



RICHMOND CLUB GROUP

ANNUAL REPORT 2018-19



Remembering ex-servicemen and women



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Entertainment & Promotions Disclaimer

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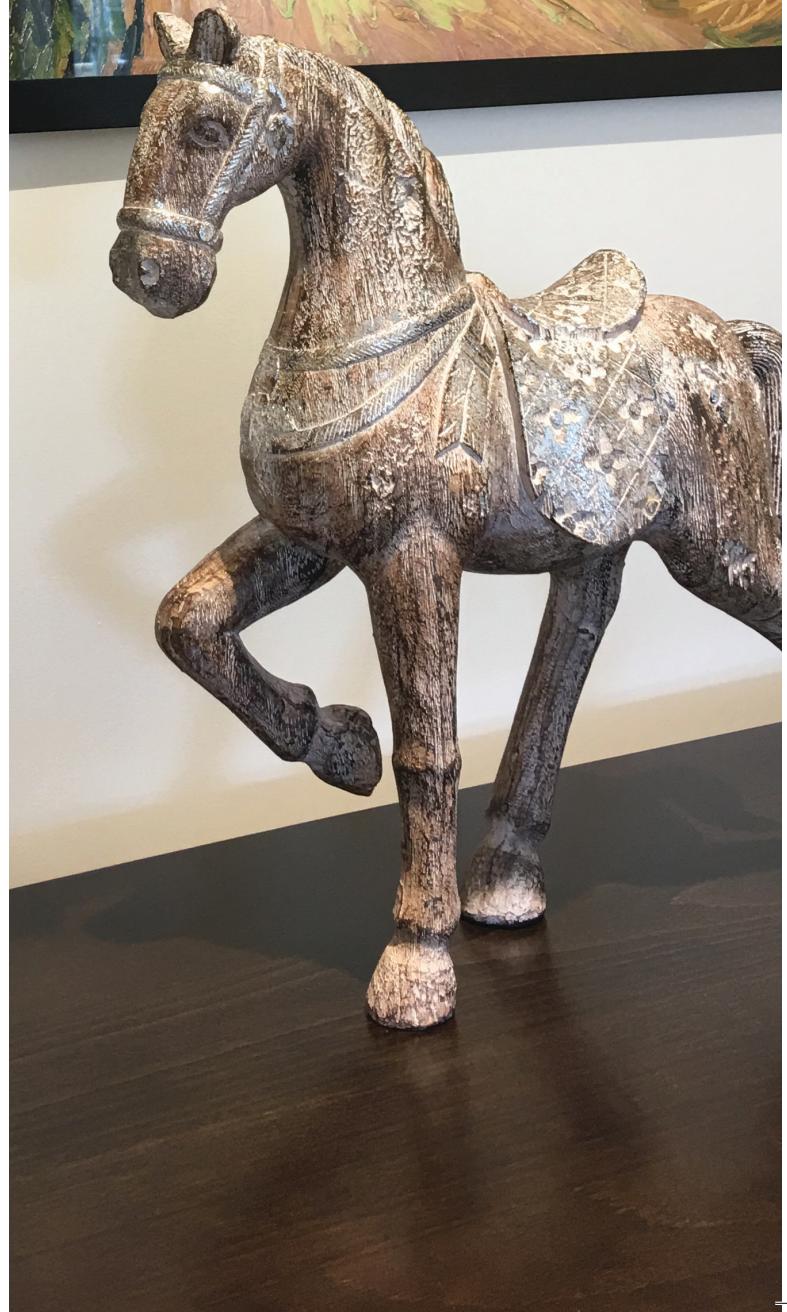
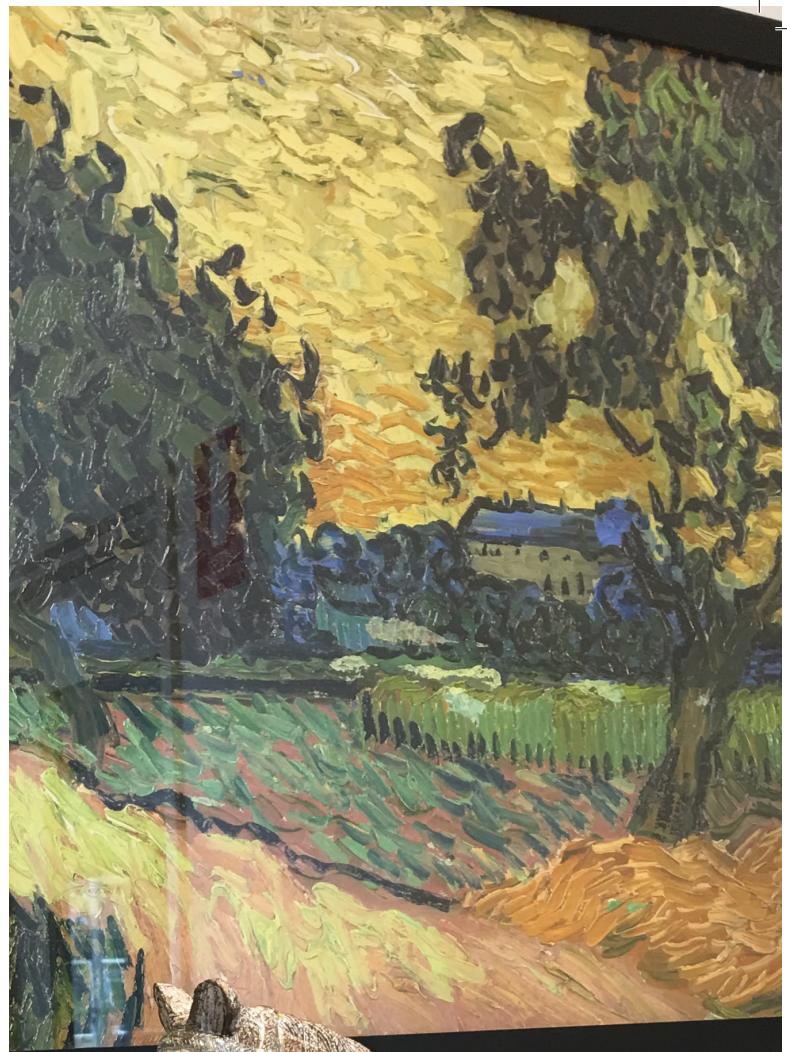
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OUR MISSION MANTRA & PRINCIPLES

OUR MISSION

To provide excellent amenities, services and hospitality that meets the changing needs of our members and guests and promote strong growth through diversity and the support of our community.

OUR VISION

To provide you our members and the wider community with a continuum of outstanding diversified services and amenities in accordance with our values.

OUR VALUES, PRINCIPLES AND PURPOSE

Our values reflect the way our employees behave towards our members, guests, residents, clients, our community and each other.

Responsibility: We act with responsibility.

We respond to the needs of the people who create our community. We connect the things we do for them with intelligence, inspiration and a passion for connected living.

Constant: We are the community constant.

We create the heart of our community that is always there as a friendly reminder of where we come from, where we are going and what we have to be proud of.

Positivity: We embrace positive living. We understand that what we create together to support the life of others liberates the opportunity we have to create pivotal sustainable change in our community, for our business and for each other.

OUR PROMISE

Together, with you our members, we are creating a brand of positive and sustainable change, continuing our legacy of pride and belonging for our communities.

The passion and belief for what we do is reflected in the way we embrace possibility. We take action with continuous commitment to create positive connections for our community.



ABOUT THIS REPORT



This is Richmond Club Group's annual report, documenting our performance for the period from 1 July 2018 to 30 June 2019. It is the ninth report released under the guidance of the Global Reporting Initiative (GRI).

Prior reports are available online at www.richmondclub.com.au or onsite at Richmond Club, 6 East Market Street, Richmond NSW.

This report includes information from all sites from which we operate, in particular the main club premises (Richmond Club), Hawkesbury Living (aged care facility), and Richmond Golf Club.

We have compiled this report in accordance with the 'Core' criteria of the G4 guidelines developed by GRI, which means that we have reported the essential elements of our organisations impacts and performance. It is our aim that members, industry partners and other stakeholders will be able to see the progress of our operations, the way we create value in the Hawkesbury community, and our goals and future challenges through this report.

This report is the primary communication on our progress on these aims to our stakeholders. All information in this report reflects the performance in the 2018-19 financial year, unless otherwise marked. The registered clubs and aged care industries in NSW have a vital role to play in the sustainability of our communities, particularly as clubs diversify and move into other industries such as aged care. As a large organisation operating at a local level, we also play an important role in supporting the Hawkesbury community in the ways outlined below.

Our commitment to sustainability includes:

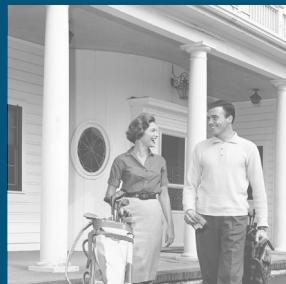
- Economic principles: managing our operations sustainably, maintaining community assets, employing locally and providing financial support where possible.
- Social principles: promoting social inclusion in the local community, employing a skilled and engaged workforce, and respecting the health and wellbeing of others, supporting local charities and community groups.
- Environmental principles: understanding that our operation has a significant environmental impact and taking steps to reduce this.

Through our principles and values, we fully support the concept of sustainability and aim for a balance of people, planet and profit in all of our operations. We are aligned with the objectives of GRI and have been an Organisational Stakeholder since 2011.

ONLINE INFORMATION

We include reference material supplementary to this report, on the club's website under the Annual Report section. It can be found at www.richmondclub.com.au/about/annualreport

HIGHLIGHTS OF PAST YEARS



1897

Golf is first played in the district by a group of 11 players on the Richmond Common. The Richmond Golf Club was officially formed in 1899 with 17 gentlemen and 10 lady members.

1916

The Golf Club goes into recess due to the First World War and a War Barracks is built on the site of the modern day clubhouse. The club remains dormant for the next 12 years.

1942

After a period of success in the 1930's, the club is again hit by war, as the clubhouse burns to the ground while being used to house American soldiers during the Second World War.

1947

After identifying the needs of ex-servicemen in the Hawkesbury, the inaugural meeting of the Richmond Ex-Servicemen's Club is held on May 16 at the Drill Hall on Bosworth St, Richmond.

1949

The Richmond Memorial Men's Bowling Club is formed.

1957

Richmond Community and RSL Nursing Home is founded.

1959

The Richmond Memorial Ladies Bowling Club is formed.

Extensions to the clubhouse and golf course at Richmond Golf Club are completed, and the 18 hole course is officially opened.

1968

Extensions to the Richmond Ex-Servicemen's clubhouse are completed at a cost of \$250,000.



1981

Norman Court Retirement Units are officially opened.

1992

Richmond Ex-Servicemen's Club donates 88 acres of land to the community for the development of the Benson's Lane Sporting Complex.

1996

Extensions begin on Richmond Club and are completed in October.

1998

The club is handed over to the community and is renamed to Richmond Club Limited, with 'Remembering Ex-Servicemen' in its title.

2005

It is proposed by current CEO that the Nursing Home merge with Richmond Club to counter increasing losses at the home.

Richmond Club acquires the Nursing Home and forms its subsidiary company, Hawkesbury Living.

Active8 Gymnasium is opened.

2007

An extension of 12 beds is approved for Hawkesbury Living.

2009

Hawkesbury Living Cancer Trust is formed to deliver much needed oncology services to the Hawkesbury. Approved by the Board of Directors of Richmond Club.

The Butler Wing of Hawkesbury Living is completed at a cost of \$2.2 million

2010

Wanderest Travellers Park is launched in October to increase tourism locally.

2011

Magnolia Place, a specialised memory care wing of Hawkesbury Living, is officially opened in February. A further 33 bed extension of Hawkesbury Living is also approved.

2013

The amalgamation between Richmond Club and Richmond Golf Club is finalised following the approval of members and the securing of a 32 year lease of the course land.

2015

Richmond Club undergoes extensive renovations over an 18 month period. The exterior of the club is repainted and the outdoor terrace is opened. Fences and entries are redeveloped. Star Buffet opens in April and Bistro Smiles is relocated to the Golf Club.

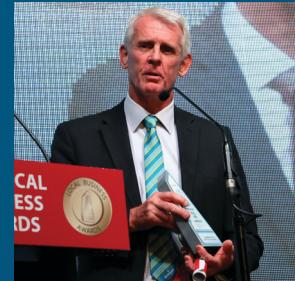
2016

The Bouncing Bean Café is renovated and relaunched as the Crafty Brew in September.

Arcadia Entertainment opens in December.



HIGHLIGHTS OF OUR 2018-2019 YEAR



March 2018:
Building work commenced
on Rivera Place 19/3

July 2018:
Sandstone retaining wall
completed on the landmark
dam at Richmond Golf Club

September 2018:
Success at the Hawkesbury
Local Business Awards.
Winner most inclusive
employer award Richmond
Club. Category finalists for
Amber Salon, Crafty Brew
Café, Active8 gym and
Hawkesbury Living



May 2019:
Rivera Place building
completion 15/5. Despite 24
days of rain, project was 3
weeks ahead of schedule

Building development
managed by CEO

June 2019:
First resident moves into
Rivera Place 11/6. Star
Buffet vacated main club.
Renovations to new club
bistro commenced on 11/6.
Opening of Villaggio Bistro
28/6

July 2019:
Two new function rooms
open on ground floor of
main club



November 2018:

Australian Seniors PGA Legends Tournament with an \$80,000 purse, posts a nail-biting finish between Michael Long and Peter Senior

April 2019:

Anzac Day mid-morning commemorative service attracts over 300 people, featuring RAAF, schools, sporting and community groups.



