liquidity risk

Liquidity risk arises from the Company's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities as and when they fall due. The Company maintains cash and marketable securities to meet its liquidity requirements for up to 30-day periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

The Company manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash-outflows due in day-to-day business.

Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 180-day and a 360-day period are identified monthly.

At the reporting date, these reports indicate that the Company expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances and will not need to draw down any of the financing facilities.

10 Financial Risk Management continued

Market risk

(i) Price risk

The Company is exposed to equity securities price risk. This arises from listed investments held by the Company and classified as available-for-sale on the statement of financial position.

Equity instruments are held for strategic rather than trading purposes and the Company does not actively trade these investments.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company.

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposure to wholesale and retail customers, including outstanding receivables and committed transactions.

The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The utilisation of credit limits by customers is regularly monitored by line management. Customers who subsequently fail to meet their credit terms are required to make purchases on a prepayment basis until creditworthiness can be re-established.

Management considers that all the financial assets that are not impaired for each of the reporting dates under review are of good credit quality, including those that are past due.

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

11 Remuneration of Auditors

	2014	2013
	$	$
Remuneration of the auditor,MSI Ragg Weir, for:		
- Auditors remuneration	2,000	2,000

12 Fair Value Measurement

The Company measures the following assets and liabilities at fair value on a recurring basis:

- Financial assets

Net Fair Values

Fair value estimation

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

Fair values derived may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgment and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

	2014		**2013**	
	Net Carrying Value	**Net Fair value**	**Net Carrying Value**	**Net Fair value**
	$	**$**	**$**	**$**
Financial assets				
Available-for-sale financial assets:				
at fair value				
- listed investments	40,996	40,996	31,093	31,093
Total financial assets	40,996	40,996	31,093	31,093

13 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2014 (31 December 2013:None).

14 Related Parties

(a) Key management personnel

The names of the personal who were directors of the club durinjg the year are listed in the directors' report. The directors receive no remuneration.

During the financial year, the directors had the following types of transactions with the club, where applicable:

- Payment of annual fees
- Payment of rental items
- Use of facilities

Transactions between related parties are on normal commercial terms and conditions nomore favourable than those available to other persons unless otherwise stated.

15 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2014 $	2013 $
Loss for the year	(84,415)	(119,706)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- amortisation	45,800	14,167
- depreciation	1,920	93,337
- Investment income	-	(1,229)
- net (gain)/loss on disposal of investments	(7,996)	-
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(3,337)	4,294
- (increase)/decrease in other assets	(5,872)	1,301
- increase/(decrease) in trade and other payables	1,400	(5,191)
Cashflow from operations	(52,500)	(13,027)

16 Events Occurring After the Reporting Date

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.

The Glen Iris Valley Recreation Club
A.B.N 71 534 190 089

Directors' Declaration

The directors of the entity declare that:

1. The financial statements and notes, as set out on pages 7 to 31, are in accordance with the Corporations Act 2001 and:

   (a) comply with Australian Accounting Standards; and

   (b) give a true and fair view of the financial position as at 31 December 2014 and of the performance for the year ended on that date of the entity.

2. In the directors' opinion, there are reasonable grounds to believe that the entity 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 ....
P.J. Gillieron

Director ....
R. Chawla

Dated 22nd April 2015

msi RAGG WEIR
Chartered Accountants

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Independent Audit Report
to the members of The Glen Iris Valley Recreation Club

Report on the Financial Report

We have audited the accompanying financial report of The Glen Iris Valley Recreation Club, which comprises the statement of financial position as at 31 December 2014, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company'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 Company'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 qualified audit opinion.

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Independent Audit Report
to the members of The Glen Iris Valley Recreation Club

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

Basis for Qualified Opinion

It is not practicable for the company to establish total control over income from its activities prior to entry in the accounting records. Accordingly, our audit relating to such income was limited to the amounts recorded in the accounting records.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph:

(a) the financial report of The Glen Iris Valley Recreation Club is in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Company's financial position as at 31 December 2014 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.

MSI Ragg Weir

MSI RAGG WEIR
Chartered Accounts

L.S.WONG
Partner
Melbourne: 22 April 2015

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