September 2019:

Formal opening of \$13m Rivera Place extension at Hawkesbury Living aged care.

Richmond Golf Course nominated as finalist 2018 NSW ACT PGA Legends tournament of the year.

Ongoing:

DA for \$21m hotel accommodation at the corner of Francis and East Market streets reworked again.

Second council lodgement being made at a date to be advised.

CEO'S REPORT

Dear Members,

I am honoured to write this year's 2018/2019 report which follows the GRI Global Reporting Standards. This report is the ninth report based on international reporting guidelines.

I'd like to stress, by adopting these GRI standards, our report not only outlines our financial achievements, highs and lows, but also the social indicators that clubs should be engaged in and the welfare and wellbeing principles clubs have existed for, some for over 100 years.

At Richmond Club Group we are inspired by a vision of a better community where people are included and live fulfilling lives through our three key businesses and of course, through the Hawkesbury Living Cancer Trust.

I believe the speed, flexibility and motivation of our organisation is second-to-none and we are determined to remain a leading-edge business in the industry. I am confident we can look forward to a strong and successful future by evolving and keeping pace with our members' and community's needs. It's certainly clear that we are trading in very difficult times within all the industries we span in this diversified group business. Recently, Crown Resorts and Echo Entertainment Group reported it dropped 10% in net gaming revenue which led to a 20% reduction in staff.

It's clear in this report we have dropped around the same percentage in gaming revenue, approximately \$1 million gross. Add to this, another aged care Royal Commission, in addition to accreditation audits being more extensive than ever, coupled with brand new Accreditation Standards commencing July 1, 2019. I would like to explain the last five years, given the constraints, climates and statutes we have been operating within.

We saw important and carefully planned leadership changes during 2018/2019. It was a great year of significant strategic progress, giving us a solid platform for future growth and performance in very hard times. It is no secret that the Hawkesbury has transformed into a highly competitive gaming market now with around at least \$30 million being generated in gaming within this area.

At Richmond Club, an innovative concept was recommended to us to contract the popular Star Buffet four years ago on a five-by-five-year contract.



Competition was growing and developing, and it seemed the right decision to counter our competitors' massive growth in the gaming area of the Hawkesbury. Simply put, we got it wrong and many members told us with their feet. During this time, however, we stabilised gaming and lowered expenses year after year. This is a major accomplishment in itself, however, as with Crown/Echo and many other clubs, we dropped an enormous amount of gaming revenue this last year but importantly, have not decreased staff through redundancy, rather natural attrition has allowed us to achieve even more efficiencies within our administration.

Fortunately, the Board and I were working together strategically through the Star Buffet options, eventually coming to a legal head mid contract on June 11, 2019 after a year of collating data and researching our members opinions.

From that point on, the management team and I completely renovated the buffet-bistro area. I of course knew prior to June 11 and personally designed and purchased everything that went into the final result. At this point I'd like to say a big thank you to all the local contractors and my management team for their commitment to finishing the renovations and being open just 17 days later. So, contrary to some speculation, we did the Villaggio renovations ourselves. However, without the amazing expertise behind the Villaggio product (ie: great food and service) it would have just been 'another club renovation'. But it's not just that, it's a "place for you" to bring your family together to share and enjoy the best food in western Sydney.

I'm proud to say we have, and are, listening to our members and taking the club back to basics. We're looking ahead and remaining committed to our objective of growth and increasing gaming performance. This is the stage we are moving into now, still proud of our past and very focused on our future relevance in the community. There is much more work to come to make sure we capture our targeted gaming performance improvement, after all, it's our number one revenue stream and the excitement in that area needs to continually improve at a rapid pace.

Our business cannot succeed without a solid fiscal foundation in all areas. Therefore, the café, which under two catering managers has seen extremely high losses, is now in the hands of the Villaggio team. With the efficiencies in Villaggio, our losses in that area have dropped, enabling Villaggio to continue evolving the café, which in turn will have a positive effect on our bottom line next fiscal year 2019/20.

Great food, great service, great beverages, live shows and an exciting new gaming venue are steadily rolling out. The amount of work produced by my collective team, from the Board to our staff, is at such a high benchmark it's unprecedented in my experience as Group CEO. We are ending the fiscal year with good progress in one of the most turbulent times in our recent history. As promised, two of our function rooms are now open with the third major renovation to come over the next month. That room will feature an exciting new food option.

The millennials seeking varied dining and entertainment experiences can actually enjoy our club as it evolves again but long-term older members will still remain our focus at heart. Throughout the year our health portfolio experienced much deeper change and continues to do so. We cannot be just bricks and mortar, we need to live by our mantra "Trust in Care". The timely outsourcing of

aged care professional business advice for independent audits to ensure we are proactive, and not reactive, to the new Accreditation Standards that came into effect on July 1, identified areas that we can, and will, improve on in terms of food service, policies , systems and processes. We support, and I believe are, well equipped for the future changes that are coming. Slightly reduced profitability than our budget is now expected in our aged care. Increased EBITDA in our main club is expected and well planned for.

Our subsidiary company Hawkesbury Living now has an amazing three-storey extension - Rivera Place - which opened on June 11, 2019, with its first two residents entering on that day. Those particular residents I have seen in the club nearly every day over the last 20 years, so what an honour to now have helped them through the ageing process continuum within their local community, especially with one being a returned serviceman, now passed.

The formal opening of Rivera Place was held on September 24, 2019. In my speech I spoke about the 'freedom to be' and that is what this extension allows. It certainly meets up to its 4.5 star fit out. A local dignitary that we are honoured to have as a resident, said it "feels just like a hotel and not a place to die".

I will now outline the outcomes of the last 12 months:

1. Informal opening of Rivera Place, June 11, 2019, on time and on budget.
2. Rivera Place almost fully commissioned by September 2019, in record time.
3. Months of reworking Hotel accommodation DA applications to achieve an application that hopefully results in an approved Hotel DA in 2020 so that financial close may take place with that deal.
4. Commissioning an ongoing audit and complete review of systems and processes at Hawkesbury Living.
5. Designing and costing of Stage 5 of Hawkesbury Living.
6. Completion of the high-end graphic masterplan for the 'Richmond Club of the future'.
7. Taking the Francis Street development to the market and achieving a first offer, which has been RIGHTLY rejected by the Richmond Club Board.
8. Exit strategy for Star Buffet that didn't cripple the club financially.
9. Redevelopment of the buffet/bistro into Villaggio Bistro, inclusive of personally finding this company in a selective process and personally designing the fit-out.
10. Finalising of the course dam on the 14th and 15th holes at a development cost of \$30,000 plus at Richmond Golf Course.
11. Securing \$80,000 prize money for the Australian Seniors PGA golf tournament which after all expenses, operated at a \$3000 profit.
12. Restructuring of administrative arrangements with the outsourcing of accounting has delivered timely accounting by BDO.
13. Redesign and renovations of the Hawkesbury Living reception area to make the old building feel more welcoming with the addition of a small café.

We are committed to providing exceptional Richmond Club facilities, sporting grounds and aged care facilities

well into the future by listening to our members whilst remaining relevant and innovative.

At Hawkesbury Living aged care we are also committed to the final stages of developing the March Street site which is the gradual renovation and decommissioning parts of the old wings. But firstly, repayment of that debt to the bank with the increasing of residents' refundable accommodation deposits (RAD). The Board and I are united on maintaining a positive and rewarding work culture across the Group. I have developed tools to assist in measuring this, making sure all staff are trained and supported to work effectively in a progressive organisation, especially at Hawkesbury Living. It's clear we have had a high staff turnover but retain a committed core of staff who are passionate about what they do.

I personally thank the team there lead by Lauren Stanley and especially the staff of care workers, the catering staff and nurses who have worked beyond the call of duty due to the high turnover in staff. This has never been more evident than when I personally met with the staff to encourage and guide them to work towards more consumer-focused care and, hear their voices in a sector that is sometimes characterised as being in turmoil. We certainly have had a rocky road this year at Hawkesbury Living with costs blowing out in the first quarter of 2019, making the profit significantly lower than last year. Unfortunately, those costs were not associated with the new building works.

So, the perfect storm occurred again, as it has before and will again. How can any business cope with an unprecedented drop of over 10% in gaming after four years of stabilised gaming numbers? Then a further increase in expenses in the subsidiary business? There is not a hard and fast definitive answer, except to recognise the economic imperative to confidently change, review, refine and to evolve in order to survive.

Having the resources to assist in change is something that I, as CEO, personally thank the Board of Directors for. Their commitment to be a Not-For-Profit and to recognise the need to pay for those resources to assist in change was, and is, imperative to spell out. The strategies and directions highlighted in our 2018 Strategic Plan certainly became quite irrelevant when the gaming revenue drop occurred. I often wonder about all the money and time spent on delivering the 'Strategic Plan' and how fast it can change and become obsolete, like ours has somewhat, over the last year.

I continue to be highly enthusiastic and tenacious about the entire Richmond Club Group under this Board. In this election year I hope that our members see that drive, passion and commitment for this group to innovate, in response to a changing competitive landscape which will be a real measurement of the robustness of our Group's strategic focus in the past year, and, especially in the next two years.

This Board is cohesive, professional, effective and plans for succession within the community. I have worked 20 years at this organisation and feel a great sense of pride in working for the Board of Directors, and the membership that has elected them in the past and hopefully, in the future.

I send all the family members that have lost a loved one in the past year my sincere condolences.

Please have a merry Christmas and a safe and happy New Year and thank you for coming back to our club and supporting us through these changes. I'm honoured that the membership has responded so well as we are getting back on track.

Kindest regards,

Kimberley Talbot

CHAIRMAN'S REPORT

Dear Members

Enclosed for your consideration is the notice of the 47th annual General Meeting to be held on Wednesday 20th November 2019.

In addition to the Director's Report, and concise financial information, this report highlights the progress of the Group for the 2018/2019 fiscal year.

Firstly, I will highlight key points in the financials.

The Group recorded a consolidated loss attributable to members of \$116,578 in the year. This represents a decrease of \$78,003 compared to last year's consolidated loss attributable to members of \$38,575. This decrease was impacted, inter alia, by:

- the continued State-wide downward trend on Gaming revenue, which contributed to the decrease in Gaming Revenue (net of taxes) for the Club of \$563,864;
- a mandatory 3.5% Fair Work increase in wages and salaries which approximated to an increase of \$312,993, offset by net savings of \$4167 achieved through strategic salary management, resulting in a net increase wages and salaries of \$308,826.
- a decrease in the net loss attributable to the Golf Club of \$79,257 compared to last year.

These cost increases and revenue decreases were offset by:

- the company terminated its external catering agreement resulting in a net increase in revenue and expenditure from external catering of \$573,563, mainly due to the release of deferred external catering revenue offset by the final termination payment;
- an increase in the consolidated Aged Care Net Revenue and Other Expenses of \$71,186 or 0.9%.

- an increase in efficiencies and a reduction of costs through innovative management combined with improved strategic management, such as:
 - a decrease in entertainment and promotional expenditure compared to last year of \$163,425 or 13.8%;
 - a decrease in occupancy costs of \$55,851 or 5.3%;
 - a decrease in gymnasium expenses of \$22,225 or 26.5%;
 - a decrease in the total cost of goods sold \$10,913 or 0.1%

Despite the ongoing gaming revenue reduction, we increased our level of community support through Club Donations and Sporting Club payments by 8.0%

On the Richmond Club site, the work this year was outstanding with the strategic direction our CEO and Board took to execute the changes to our catering. We have gone from delivering a product the locals did not in the main endear themselves to, into one they have - Villaggio.

This transformation in terms of presentation, design, implementation and service delivery was amazing and I would like to personally thank our CEO Kimberley, for not only her strategic vision, but the personal taste and confidence she displayed in personally redesigning our Bistro from a near empty space to the modern, bustling business it is today.

Of course, our decision to appoint Villaggio was a good one also and has proved so far to be a winner with the members at this point I would like to thank the members both past and present for returning to the club to try the new product. The Board and I are truly humbled by the amount of support and members and revisiting members and their comments.

A valuable lesson learnt that function rooms are also an integral part of our community club. They have been commenced with now two operational for functions.

The Board is very proud of the drive, passion and strategic professionalism that Kimberley has shown throughout a very difficult year once again.

As mentioned, our level of community support also remains very high and will increase with our reconfirmed commitment to sporting groups now our function rooms are nearly all open. We look forward to hosting sporting presentations and other community events to occur.

The success of our Anzac Day is once again appreciated by the Board. It vilifies that there is a gap in the market for honouring this day as the event continues to build year after year as it did so many years ago when we commence what was then, the biggest service in the Hawkesbury. We hope to continue to build this new service by making it as inclusive as we can.

The PGA last year was a great success, organised predominantly by Craig Hodge in Operations, Leonie Tuckwell, Robert Kennedy, and Mark Williams, the greenkeepers and the RGC Committee which has proven to be a committee that engages with the bigger picture of what we are doing.



I have heard some say it's a controversial answer in asking has Richmond Club been good for the golf club, to answer that, to date we have invested \$1,981,921.58 in expenditure since the amalgamation and kept the course at such a high standard. We are currently a finalist in "2018 NSW ACT PGA Legends tournament of the year" which speaks for itself.

So, I know we have delivered on our promise at the time of the amalgamation and that is to retain and develop the golf course. The clubhouse is, and always was going to be, a major issue for us. That is why our commitment was to the golf course itself, we are however committed to keep on applying to obtain a grant to assist us in the redevelopment of the clubhouse, sited on the oldest golf course in Australia (in its original position).

I'd like to point out that since the 2014 we have seen 23 club closures and 33 amalgamations. Some may say that we should have ceased all operations of "anything green" too. Yes, it would have been easier if we had done just that closed the bowling greens and not amalgamated with the Golf Club to keep the town and its history alive. However, we are not just a club, we are here for the true social inclusion of this community and will continue to deliver upon this promise.

The proposed multimillion-dollar hotel development is fast approaching another submission to council and we hope with this submission, we can gain approval from council as we know the hotel development will without any doubt, change the Hawkesbury area. Besides creating 100 construction jobs and around 50 jobs after opening, we hope to capture the Stay and Play Golf market for Hawkesbury's tourism.

Gaming is an area we are now reinventing as we have fallen further behind in that area of revenue. So, for those that like a punt what we are about to do is exciting and I hope that these changes we implement do as well as Villaggio has.

Another major development we have delivered on is the \$13 million Aged Care extension Rivera Place. First announced in 2012, we deviated from the timeline to amalgamate with the golf club, but finally, we have delivered an amazing extension in July this year. Once again, our CEO personally excelled with that development and with the team at Hawkesbury Living, delivered the development on time and on budget. It has been built paying tribute to the Somme Valley with every picture a reflection of the Somme.

A special thank you to our builder Paynter Dixon that went far beyond their brief at times to assist our team in the result. By the comments at the opening and the residing residents' feedback, the site collectively has exceeded their expectations.

In ending I'd like to thank my Board members both past and present and thank, once again, our members for returning to the club. I expressly give my condolences to members who have lost a loved one throughout the year.

I hope as a member or visitor you read this report and be as excited as we your Board of Directors are for the future fiscal year to come.

It's an election year and the Board and I would like to say

that we have appreciated the support of the membership in the past and hopefully for the future, as I believe are a very functioning board with a diverse amount of experience.

Yours sincerely

Geoff Luscombe



PIONEERS WHO PAVED THE WAY

The vision of building a place to meet and greet after the war was our founding digger's priority, but just as important was the need to build a community hospital/nursing home. We thank and acknowledge these men for their role in developing the Hawkesbury into the place that it is today.

Reg Torr
Herb Hill
Phil Luscombe
Ces Dews Jnr
Frank Clerk
Dave Nelson
Harry Kershaw
Sir Phillip Charley

N Cuddleford
Ray Kilpatrick
Col Bray
Duffy Phipps
Ken Luscombe
Ces Dews Snr
Eric Moore
Syd Clerke

Bertie Woodhill
Harry Braithwaite
Stewart Earle
A Nelson
Eric Bray
Maurie Ryan

ACKNOWLEDGING OUR PATRONS & LIFE MEMBERS

Life Membership is an honour given to an Ordinary Member who has rendered outstanding service to the Club. To be eligible for Life Membership an Ordinary Member must be nominated by one Ordinary Member and seconded by another. The nomination is then forwarded to the Board of the club for approval. If a nomination is approved by the Board the nomination shall be referred to in the next General Meeting of the Club, if the nomination is then approved at the General Meeting the person nominated shall become a Life Member.

1961 RW Moore*
1963 JS Clerke*
1966 E Moore*
1967 E Mahon*
1968 VH Plunkett*
1969 PC Luscombe*
1971 AJ Sherriff*
1973 CW Chalmers*
1976 DW McEwan*
1989 D Packer*

1996 RL Larven*
2001 DW Wise*
2009 KS Luscombe*
2009 CM Dews*
2009 GC Luscombe
2011 PS Clerke*
2011 D Luscombe*
2016 M Phillips

*Deceased



Richmond Club and the Hawkesbury district have a proud history of men and women serving in the First and Second World Wars.

RICHMOND CLUB BOARD OF DIRECTORS

Our Board of Directors follow corporate governance processes to ensure accountability, transparency, responsiveness, equity and inclusiveness to achieve our Group's common goals and masterplan.

The eight members of the board for 2018-19 were Geoffrey Luscombe (chairman); Garry Watterson (vice-chairman), Peter Chidgey, Greg Thompson, John Kane, Dianne Finch, James Bullock and Kerry Spindler. John Kane resigned as a director in May 2019 and was replaced by Scott Rielly.

Kerry Spindler resigned due to work requirements in August 2019 with member Elissa Esposito becoming the newest Board member.

BOARD RESPONSIBILITIES

The Board is responsible for the overall corporate governance of the organisation, including its strategic direction, establishing goals for management and monitoring these goals.

The Board reviews and approves the policies and procedures put in place to maintain the highest level of governance for Richmond Club, Richmond Golf Club and Hawkesbury Living, which includes:

- Reviewing and approving the strategic direction, budgets and business plans prepared by management;
- Assuring itself of the effectiveness of arrangements for the governance of Richmond Club, Richmond Golf Club, and Hawkesbury Living including;
- The quality of service provision;
- The appropriateness of organisation arrangements and structures, and
- The adequacy of internal controls and processes.

COMPOSITION OF THE BOARD

Composition of the Board is determined in accordance with the club's Articles of Association and by-laws. The Richmond Club Board comprises eight independent non-executive directors including the chairman and vice chairman. All positions are elected by members of the club. The Hawkesbury Living Board also consists of eight independent non-executive positions that are currently filled by the Richmond Club Board.

Board members are elected by the membership base of Richmond Club for a two-year period. Appropriate qualifications and experience for candidates is made available to members for consideration. Causal Board vacancies are also filled by the Board with regard to appropriate qualifications and experience. Succession planning is also practised in line with good corporate governance principles.

BOARD MEETINGS

The development of procedures to improve our economic, social and environmental performance is the responsibility of the Group CEO, who then makes recommendations regarding the strategic direction of the organisation to the Board of Directors. This includes elements such as risk and opportunity, operations and compliance.

Both Boards are required to meet at least monthly and follow meeting guidelines that ensure all Directors are made aware of and have available all necessary information to participate in an informed discussion on all agenda items. Board members are required to disclose any conflicts of interest at every Board meeting, which are then notified to the Office of Liquor and Gaming.

RISK MANAGEMENT

Similarly, our key areas of sustainability risk lie in failure to operate efficiently and responsibly while not meeting compliance and regulation standards. This can also involve not reaching our sustainability targets and missing out on the improved performance targets that are a result of reaching our goals.

Controls in place to manage risk include:

- Policies and procedures, especially in regard to operations and codes of conduct;
- A dedicated member of our executive management team dealing with compliance and legal issues;
- A risk management system integrated into operations and procedures;
- Formalised management reporting against our objectives.



GEOFFREY LUSCOMBE
CHAIRMAN



GARRY WATTERSON
VICE - CHAIRMAN



PETER CHIDGEY



ELISSA ESPOSITO



DIANNE FINCH



SCOTT RIELLY



GREG THOMPSON



JIM BULLOCK

ORGANISATIONAL PROFILE



RICHMOND CLUB

ESTABLISHED 1947

- Members: 20,714
- Staff: 108
- Community Groups Supported: 47

Richmond Club is the Hawkesbury's leading registered club with over 20,000 members. Established in 1947 by a small group of WWII ex-servicemen, we have grown from a communal meeting place to a valued community partner across a wide range of services.

Our aim is provide outstanding services in all that we do, to conduct our business 'with heart', and to enrich the Hawkesbury community by uniting its residents and innovating in areas such as aged care and tourism.

The registered club site, located on East Market Street, Richmond, comprises of the licensed club proper, Star Buffet and function facilities, Active8 Gymnasium and Wanderest Travellers Park.

Future Developments:

- \$21 million on-site hotel;
- \$100 million over-50s retirement living Francis St;
- First floor function rooms.
- Multi-level on site carparking;



HAWKESBURY LIVING

ESTABLISHED 2005

- Founded as Richmond Community and RSL Nursing Home in the 1950's
- Number of bed licences: 141
- Staff: 143

Hawkesbury Living Pty Ltd is our subsidiary company which consists of an aged care facility and related services. Established in 2005 when we acquired Richmond Community and RSL Nursing Home, the facility has since expanded to 134 operational beds, a dementia specific wing and specialised memory care services. It now features the Rivera Place extension.

Future Developments:

- Design + costing of stage 5 renovations



RICHMOND GOLF CLUB

ESTABLISHED 1897

- Members: 672
- Host of the 2019 Australian Seniors

PGA Championship

Richmond Golf Club is believed to be the oldest golf course on its original site in Australia. The first game of golf was played in Richmond in October 1897 on a course in Hawkesbury Agricultural College paddocks.

The Golf Club is located on Bourke Street, Richmond and features an 18 hole course, clubhouse, Bistro Smiles and Pro Shop facilities.

Future Developments:

- Golf clubhouse redevelopment;
- Extension and relocation of bowling greens within dedicated sporting precinct;



ACTIVE 8

ESTABLISHED 2005

- Members: 662

Fitness Class Participation:

Active8 provides the Hawkesbury's residents with professional and personalised health and fitness services. Due to the composition of our membership and the needs of the community, there is a special emphasis and provision of services to seniors, the disabled, children and families



HAWKESBURY LIVING CANCER TRUST

ESTABLISHED 2009

The Board and CEO's 2008 vision to develop oncology and chemotherapy services in the region came to fruition. Fundraising, coordinated under the charitable status of Hawkesbury Living, assisted with creating the Hawkesbury Living Cancer Trust cancer treatment centre, opened in January 2017 in Hawkesbury Hospital, run by the Trust, Nepean Cancer Care Centre and St John of God Healthcare.



WANDEREST

ESTABLISHED 2010

- Visits this year: 1847
- Nights Stayed: 4212

Located on the grounds of Richmond Club, Wanderest offers club members free access for caravans and motor homes for up to four nights stay. It is estimated that each unique visitor spends an average of \$300 at local businesses in Richmond during their stay.

Future Developments:

- Redeveloped and extended facilities as part of the Francis St Independent Living Unit precinct.



AMBER STYLE & BEAUTY

ESTABLISHED 2012

Amber is Richmond Club's style destination for members - featuring leading brands, our stylists and beauticians are dedicated to providing you with a memorable salon experience at affordable prices. Amber provides services to Hawkesbury Living



ARCADIA ENTERTAINMENT

ESTABLISHED 2016

Richmond Club's newest venture - Arcadia Entertainment - is a \$1.3million children's fun entertainment centre created right in the heart of the community.

Featuring Arcade Game machines, Party Zone rooms, Mini Golf 15-hole illuminated course, outdoor Adventure Land and cafe-style seating.

ENGAGING PARTNERSHIPS

“ SUCCESS IS BASED ON PARTNERSHIPS ”

We understand that the engagement and participation of our members, staff and local partners is crucial in order to successfully develop and implement services that benefit the community. Community consultation is about developing our relationship with our members and stakeholders in a way that builds respect and trust, promotes open and inclusive dialogue and ensures that collaboration is at the forefront of tackling community issues.

STAKEHOLDERS

Stakeholders	Engagement 2018-19
Members Our members form the basis of our operations and want to be involved in an organisation that is giving back to the community.	Quarterly Magazine Member Forums Direct Consultation Mailing Campaigns Social media EDMs Media outlets - Press Websites
Staff Our staff have shown a strong interest in sustainability issues. They want to develop their skills to increase their employability.	Staff Meetings Social Media Induction Staff Workshops and training Representation on internal committees WH&S Committee Satisfaction Surveys
Residents and their Families Hawkesbury Living's residents and their families require a caring, inclusive environment and a connection to the community.	Residents Meetings - weekly Hawkesbury Living Newsletter Focus Groups Direct Consultation - daily
Visitors and Guests We strive to create a welcoming atmosphere for our visitors and guests.	Quarterly Magazine Media outlets -Press Industry Magazine Social Media Websites
Local Community We engage our community on key social, economic and environmental issues. We are expected to lead by example by the community.	Websites Media outlets – Press Quarterly Magazine Local Business Forums Involvement with local organisations (HHART, Hawkesbury Chamber of Commerce)
Supply Chain Our suppliers provide us goods and services that can have a direct impact on environmental and social sustainability. We must work with them to provide solutions to these issues.	Meetings with key suppliers Audit on supply chain's WH&S and Human Rights Standards Local Business Forums
Peak Bodies We are connected to a network of over 1400 registered clubs in NSW that impact the way our industry operates.	Directors' attendance at peak body events Entry into ClubsNSW Awards Meeting with key industry partners Cluster meetings/Zone meetings

OUR APPROACH TO MATERIALITY

Global Reporting Initiatives [GRI] define materiality as being topics that 'reflect the organisation's significant economic, environmental and social impacts, or that would substantively influence the assessments and decisions of stakeholders.' As an organisation operating within the hospitality, services and aged care industries, our material issues have remained similar since we began reporting four years ago. Our scope has also remained on our local

community during this period, which also contributes to the consistency of our reporting. Our stakeholders suggested that this report should focus on presenting information in a concise, focused and practical way, to ensure that it has ongoing value for as many groups as possible. The majority of our organisation's value in the community can be identified as social capital (that is, it impacts our community and residents) and subsequently this report reflects this. External stakeholders want to know what we are giving back to the community and what our role is in the Hawkesbury. Internal stakeholders, including employees, are more focussed on employment opportunities, training, and working for an organisation that is 'making a difference'.

MATERIAL ISSUES

Aspect	Key Issues	Boundary
Community	Social Inclusion, supporting local organisations, maintaining community assets, Oncology, social housing, demand for aged care places, local tourism. Communication with members.	All stakeholders in the Hawkesbury community.
Club Services and Facilities	Richmond Club: Renovations to main club, additional function space, catering options, member's benefits, customer service. Active8, Wanderest, Amber Hawkesbury Living: Duty of care to residents, growth and expansion of facility. Richmond Golf Club: course maintenance, maintaining and attracting new members, Golf Hawkesbury project.	Members, visitors and employees.
Employment	Respect and integrity, effective communication, training and education, career opportunities, employee satisfaction.	Employees, supply chain
Economy	Sound financial management	All stakeholders
Environment	Reducing environmental impact.	All stakeholders



MANAGING AND MEETING MEMBERS' NEEDS



SUSTAINABILITY RISK AND OPPORTUNITY

We promote sustainability principles at every opportunity within our organisation.

We do this through financial and reputational opportunities, as well as good business practice, right across our operation.

Sustainable practice gives us a distinct edge and advantage over our business competitors, amid a climate of increasing cost of resources and ever-growing need for improved infrastructure and services in the Hawkesbury. This flows through to our staff, residents, members and environment.

Our key areas of sustainability risk lay in not meeting compliance and regulation standards, operating inefficiently, and not reaching sustainability or performance targets.

Controls we have in place to manage our risk include:

- Policies and procedures, especially in regard to operations and codes of conduct;
- A dedicated member of our executive management team dealing with compliance and legal issues;
- A risk management system integrated into operations and procedures;
- Formalised management reporting against our objectives.

REPUTATIONAL OPPORTUNITIES/RISKS

- Protection of the health and wellbeing of staff/staff satisfaction;

- Gain/loss of goodwill as an equal opportunity employer;
- Sustainability performance affects the industry perception of our governance/management;
- Unmet social, economic and environmental sustainability targets;
- Gain/loss of support from community partners and industry stakeholders.

FINANCIAL OPPORTUNITIES/RISKS

- Reduction in resource use to offset any increase in the cost of goods and services;
- Elimination of the cost associated with resource inefficiency;
- Risk of non-compliance with regulations, resulting in monetary fines and/or punitive action.



WHO WE ARE



“ Excellence in customer service is not a skill, it’s an attitude and a belief in serving others. ”

WORKPLACE PROFILE

Our workforce comprised a total of 251 staff employed across the three main sites of our Group – Richmond Club, Richmond Golf Club and Hawkesbury Living.

Active8 employ 18 staff from the Richmond Club's total, while Amber Style and Beauty went from 3 full time staff to 2.

Our Wanderest Travellers Park does not have a dedicated team of staff for bookings, maintenance and upkeep, these duties are shared across Richmond Club staff.

Both aged care and hospitality are industries with a high proportion of female employees. 67% of Richmond Club and 88% of Hawkesbury Living staff are female. These proportions have increased notably in the last financial year. At both sites, positions are largely direct customer service and care roles and a large proportion of applicants during the recruitment process are female.

DIVERSITY AND WELLBEING

Richmond Club and Hawkesbury Living have a Collective Bargaining Agreement in place for engaging

our employees. These agreements, which were last reviewed in 2013, are developed by a volunteer group of staff and address a wide range of issues, including awards, overtime, and public holidays.

We are continually working on workplace culture to ensure it reflects positivity across our venues. In doing this we attract the best talent, drive engagement, retain the best staff, while encouraging strong performance, happiness and career satisfaction. In particular, we have concentrated on Hawkesbury Living workplace practices, people and workplace environment in keeping with aged care government legislation.

With our employment policies being driven by Equal Employment Opportunity (EEO) legislation – we are ensuring the work environment is equal for everyone regardless of age or gender. Diversity encourages innovation and improvement across the culture of our organisation.

Another benefit of collective bargaining agreements and awards wages is that staff wages are based on experience and responsibility over indicators of diversity. Consequently, the wage ratio of male and female staff in the same operational role is 1:1. The minimum wage as defined by Fair Work Australia in 2018-19 was \$19.49 per hour, in contrast with the entry level wage at Richmond Club and Richmond Golf Club (Level 2) is \$21.93.



IT'S CHILD'S PLAY

Kids eat free and play free Mondays continue to be a runaway success, giving families on a budget a more inexpensive night out. It is by far our most popular offering.

Now in its third year, Arcadia Entertainment continues to draw children and families to its glow-in-the-dark mini golf course, arcade games, outdoor adventure playground and Party Zone rooms.

Offering the cheapest arcade games in the district at \$1.80.

This year, a total of 1131 kids enjoyed parties at Arcadia Party Zone, and we saw a marked increase in the number of walk-ins, particularly during school holidays and special events due to our free month of play promotions, offering families fantastic value.

MORE THAN PUMPING IRON

What makes Active8 Gym and Fitness Centre stand out from the multitude of other gyms that have flooded the Hawkesbury market over the years is the vibrant staff, extensive timetables and the “no contracts ever” policy. In the past year, we’ve had a number of changes to the fitness timetable, expanding the range of classes to include more yoga, pilates, seniors classes and the introduction of a half-hour high intensity circuit, Meta PWR.

We are different because we provide individual programs and specialised classes for people with disabilities, seniors, pregnant mums, teenagers and have always boasted a creche.

We’re not about “beef n brawn”, we’re about fitness, health and lifestyle.

Our gym also had its first price increase since 2012, which means many classes have been subsidised over the years and absorbing increasing costs could no longer be carried.

Active8 creche entertained 4064 tiny tots, 711 members enjoyed our disability class and 6231 seniors attended classes.

A CUT ABOVE OUR COMPETITION

Amber Hair and Beauty Salon has undergone many changes in the past year. It's still the most competitively priced salon in Hawkesbury.

Extended opening hours until 8pm on Tuesdays, Wednesdays and Thursdays which is a great result in the working demographic, as many of our members need this “after hours” service.

Last year Amber sold \$6000 worth of Fanola products across 244 sales, while this year \$21,000 of Kerastase products with 559 sales were achieved.

LET US ENTERTAIN YOU

Securing more than 1200 function bookings during the year, with limited facilities, was a good result for our Group, considering we are still not at full capacity for holding functions at the main club.

Functions play an integral role in any club, giving membership and guests a convenient local venue to celebrate family, school, sport or corporate gatherings. With the recent departure of Star Buffet, the main club has created two dedicated function rooms, while awaiting the approval of the hotel development application.

Once this is approved it will entail the long-anticipated go-ahead for a large function space/auditorium which is expected to increase our functions operational capacity. During the past year, Richmond Golf Club, with its sweeping views over our magnificent course was solidly booked, catering for the following functions, golf days or charity events.

Our new strategy for the coming year will see us introduce top-notch dinner shows, events and evenings featuring a new Mediterranean buffet.



BUFFET TO BISTRO & BEYOND



“Our aim is to bring our members many different quality cuisine experiences and an abundance of choice. Listening to our members and what they want”

It was one of the biggest changes to our food offerings in recent years – moving from the buffet-style offering of Star Buffet back to a bistro, what the members wanted. While the buffet was a success to start with in introducing a new membership group to our club by offering an all-you-can-eat menu at a set price, the cheapest seniors deals and most extensive assortment of food available at one sitting during its four-year tenure, the recent decision to revisit homely “bistro” style service and menus has again proven popular with our members and well overdue.

Just as the stylish Hamptons-inspired Crafty Brew Café expanded our foray into “gourmet café barista set” culture, the new Villaggio Richmond Club bistro has expanded our service style and cuisine into the hearty, family-orientated Mediterranean inspired menu with a sports bar spin.

The new outfit of Villaggio is impressive, with mirrored walls, plush lounges, marble coffee tables, glass ball lighting, leather studded high bar chairs, big screen TVs with a stylish black, silver and gold décor. In what is almost unheard of in club shopfitting turnarounds, the expansive 650-seat Star Buffet was renovated into Villaggio bistro and fully operational in two weeks. Meaning little disruption to our food service and the business – a major turnaround in record time. Crafty Brew Café, with its main meals, light meals

and snacks menu was able to take up the overflow of customers in the fortnight the renovation took. The renovation has also enabled two functions rooms to be created – total capacity of 250 which the club has been long awaiting. More function space for community groups, sports presentations, end-of-year celebrations and events in the heart of the Richmond CBD is being created with the introduction of the hotel development at the corner of Francis and East Market streets.



ALWAYS EVOLVING - A PLACE FOR YOU



“ Being a member of the oldest and largest ex-Servicemen’s club in Hawkesbury means you directly help us support our community. ”

Reinvesting in our community is paramount for the Group. It's why our brand promise is 'a place for you' whether you're a club member, guest, or resident of the Hawkesbury.

Our Board of Directors are "big picture" thinkers, strategically using our Group's assets to invest in the long-term future of not only our ex-Servicemen's club but ultimately, our growing community.

We're not just about bingo, social clubs, gaming, live entertainment, food and drink operators, we are about creating communities.

SO HOW HAVE WE BEEN DOING THIS?

- Donating 88-acres of land to establish the Benson's Lane Sporting Complex
- Driving the establishment and, investing in the continuation of, Oncology cancer treatment services through Hawkesbury Living Cancer Trust.
- Opening the first aged club model district at

Hawkesbury Living

- Saving the historic public Richmond Golf Course from liquidation – now a PGA rated course
- Attracting repeat tourism though Wanderest Travellers Park – cheapest rates in area
- Subsidising affiliated social clubs so they can continue to provide integral and essential social inclusion services in district
- Opening Arcadia Entertainment – Sydney's first indoor mini glow golf course, arcade games room and dedicated children's party room complex
- Bringing the prestigious Australian Seniors PGA Championship tournament to Richmond Golf Course annually
- Introducing one of the area's first Gym and Fitness Centre creches, along with providing dedicated gym programs for people with disabilities

- Opening Rivera Place a 34-bed, resort-style, complex care extension to Hawkesbury Living aged care, increasing bed numbers to over 100 in Richmond CBD
- Establishing a development application for a multi-million dollar, 100-room plus hotel accommodation with off-site carparking in the heart of Richmond CBD
- Opening new bistro and function rooms
- Providing the largest “club courtesy bus fleet” and subsidising its use for availability to schools, social and welfare groups
- Planning for home care and respite services for frail aged
- Continuation of our partnership with NOVA Employment to secure staff across all facets of the group to ensure equal ability employment thrives in Hawkesbury

WHILE OUR TRACK RECORD CERTAINLY SPEAKS FOR ITSELF OVER THE PAST 72 YEARS, AND WE ARE PROUD TO TAKE AN ACTIVE LEADERSHIP ROLE IN OUR COMMUNITY, WE ARE EXCITED THAT MORE IS ON THE WAY INCLUDING:

- Planning for a \$100million seniors over-55 retirement living village, including new residential age care facility
- Golf clubhouse redevelopment grant applications;
- Planned extension and relocation of bowling greens within dedicated sporting precinct;
- Redevelopment and extension of Wanderest Travellers Park;
- Redevelopment of gym
- Function rooms to be re-introduced
- Villaggio Bistro featuring Italian and Mediterranean cuisine
- Café Villaggio
- Major gaming changes commence



NURTURING GROWTH IN OUR COMMUNITY

Supporting 49 groups throughout the Hawkesbury is a responsibility we are proud of. Nurturing talent and social inclusiveness for charities, not-for-profits and community groups through sponsorship, subsidising (rent, venue, F&B, transport), is what we're about.

We receive hundreds of applications for support annually from all over the Hawkesbury as well as outside this local government area. This constant demand and a fixed budget, means we cannot support everyone who applies, and local needs must take precedent.

Our board of directors made a decision to concentrate on a specific number of local groups, in an effort to be more effective and productive with our grants. In this way we can better support a group's development than just give out a lot of small grants in a piecemeal approach that has little impact in nurturing growth and achieving outcomes.

Applications are taken annually in November.

Who we support through ClubGRANTS

For the year, we have supported a total of 72 groups through category 1 and 2 grants, with a further two dozen more groups - schools and charitable organisations - being supported through voucher and service donations, waived venue hire fees, fundraisers and in-kind activities.

Some of our major recipients included:

- Learning Links children's charity
- Hawkesbury Community Soup Kitchen in Windsor
- Hawkesbury City Council
- The Living Room drop-in centre Richmond
- Richmond Ex-Servicemen's Soccer Club
- Colo Soccer Club
- Hawkesbury District Agricultural Association
- University of Western Sydney Rugby Club
- Western Sydney Region Veteran Golfers Association
- RAAF Base Richmond
- Hawkesbury Camera Club
- Hawkesbury Jazz Club
- Blue Datto Foundation

Total amount of money we have given to the community this year is \$915,427.66

Social clubs:

We also subsidise, or provide in-kind assistance to, Richmond Memorial Bowling Club, Richmond Golf Club, Hawkesbury Table Tennis Club, Euchre Club and Hawkesbury Travel Club.

We provide bus transport for Hawkesbury Living, Ebenezer Public School, CWA, Windsor High School, the Whalers Club, Kurrajong nursing home and Fitzgerald aged care Windsor.

**“ THE NSW CLUB INDUSTRY EMPLOYS
42,000 PEOPLE, UTILISES MORE THAN
44,000 VOLUNTEERS ... ANNUALLY
MAKES A SOCIAL CONTRIBUTION VALUED
AT \$1.2 BILLION AND AN ECONOMIC
CONTRIBUTION ESTIMATED AT \$3.2
BILLION ”
- CLUBSNW**

In 2018-19 we have pursued and maintained a range of community partnerships that help contribute to our positive role in the Hawkesbury. The organisations that we work with range from not profit business groups, to registered charities, to employers and groups with a long history in our local area. These partnerships have mutual benefits for both parties and influence areas such as employment, infrastructure and networking with other businesses.

Nepean Blue Mountains Local Health District

The Hawkesbury Living Cancer Trust has partnered with the Nepean Blue Mountains Local Health District (MBMLHD) and Hawkesbury District Health Service to deliver oncology and chemotherapy services at Hawkesbury Hospital. Through this agreement, local patients will be referred to Hawkesbury for treatment, where they will be taken care of by highly qualified oncology and chemotherapy professionals in a comfortable and familiar location that is close to home.

Nova Employment

We have been working with Nova Employment for over 18 years, helping job seekers with a range of disabilities to find work in the hospitality industry. Their clients have been continuously employed here at the club in a variety of diverse roles such as catering, bar service, maintenance and beauty services.

COMMUNITY IS OUR HEART

\$915,427.66

We gave to the Hawkesbury community in 2018-2019

“Partnerships are about people”

Nova continues to play an important role after employment; they help foster a strong relationship between the employee, their case manager and us, and they offer ongoing support to us to ensure that our clients' roles are meaningful and suitable to their abilities.

Since then we have continued our relationship with Nova, with their clients continuously being employed here at the club and across the group in a variety of roles. Our previous board member Kerry Spindler is chairperson of Nova Richmond.

Richmond RAAF

With our history as an ex-servicemen's club, we have a long history of working with and supporting the Richmond RAAF Base. For a number of years, Richmond Club has been a flexible employer for Defence personnel, becoming a preferred employer for Reservists. These staff members are highly driven people who take on part-time service in the Army, Navy or Air Force while also working in the general public. Identifying ourselves as an employer of choice for these people shows that we will be flexible to their service obligations while they are employed with us.

We also support the Richmond RAAF through a number of fundraising and donation channels, including Charity Golf Days, Pay Night Raffles and use of club facilities for major functions.

Hawkesbury Chamber of Commerce

The Chamber is a non-profit association which represents the Hawkesbury's Business and Industrial Communities and provides a wide range of benefits and services to improve networking in the region. As a chamber member, we are involved in a range of initiatives and events throughout the year including hosting a number of networking events. Our Directors attend chamber meetings regularly. Our previous board member Kerry Spindler is currently the President of the Chamber.

Hawkesbury Race Club

We have a long standing relationship with Hawkesbury Race Club, dating back over 18 years. Our clubs work hand-in-hand in providing vital support to the Hawkesbury through hosting annual Charity Race Days, stand-alone meetings and other fundraising Race Days throughout the racing calendar.

PGA of Australia

Since 2013, Richmond Club and Richmond Golf Club have worked closely with the PGA of Australia to bring the Australian Seniors PGA Championship to the Hawkesbury.

The three-day tournament, as a part of the PGA called the Legends Tour, is the flagship event for the PGA's professional golfers aged 50 and over.

The international stars lure exceptional media coverage and exposure for the district, as well as boost tourism for our accommodation partners, Hawkesbury businesses. It is estimated the PGA is worth tens of thousands of dollars to the local economy through promoting the growth of golf in the region and showcasing the Hawkesbury to a national and international audience.

Hawkesbury Liquor Accord

The Hawkesbury Liquor Accord is a community body comprising local licensed venues working with community groups such as the police, the health industry, local council and other community groups to encourage and support the responsible service of alcohol and gaming in our community. Richmond Club is an active and integral part of the local liquor accord and works with others in our community to help educate, enforce and inform local people about alcohol usage.

Hawkesbury District Agricultural Association

The Hawkesbury Showgrounds host dozens of clubs

throughout the year, and stages the biggest district agricultural show outside the Sydney Royal Show, in Easter attracting thousands of people over just three days. We are proud to continue sponsoring this district show. HDAA also embodies the mix of rural, township and a progressive community future.

Corporate strategic partnerships:

Learning Links Children's Charity - Weekly charity cash housie fundraiser, Richmond Club annual charity race day, Reading for Life and Counting for Life programs in Hawkesbury primary schools; Memorandum of Understanding to partner build a children's health and wellbeing centre in Francis Street.

Windsor Toyota and Crowne Plaza Hawkesbury Valley - major sponsors of the Australian Seniors PGA Championship Legends Tour at Richmond Golf Club;

Platform Youth Services - Turning point youth accommodation service for homeless, at-risk youth.

Local partnerships

Hawkesbury Legacy

RSL Life Care

RSL & Clubs services

Rotary International

Hawkesbury Liquor Accord

Improve your long game: Cancer Council of NSW

Hawkesbury Community Kitchen

UWS Greengate Initiatives

Camp Quality

Blue Datto Foundation

Chris O'Brien Lifehouse

Relay for Life

Pink Finss

Colo Soccer Football Club

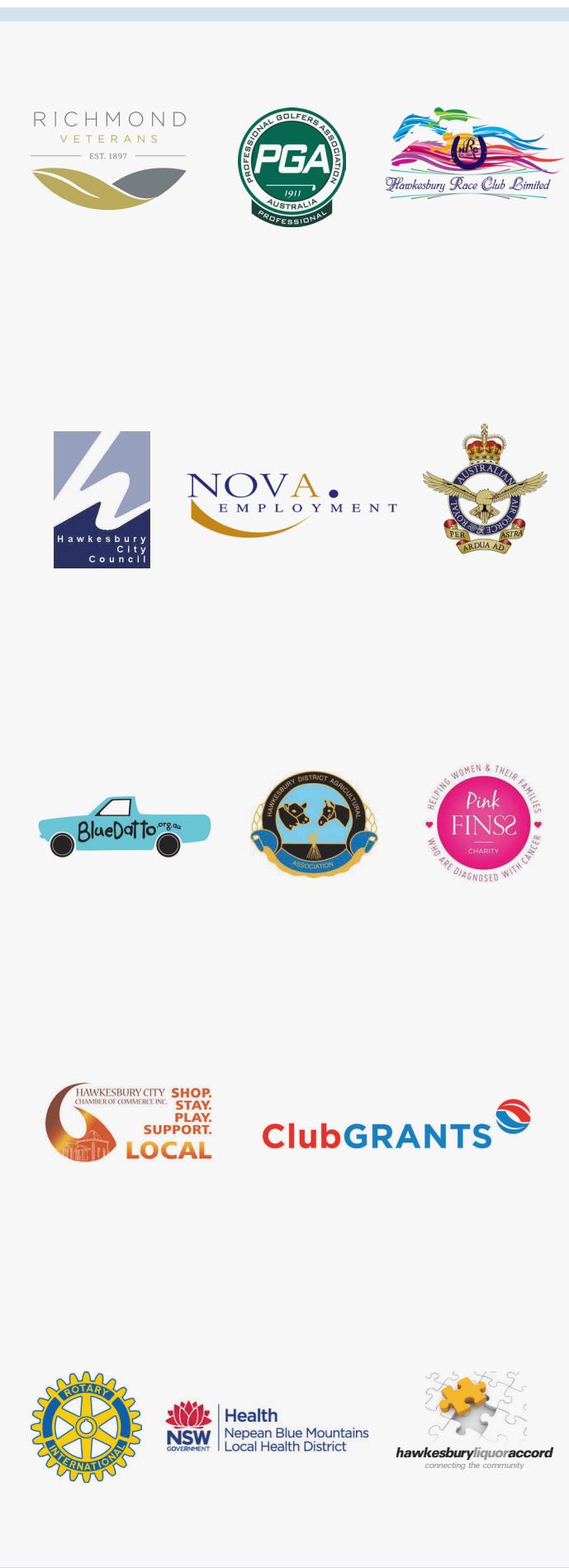
Hawkesbury Agricultural Rugby Club

Richmond Travel Club

SIDS Stampede

Hawkesbury Cancer Support Group

Hawkesbury City JRLC





REMEMBERING OUR EX-SERVICEMEN AND WOMEN FOR 72 YEARS

**“ WHEN YOU GO HOME TELL THEM OF US AND SAY,
FOR YOUR TOMORROW WE GAVE OUR TODAY ”**

Anzac Day continues to be our most sacred of observances at Richmond Club.

We have upheld the tradition of commemorating our fallen every year for the past 72 years (as Richmond RSL Club then as an Ex-Servicemen's and Women's club) both on-site at our Francis Street Club and in Richmond Park together with the Richmond RSL sub-branch.

While our history has seen the original Richmond RSL Club divide into what you know today – our ex-servicemen's Club and the Richmond RSL sub-branch - our purpose has never waned. We remember, reflect upon and celebrate those who gave the supreme sacrifice for our country.

The central WWI memorial obelisk in Richmond Park, erected by members of the Richmond District and Comfort Fund in April 1921, had additional pillars erected around it in April 2007 to commemorate other conflicts. Richmond Club and local groups raised \$100,000 towards this project, continuing the traditional dawn service, attracting thousands of people.

Today's service at Richmond Club is a little different from the combined services of yesteryear, with the introduction of a mid-morning service at 9.30am on Anzac Day in recent years.

"Our Board decided to hold a mid-morning service for the frail aged, elderly and people who couldn't attend a dawn service," CEO Kimberley Talbot said.

"It was important this significant day was inclusive and accessible for all, and we saw the growing need for this with an increasingly ageing population."

The 9.30am service at Richmond Club is once again growing in momentum, especially with the



renewed interest in Anzac Day traditions with younger generations in recent years.

Our service features RAAF Base Richmond, local dignitaries, RSL sub-branches of Richmond and Windsor, schools, Scouts and myriad community representatives. It is preceded by a full breakfast – free for all Defence personnel and ex-servicemen, and followed by the traditional Two Up in the tent and a free family entertainment day. It truly is an inclusive day.

We are proud of who we are and will continue to uphold the tradition of those who served our country so we can live in freedom.



SAVING HISTORIC RICHMOND GOLF COURSE



“Our Board made a commitment to save the Richmond Golf Club, and that’s what we did,” Kimberley Talbot CEO”

Richmond Golf Course is the oldest course on its original site in Australia. In 2015 our community almost lost this gem when the club went into receivership when approached. Our board felt so strongly about Hawkesbury losing such a valuable community asset it decided to take it over.

Ever since, we've been working to reduce the losses incurred by the Golf Club and are making significant strides forward. Becoming home to the Australian Seniors PGA Tournament is testament to the condition we keep this course in for members and guests.

This year we have concentrated on capital works and general course maintenance. These included tree trimming, clearing and cleaning along Blacktown Road, cleaning drains namely the 14th, constructing new ladies tees on the 6th and 9th holes; filling in the fairway bunker on the 3rd and green side bunkers on the 4th and 6th. We also installed and upgraded new tee furniture, rubbish bins and ball washers.

The dam retaining wall construction on the 14th and 15th holes was a major project taking around three months to complete. Sandstone boulders replaced the timber retaining walls, refining our course club championships, Seniors PGA tournament and our members enjoyment

Our course is again on track for another great Club

Championship and the Australian Seniors PGA.

AUSTRALIAN SENIORS PGA TOURNAMENT

We've played host to the prestigious Australian Seniors PGA Legends tour for several years now. It attracts a field of Australia's best over 50's tournament professionals, including Michael Long, Peter Senior, Peter Fowler, Peter O'Malley, Peter Lonard, Mike Harwood and Rodger Davis.

The competition proved to be a great opportunity to showcase Richmond and the Hawkesbury to the wider golfing community, with the event being one of the most prestigious events on the Legends Tour calendar. Local businesses have been supportive in providing sponsorships, with over \$100,000 being pledged for the 2018 event that featured 109 Professionals.

In previous years the tournament brought great exposure to the game of golf in the Hawkesbury, largely due to the support of our sponsorship partners, local businesses and the community. Holding this event in the Hawkesbury proved to have a significant flow on opportunities for all clubs and local businesses in the area. Golf has a major role to play in the growth of Western Sydney. It is a sport on the rise, and we are only just beginning to see the impact it will have by bringing domestic and international visitors to our region.

BISTRO SMILES & THE CLUBHOUSE

Bistro Smiles at the Golfie continues to be a reliable destination for club food and a welcoming venue for weddings, functions and corporate or charity golf days. Of the 1202 total bookings the Group took for the year, the Golf Club was the venue for 70% of them, due to the limitations of space at the main club.

FUTURE PLANS

Holding a members information night in November, proved how passionate our members and players were about their club.

Our long-term aim has always been a complete rebuild of the clubhouse. While we have been actively seeking grants to assist with this, none as yet have come to fruition, with our 2018 application to the Greater Sydney Sports Facility Fund being unsuccessful.



A G E D C A R E - A N A C T I V E P A R T N E R S H I P



“ We go over and above what’s required, undertaking voluntary independent audits, in addition to meeting government standards ... it’s about delivering what the consumer wants. ”

-Kimberley Talbot, Group CEO

The Royal Commission into Aged Care Quality and Safety continues to introduce sweeping changes and new accreditation standards, and Hawkesbury Living has been keeping pace, if not being a step ahead in the industry.

As a long time service provider in the community, Hawkesbury Living has been operating at 99% occupancy in recent years. The opening of our Rivera Place extension, with 34 new places, now sees our combined occupancy rate at 100%. There's clearly a high demand to provide care to older Australians, says Group CEO Kimberley Talbot.

“Hawkesbury Living, under this name, has been servicing this need for 15 years, particularly offering specialist services in memory, complex behavioural, high-needs and dementia care. The government is realising the total supply of aged care needs to increase as well as the structure of supply.”

Enter Rivera Place, the fourth extension to Hawkesbury Living's March Street site, at a cost of \$13million. The three-level extension is purpose built for contemporary living and features resort-style design. It provides the “new generation of aged care” so keenly sought by communities.

This care is ‘best practise meets consumer directed care’ – directly delivering what the consumer [resident] wants. “This change to ‘more choice, more options’ available for residents allows them to make informed decisions on how they want to live – it’s an active partnership,” Ms Talbot said.

“From Maggie Beer Foundation inspired food choices to tastefully decorated lounge areas opening onto wide balconies overlooking historic Richmond Park - design, luxury and choice play an important role in what we offer to compliment clinical care.

“It was remarkable – within one-week of opening the Rivera Place extension, more than half the suites were sold, proving our community is asking for this type of care and we are delivering that at world-class standards.” Our consumer directed care can be seen throughout the fully accredited facility. Providing clinical care as well as respecting the dignity and independence of residents.

This combination of medical care and lifestyle services is what drives Hawkesbury Living. We integrate hospitality and entertainment facilities with clinical care, health and wellness services and lifestyle amenities. Creating an environment with the feeling of home, belonging and companionship, Hawkesbury Living now

offers a total of 134 beds in the centre of the historic Richmond township, close to shops, parks and public transport. It's linked with all the facilities our Group can provide – an ex Servicemen's club and Richmond Golf Club.

To ensure consistent compliance and firmly backing our "Trust In Care" brand promise, we voluntarily undertake additional auditing, engaging Health Generation, an independent external company, to regularly undertake the task to ensure our residents get the best care. Audits are something we take very seriously. Recent results caused us to spend over \$260,000 in consultants and experts to review everything we do.



BUILDING COMMUNITIES

“The Rivera Place extension marks the third stage of the Richmond Club Group’s master vision, with the next phase including the development of a retirement community adjacent the club in Francis Street and co-located within a village square and wellness centre.”

The opening of Rivera Place, the \$13 million extension of Hawkesbury Living aged care, heralded a new era of quality standards in the Hawkesbury.

Delivering exceptional personal and medical care, Rivera Place is the fourth major extension to the March Street, Richmond, site by Richmond Club Group.

Within just 2 weeks of it opening, Rivera Place was over 60% occupation.

What makes it different? Its homely environment, coupled with contemporary resort-style 4.5 star finishes makes it immediately stand apart from other facilities in the district - superior accommodation with affordable pricing.

Its design was inspired by our returned and ex-servicemen, especially those from the Somme Valley, and celebrates our elder generations right down to the hand-picked fixtures and ornaments.

The extension features 18x 39-square suites; 7x 29-square single suites; all having ensuites.

TRUST IN CARE

Rivera Place offers three spacious levels of specialist care suites including premium suites with living area and private ensuite, as well as companion suites.

It perfectly complements our Hawkesbury Living complex which is known industry-wide for its care in complex behavioural and memory conditions, as well as palliative and respite care.

Rivera Place is designed to care for those with multiple behavioural needs, such as depression, alcoholism, post traumatic stress, dementia and the needs of returned servicemen and women.

Our mantra is “Trust In Care” and that’s our promise, says Ms Talbot.

Our professionally trained clinicians and team of specialists provide care with empathy, dignity and respect.

We have the latest inpatient lifters to reduce skin

damage or falls; Maggie Beer inspired food menus; 5-star chef service and a new Burlodge Food delivery system installed throughout the entire site.

FOCUS ON WELLBEING

You can be assured of the best clinical and medical care at Rivera Place, Kimberley Talbot, Group CEO announced prior to its June opening.

“We focus on wellness rather than just illness, providing local access to health care, and alternative lifestyle choice to traditional aged care models.

“We believe a sense of belonging and companionship is vital to wellbeing, and everyone deserves to live with purpose and dignity. Our Wall of Happiness enhances the home-feel environment with personal photos and images of our residents taken upon their entry to their new home.

RIVERA’S HIGHLIGHTS

- Single suites + optional two-bed companion suites
- Family function areas with kitchenettes
- Internet corners.
- Open alfresco areas with lounges and dining rooms on each level
- Sweeping outdoor verandahs, landscaped gardens
- Connection with ancillary services. Courtesy bus for residents with all Richmond Club Group services – bingo, social trips, entertainment, Richmond Golf Club, Active8 gym, Amber Style and Beauty Salon.

Visit riveraplace.com.au

Call 4578 2966 for an information pack or to arrange a tour of the facility.

Trust in care™

CONNECTING COMMUNITIES

“It’s a bold, visionary plan for our Richmond township and the Hawkesbury – a continuum of care.”

Concepts for a five-star, multi-storey residential community for over 55s opposite the main club are being developed.

One of the largest and most ambitious components of our masterplan, the Francis Street independent living units and community village, are part of the ‘continuum of care’ we are committed to providing for the Hawkesbury.

Plans were announced last financial year. The first stage feasibility study has been completed. The expected \$100 million development will feature beautiful resort-inspired design spaces, where seniors feel special, live independently and can “belong”.

The development is an intergenerational project and a sensible progression for the club, according to Group CEO Kimberley Talbot, as it provides what the Hawkesbury needs.

“It allows retired people to remain connected to their community, which is the focus of this development,” Ms Talbot said.

“We want to continue their sense of place and belonging in their local community.

“Richmond township will benefit from being surrounded by a community of permanent residents and their families.”

While the construction and build of this project will create hundreds of immediate short-term jobs, the maintenance and ongoing servicing of the complex – from the café to the wellness gym, swimming pool, gardens, travellers park and courtesy bus – will create many long-term employment opportunities.



RETIREMENT RESORT LIVING

- UP TO 140 UNITS
- FOUR-TO-FIVE STAR APARTMENT FIT OUTS
- INDEPENDENT LIVING
- HOME CARE SERVICES
- VILLAGE GREEN
- COMMUNITY VEGETABLE GARDEN
- CAFÉ
- WELLNESS CENTRE AND POOL
- COURTESY BUS
- ON-SITE UNDERGROUND PARKING
- EXTENSION OF WANDEREST TRAVELLERS PARK
- 80 BED RESIDENTIAL AGED CARE FACILITY
- CHILDCARE CENTRE

DELIVERING A DESTINATION STEP-BY-STEP

“THE BOARD’S FORMER AND CURRENT DIRECTIVE IS TO MAKE US A TRUE DESTINATION -- A CONTINUUM OF SERVICES FOR THE REGION IS REALLY IN THE MAKING ”

-CEO KIMBERLEY TALBOT

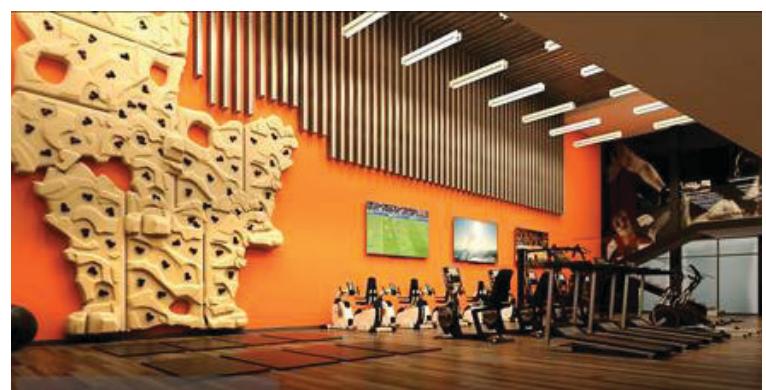
For over 70 years, Richmond Club Group has been working on delivering community infrastructure to improve and nurture the quality of life of its ex-servicemen and the district. We have also had masterplans in place contributing to the economic future of the Hawkesbury, which are coming to fruition.

What does it take to deliver services for a true play, stay and taste destination? Long term vision and commitment.

In past pages you have seen the history of our commitment – from the donation of 88-acres of land to create the Benson’s Lane sporting complex for youth and families, through to specialist aged care services; being the driver for the Hawkesbury Living Oncology Unit; saving Australia’s oldest golf course on its original site; operating award-winning Active8 gym, installing a \$1.3 million Arcadia children’s entertainment; to developing tourism through Wanderest Travellers Park and our current plans before council for 4.5 star hotel accommodation.

What has been the mainstay of this ever-evolving vision is the Ex-Servicemen’s club, a community meeting place of social inclusion for all ages. To meet, dine, play, socialise and be entertained, while being backed by welfare, wellbeing and health services.

“PLAY STAY TASTE” RICHMOND CLUB BOARD REMAINS COMMITTED TO RECOGNISING LOCAL TOURISM IS THE FUTURE ECONOMIC DRIVER FOR THE HAWKESBURY. ”





HOTEL:

The \$21 million hotel accommodation development within the site of Richmond Club is undergoing hopefully the final development consent processes with Hawkesbury Council.

Fronting East Market Street, it will feature 114 well-appointed rooms, its own underground carparking, along with state-of-the-art conference and function room facilities linking through to the club.

It also enables a multi-million-dollar club refurbishment program to commence which will create new eating and dining areas, community and corporate event spaces as well as designer landscaping and green surrounds that integrate with the club's new outdoor entry facilities.

The 2212 square metre hotel site is at the corner of Francis and East Market streets, in the club's main footprint.

Hotel accommodation will also allow our club to increase support for local tourism through events like the Australian Seniors PGA, Sandsculpting on the River and Polo Championships in the future. The hotel is a landmark addition to the Club group's current tourism offering, having operated Wanderest Travellers Park for 8 years.

"Our business diversification will ensure we continue to provide core services for the Hawkesbury community, including aged care and welfare services, child health and wellbeing services, function, sports, conference and entertainment facilities for schools and organisations," Ms Talbot said.

We are the club of the future

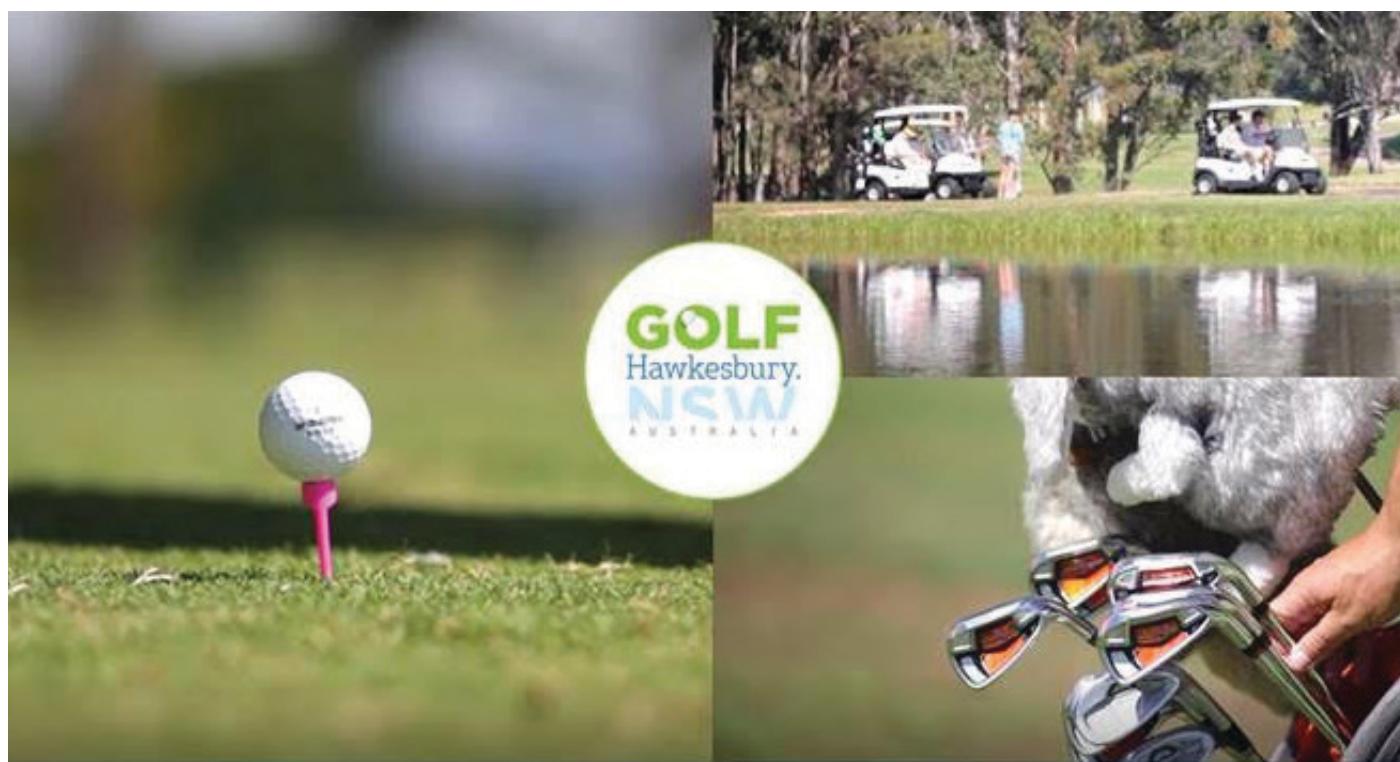


HOTEL IN FOCUS

- \$21 million build
- \$2.8 million conference and function room fit out
- 114 well appointed rooms
- Underground car parking



DESTINATION HAWKESBURY



“Following the DNSW brand campaign, there have been 57,886 leads delivered to operator websites to date. There have been 144,318 total website views to visitnsw.com/Hawkesbury. ”

Richmond Club Group has long been an advocate for local tourism and actively engaged in tourism creation opportunities in the Hawkesbury.

Partnering with district golf clubs to launch the Golf Hawkesbury initiative is hopefully in the future. Operating Wanderest Travellers Park and now embarking on hotel accommodation, our Group sees tourism as a vital asset to sustain the local economy. With beautiful natural bushland, river, historic sites, adventure activities and an historic townships region – tourism should be a given for us as a community.

Tourism contributes towards complete growth and development of a region: one, by bringing numerous economic value and benefits; and, second, helping in building brand value, image and identity. The Tourism industry goes beyond attractive destinations, to being an important economic growth contributor.

The accommodation industry and food and beverage suppliers top the list of services essential for tourism.

RICHMOND CLUB HOTEL DEVELOPMENT

The 114-room hotel development for boutique accommodation in the heart of the Richmond CBD remains before Council. The \$21 million build within the club's footprint at the corner of Francis and East

Market streets, is expected to take nine months following government approval processes.

It will feature its own underground carparking, well appointed rooms, state of the art conference and function room facilities linking through to the club. The Hawkesbury has been desperately missing this style of integrated concept that successfully operates in many other major inner and western Sydney regions,” says hotel operator Estilo Group CEO Clifford Olson.

WANDEREST

Continuing to be a success story, Wanderest Travellers Park is located directly opposite the main club in the heart of Richmond, facing the open, grassy Richmond Lowlands.

Often booked out weeks in advance, the park hosts hundreds of visitors every month in caravans and motorhomes.

Members of the club can enjoy facilities that are pet friendly, an amenities block, waste dumping station, picnic tables and open grassed recreational areas.

During 2018-19, Wanderest hosted 1847 visitors, for a total of 4212 nights. While the visits were down about 20% from the previous year, it would account for the introduction of a nominal fee rise in September 2018 to

cover increasing operational costs.

After introducing the rise - \$10 per night for non-powered sites (previously free of charge) and \$20 per night for powered sites (up from \$10), Wanderest is now modestly covering its operational and maintenance costs for electricity, water, sullage and the amenities block, while still being the most inexpensive holiday option in the district.

Wanderest now makes approx. \$56,000pa, up 43% from 2017-18, as opposed to the previous year's \$24,000, money that is invested back into club services.

More people staying at our park means more money being spent in the Richmond township - a boon for local business, our local economy and advertising Hawkesbury as an ideal tourist destination.

GOLF HAWKESBURY

Golf Hawkesbury, launched with the approval of the Hawkesbury's leading golf clubs several years ago, was successfully marketed to an international audience at the Australian Tourism Exchange.

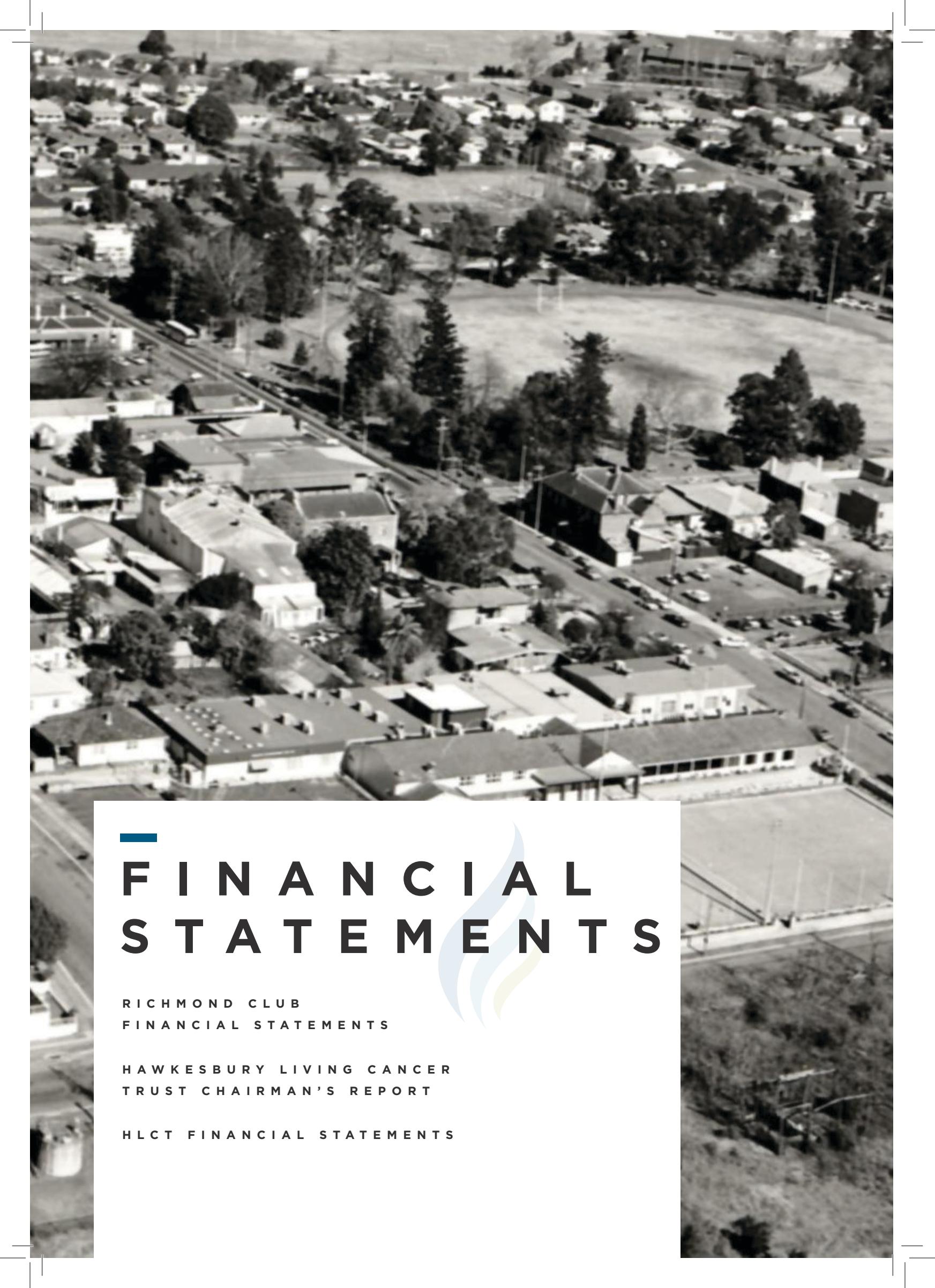
By uniting the Hawkesbury's outstanding courses into a neat 'tour' package, the potential for overnight and longer stay visitors, particularly from Asia, is enormous. The club's impending hotel development will seamlessly link in with this project.

Richmond Golf Club, home of the Australian Seniors PGA Championship - Legends Tour, and the oldest course on its original site in Australia, is looking forward to further developing the partnership.



HAWKESBURY REGION ACCOMMODATION SUMMARY

- 139 accommodation providers (2019), 13 are not in the Hawkesbury LGA.
- 15 are located in Kurrajong, 9 in Bilpin, 15 in Wisemans Ferry, 6 in Windsor, 7 in Richmond. Additional are spread throughout the region.
- They range from hotels, motels, caravan and camping parks, guesthouses and B&Bs.
- 102 of 139 target the overnight short break market.
- 26 of 139 are caravan and camping parks
- Destination management plan Hawkesbury.
- *The importance of Tourism and its Economic Value* by Kshitiz Thakur. Market Width: Markets & Marketing.



FINANCIAL STATEMENTS



RICHMOND CLUB
FINANCIAL STATEMENTS

HAWKESBURY LIVING CANCER
TRUST CHAIRMAN'S REPORT

HLCT FINANCIAL STATEMENTS

RICHMOND CLUB LIMITED & CONTROLLED ENTITY
ABN 14 001 034 911

DIRECTORS' REPORT

Your directors present their annual report on the company for the financial year ended 30 June 2019.

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

Geoffrey Luscombe
Garry Watterson
Peter Chidgey
Gregory Thompson
James Bullock
Dianne Finch
John Kane (resigned 13 May 2019)
Kerry Spindler (appointed 25 September 2018, resigned 12 August 2019)
Scott Reilly (appointed 13 May 2019)
Elissa Esposito (appointed 27 August 2019).

The Directors' qualifications, experience & special responsibilities are as follows:

GEOFFREY LUSCOMBE – Chairman, elected 18 November 2009.
Chairman 10 years. Vice Chairman 7 years. Board member 21 years. Club member 43 years. Retired Police Officer. Real Estate Agent.

GARRY WATTERSON - Vice Chairman, elected 1 November 2013.
Vice Chairman 6 years. Board member 16 years. Club member 35 years. Retail Services Manager. Retired.

PETER CHIDGEY
Board member 14 years. Vice Chairman 5 years. Club member 16 years. Company Director, CEO.

GREGORY THOMPSON
Board member 10 years. Club member 10 years. Veterinary Surgeon.

JAMES BULLOCK
Board member 4 year. Club member 13 years. Business Owner/Director.

DIANNE FINCH
Board member 4 year. Club member 28 years. Business Owner. Retired Vice Mayor and Councillor of Hawkesbury City Council.

JOHN KANE (resigned 13 May 2019)
Board member 2 year. Club member 7 years. RAAF Squadron Leader, Executive member of the Defence Force Welfare Association, State Commissioner Scouts NSW, past National Director of Duke of Edinburgh Award of Australia and past Director with Deloitte.

KERRY SPINDLER (appointed 25 September 2018, resigned 12 August 2019)
New Board member. Club member 8 years. Manager at Nova Employment.

SCOTT REILLY (appointed 13 May 2019)
New Board member. Club member 3 years. Business Development Manager at Neverfail Springwater.

ELISSA ESPOSITO (appointed 27 August 2019)
New Board member. Club member 3 years. Self employed Mortgage Broker.

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

RICHMOND CLUB LIMITED & CONTROLLED ENTITY
ABN 14 001 034 911

DIRECTORS' REPORT (continued)

The principle activities of the company are the conduct of a licensed social, sporting & recreation club and the operation of a nursing home and retirement units in Richmond, NSW through its controlled entity.

The long term objectives are as follows:

- To continually improve the quality of the services we provide including food, beverage, gaming, sport, recreation, fitness, children's play area, caravan facility, function centre, entertainment, residential aged care, tourism, golf, and other complimentary services.
- To continue to embrace the sacrifice of our servicemen and women past, present and future.
- To provide a balance of planet, people and profit for communities of the Hawkesbury and surrounding districts.
- To maintain a high standard of aged care and quality services and to develop those services for the Group.
- To continue providing Hawkesbury residents with a sense of dignity as well as comfort, privacy and safety levels.
- To provide affordable, independent housing.
- To assist in the development of Hawkesbury Living Cancer Trust and the Len and Margaret Peel Chemotherapy and Infusion Unit and remain the appointer of the Trustees.
- To improve golf course grounds, facilities and clubhouse services to players, members and guests.
- To build stage 4 of Hawkesbury Living and DA for Stage 5.
- To reduce aged care waiting lists generally.
- To maintain the excellent course and facilities at Richmond Golf Club.
- To collaborate with other Aged Care providers to increase infrastructure in the Hawkesbury responsibly.
- To collaborate with relevant charities to assist in the provision of childcare services.
- To collaborate with local sporting groups to enhance sports in the Hawkesbury.

The short term objectives are as follows:

- To continually improve the quality of the services we provide including food, beverage, gaming, sport, recreation, fitness, children's play area, caravan facility, function centre, entertainment, residential aged care, tourism, golf, and other complimentary services.
- To continue working toward the health and wellbeing of our children, seniors and community including the provision of sport and recreation.
- To cater for our older community and those with special needs, developing health and wellbeing.
- To improve net cash inflows.
- To continually improve and enhance social inclusion programs through our venues and the local community.
- To extend the caravan facility and assist in the development of sustainable tourism through the Hawkesbury and adjoining Local Government Areas.
- To continue to improve our facilities at the registered clubs including integrating the Hotel complex with the Club.

To achieve these objectives, the company adopted the following strategies and measures of performance:

- The use of benchmarking and key performance indicators within that process including profitability, efficiency, membership, staff productivity, cost control, gross profit in core trading areas, ratios, marketing, cash flow from operations to reinvestment in capital expenditure and community support. Community support performance is not only the amount of funds directed to that area but the amount of "in kind" support provided.
- To continually strive to operate efficiently and in a manner that is consistent with accepted business practice to ensure facilities are preserved, member benefits are maintained and community support is ongoing.
- We constantly monitor member, guest and residents' satisfaction of services and facilities.
- The training of employees to ensure the highest levels of service are provided to our members, guests and aged care residents.
- The company is actively involved with government representatives and departments with the club and aged care environments.
- Assessment and other accreditation standards and other responsibilities as required by the Aged Care Act 1997. Assessments include surprise and arranged visitations.

RICHMOND CLUB LIMITED & CONTROLLED ENTITY
ABN 14 001 034 911

DIRECTORS' REPORT (continued)

A copy of the auditor's independence declaration for the year ended 30 June 2019, as required under section 307C of the Corporations Act 2001 was received and is attached.

During the financial year 10 meetings of directors were held. Attendances were as follows:

	Number of Meetings Eligible to Attend	Number of Meetings Attended
Geoffrey Luscombe	10	10
Garry Watterson	10	9
Peter Chidgey	10	10
Gregory Thompson	10	5
James Bullock	10	8
Dianne Finch	10	10
John Kane	4	4
Kerry Spindler	4	4
Scott Reilly	2	2

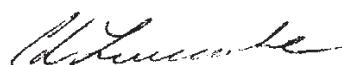
Review of operations

The profit attributable to members of the entity for the year was \$(116,578) (2018: \$(38,575)). Revenue of \$24,373,257 was a 1.85% or \$444,000 increase on last year's result of \$23,929,257.

The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee.

The company has two classes of ordinary membership, ordinary & junior. Each member is liable to contribute no more than four dollars in the event the company is wound up. The collective liability of members was \$73064 (last year \$82,716).

Signed in accordance with a resolution of the Board of Directors



Geoffrey Luscombe
Chairman

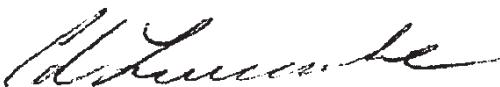
Dated: 18th September 2019

RICHMOND CLUB LIMITED & CONTROLLED ENTITY
ABN 14 001 034 911

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Richmond Club Limited, the directors of the company declare that:

1. The financial statements and notes, being the Consolidated Income Statement, the Consolidated Statement of Profit or Loss and Other Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows and Notes to the Financial Statements, are in accordance with the Corporations Act 2001 and:
 - a. comply with Australian Accounting Standards – Reduced Disclosure Requirements; and
 - b. give a true and fair view of the financial position as at 30 June 2019 and of the performance for the year ended on that date of the consolidated group.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.



Geoffrey Luscombe
Director

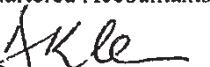
Dated this 24 September 2019

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF RICHMOND CLUB LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2019 there have been no contraventions of:

- i. the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- ii. any applicable code of professional conduct in relation to the audit.

DK AUDIT ACCOUNTANTS PTY LTD
Chartered Accountants



Director: David Kean
Registered Company Auditor
Signed at 97 Francis Street, Richmond, NSW
Dated this 24 September 2019

RICHMOND CLUB LIMITED & CONTROLLED ENTITY
ABN 14 001 034 911

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019**

		Consolidated Group	
	NOTE	2019 \$	2018 \$
Revenues			
Sale of Goods	3	2,654,657	2,651,223
Provision of Services	3	21,334,251	20,852,604
Other Revenue	3	384,349	425,430
Cost of Goods Sold	3	(1,116,681)	(1,127,594)
Employee Benefits Expense	3	(11,202,532)	(10,757,045)
Finance Costs		(514,252)	(529,077)
Depreciation, Amortisation and Impairment Expense		(2,097,477)	(2,060,739)
Other Expenses	3	(9,318,651)	(9,287,137)
Support Payments to the Community	4	(236,693)	(219,109)
PROFIT (LOSS) BEFORE INCOME TAX EXPENSE		(113,029)	(51,444)
LESS: INCOME TAX EXPENSE	5	<u>3,549</u>	<u>(12,869)</u>
NET PROFIT AFTER INCOME TAX EXPENSE		<u>(116,578)</u>	<u>(38,575)</u>
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified subsequently to Profit or Loss			
Gains on Revaluation of Land and Buildings		-	-
Gains on Revaluation of Intangible Assets		-	4,850,000
Items that may be reclassified subsequently to Profit or Loss			
Fair Value Gains (Losses) on Available For Sale Financial Assets		-	(259)
OTHER COMPREHENSIVE INCOME (LOSS)		-	4,849,741
TOTAL COMPREHENSIVE INCOME (LOSS)		<u>(116,578)</u>	<u>4,811,166</u>
PROFIT (LOSS) ATTRIBUTABLE TO MEMBERS OF THE ENTITY		<u>(116,578)</u>	<u>(38,575)</u>
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO MEMBERS OF THE ENTITY		<u>(116,578)</u>	<u>4,811,166</u>

The accompanying notes form part of the financial statements

RICHMOND CLUB LIMITED & CONTROLLED ENTITY
ABN 14 001 034 911

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

		Consolidated Group	
	NOTE	2019	2018
		\$	\$
CURRENT ASSETS			
Cash & Cash Equivalents	6	3,906,582	3,237,992
Trade & Other Receivables	7	654,808	693,677
Inventories	8	81,062	84,097
Other Current Assets	9	<u>128,792</u>	<u>190,786</u>
TOTAL CURRENT ASSETS		<u>4,771,244</u>	<u>4,206,552</u>
NON-CURRENT ASSETS			
Financial Assets	10	10,450	10,995
Property, plant and equipment	11	50,396,627	41,291,224
Intangible assets	12	10,264,962	10,288,384
Deferred tax assets	15	166,857	170,243
Other Non Current Assets	9	<u>177</u>	<u>177</u>
TOTAL NON-CURRENT ASSETS		<u>60,839,073</u>	<u>51,761,023</u>
TOTAL ASSETS		<u>65,610,317</u>	<u>55,967,575</u>
CURRENT LIABILITIES			
Trade & other payables	13	3,847,215	3,278,499
Borrowings	14	20,156,290	9,630,693
Provisions	16	<u>1,060,492</u>	<u>916,827</u>
TOTAL CURRENT LIABILITIES		<u>25,063,997</u>	<u>13,826,019</u>
NON-CURRENT LIABILITIES			
Trade & other payables	13	-	652,796
Borrowings	14	6,250,864	7,058,132
Deferred tax liabilities	15	202,561	202,398
Provisions	16	<u>167,827</u>	<u>186,584</u>
TOTAL NON-CURRENT LIABILITIES		<u>6,621,252</u>	<u>8,099,910</u>
TOTAL LIABILITIES		<u>31,685,249</u>	<u>21,925,929</u>
NET ASSETS (LIABILITIES)		<u>33,925,068</u>	<u>34,041,646</u>
EQUITY			
Reserve	25	12,865,497	12,865,497
Retained profits		<u>21,059,571</u>	<u>21,176,149</u>
TOTAL EQUITY		<u>33,925,068</u>	<u>34,041,646</u>

The accompanying notes form part of the financial statements

RICHMOND CLUB LIMITED & CONTROLLED ENTITY
ABN 14 001 034 911

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

	Retained Earnings \$	Revaluation Surplus \$	Total \$
Balance at 1 July 2017	21,214,724	8,015,756	20,230,480
Profit attributable to members	(38,575)		(38,575)
Other Comprehensive Income for the year			
Gains on Revaluation of Intangible Assets		4,850,000	4,850,000
Fair Value Gains/(Losses) on Available For Sale Financial Assets		(259)	(259)
Balance at 1 July 2018	21,176,149	12,865,497	34,041,646
Profit attributable to members	(116,578)		(116,578)
Other Comprehensive Income for the year			
Gains on Revaluation of Intangible Assets		-	-
Fair Value Gains/(Losses) on Available For Sale Financial Assets		-	-
Balance at 30 June 2019	<u>21,059,571</u>	<u>12,865,497</u>	<u>33,925,068</u>

The accompanying notes form part of the financial statements

RICHMOND CLUB LIMITED & CONTROLLED ENTITY
ABN 14 001 034 911

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019

		Consolidated Group	
	NOTE	2019	2018
		\$	\$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from Members, Visitors, Residents, Government and Others		24,281,985	23,827,551
Payments to suppliers and employees		(22,451,578)	(21,395,755)
Interest Received		-	290
Finance Costs Paid		(514,669)	(528,142)
Net Cash provided by (used in) Operating Activities		<u>1,315,738</u>	<u>1,903,944</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Acquisition of Property, Plant and Equipment		(10,690,387)	(3,234,353)
Acquisition of Intangible Assets		-	-
Proceeds from disposal of Property, Plant & Equipment		-	141,500
Net cash provided by (used in) investing activities		<u>(10,690,387)</u>	<u>(3,092,853)</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowings		13,255,506	3,246,924
Repayment of borrowings		(3,212,267)	(2,401,307)
Net cash provided by (used in) financing activities		<u>10,043,239</u>	<u>845,617</u>
NET INCREASE IN CASH HELD			
Cash at the beginning of the year		668,589	(343,292)
		3,237,992	3,581,284
CASH AT THE END OF THE FINANCIAL YEAR	6	<u>3,906,582</u>	<u>3,237,992</u>

RICHMOND CLUB LIMITED & CONTROLLED ENTITY

ABN 14 001 034 911

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

The consolidated financial statements and notes represent those of Richmond Club Limited and controlled entity ("Consolidated Group" or "Group"). Richmond Club Limited is a company limited by guarantee, incorporated and domiciled in Australia.

The separate financial statements of the parent entity Richmond Club Limited, have not been presented within this financial report as permitted by the Corporations Act 2001.

The directors have determined that the Group is not publicly accountable.

The directors authorised the issue of the Financial Report on 24 September 2019.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**Basis of Preparation**

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board and the Corporations Act 2001. The company is a not for profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual 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.

a. Principles of Consolidation

The consolidated financial statements incorporate all assets, liabilities and results of the parent (Richmond Club Limited) and its wholly owned subsidiary (Hawkesbury Living Pty Ltd). Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has the rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated upon consolidation. Accounting policies of the subsidiary have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the group.

There are no non-controlling interests in any companies in the consolidated group.

Business Combinations

Business Combinations where an acquirer obtains control over one or more businesses.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is attained whereby the fair values of the identifiable assets acquired and liabilities (including contingent liabilities) assumed are recognised (subject to certain limited exceptions).

When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Contingent consideration classified as an asset or a liability is remeasured in each reporting period to fair value recognising any change to fair value in profit or loss, unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to business combinations, other than those associated with the issue of a financial instrument are recognised as expenses in profit or loss.

The acquisition may result in the recognition of goodwill or a gain from a bargain purchase.

RICHMOND CLUB LIMITED & CONTROLLED ENTITY

ABN 14 001 034 911

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019 Continued**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued

b. Income Tax

The income tax expense (revenue) for the year comprises income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax item relates to items that are recognised outside profit or loss.

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised. Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right to set-off exists and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

The company, using the principle of mutuality, is only liable for income tax based on earnings from non-members and external parties.

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

c. Inventories

Inventories held for sale are measured at the lower of cost and net realisable value.

Inventories acquired at no cost, or for nominal consideration, are valued at the current replacement cost as at the date of acquisition.

d. New or amended Accounting Standards and Interpretations Adopted

The company has adopted all new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The following Accounting Standards and Interpretations are most relevant to the company:

AASB 9 Financial Instruments

The Company has adopted AASB 9 from 1 July 2018. The company has receivables at year end and under the standard there are new impairment requirements which use an "expected Credit Loss ("ECL") model to recognise an allowance.

Impairment is measured using a 12 month ECL method unless the credit risk on a financial asset has increased significantly since initial recognition in which case the lifetime ECL method is adopted. For receivables, a simplified approach to measuring expected credit losses using a lifetime expected loss allowance is available.

Impact of Adoption

The adoption of new Accounting Standards and Interpretations did not have an impact on the financial performance or position of the Company as at 30 June 2019 or on retained earnings as at 1 July 2018.

e. Property, Plant and Equipment

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

Freehold Property

Freehold land and buildings are shown at their fair value based on valuations by external independent valuers, less subsequent depreciation for buildings. In periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct directors' valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

RICHMOND CLUB LIMITED & CONTROLLED ENTITY
ABN 14 001 034 911

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019 Continued**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued

e. Property, Plant and Equipment continued

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Decreases that offset previous increases of the same class of asset are recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in profit or loss.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

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

Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(f) for details of impairment).

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets but excluding freehold land is depreciated on a straight line basis over the assets useful life to the consolidated group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Buildings 1%-5%

Plant, Equipment, Gaming Machines & Vehicles 2.5%-50%

Leased Assets 10%-50%

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

f. Impairment of Assets

At each the end of each reporting period the entity assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the assets carrying value. Any excess of the asset's carrying value over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another standard (e.g. in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other standard.

Where it is not possible to estimate the recoverable amount of a class of assets, the entity estimates the recoverable amount of the cash-generating unit to which the class of asset belongs.

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

g. Employee Benefits

Short-term Employee Benefits

Provision is made for the company's obligation for short-term employee benefits. Short term employee benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages and salaries. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled. The company's obligations for short-term employee benefits such as wages and salaries are recognised as a part of current trade and other payables in the statement of financial position.

RICHMOND CLUB LIMITED & CONTROLLED ENTITY

ABN 14 001 034 911

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019 Continued**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued

g. Employee Benefits continued

Other Long-term Employee Benefits

The company classifies employee's long service leave and annual leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the company's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

The company's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which the obligations are presented as current liabilities.

h. Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the company are classified as finance leases. Finance leases are capitalised, recording an asset and a liability equal to the value of the minimum lease payments including any guaranteed residual values. Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely the entity will obtain ownership of the asset. 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 the risks and benefits remain with the lessor, are charged as expenses on a straight line basis over the lease term. Lease incentives for operating leases were not received.

i. Cash & 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 in the statement of financial position.

j. Revenue

Revenue from the sale of goods is recognised upon delivery of goods to customers.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial asset.

Members' Subscriptions and other income in advance is booked to account in the financial year in which it relates.

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

The upfront payment from the external caterer of \$1,133,076 settled by the contribution of assets to that value in the year ended 30 June 2015 had been recognised over the 10 year period of the external catering contract. The remaining portion was recognised in the current financial year due to the termination of the contract.

k. Goods & Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). Receivables and payables in the statement of financial position are shown inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

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

l. Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. Although there has been no change in accounting standards, a number of comparatives were amended in the Statement of Profit or Loss and Other Comprehensive Income and the Notes to the Financial Statements to provide more meaningful information to members.

m. Intangibles

The subsidiary company capitalises the acquisition of Bed Licences & Corporate Branding at cost at inception. Bed Licences are considered to have an indefinite useful life. Intangible assets are tested each year for impairment & are carried at cost less any accumulated impairment losses. Any licences granted at lower than fair value are recorded at fair value with the difference being recorded as a contribution in profit or loss.

Gaming Licences were recognised at fair value as part of the acquisition of the net assets of Richmond Golf Club Limited. Existing Gaming Licences held by the company do not meet the recognition criteria under Accounting Standards and have therefore not been recognised in Statement of Financial Position.

RICHMOND CLUB LIMITED & CONTROLLED ENTITY
ABN 14 001 034 911

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019 Continued**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued

n. Provisions

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

o. Critical Accounting Estimates & Judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Key Judgements

(i) Going Concern Assumption

The directors have determined that the group is a going concern and the financial report has been prepared on this basis.

(ii) Deferred Tax Assets

The directors have determined that there is a likelihood the company will earn taxable profits in the future. The company has therefore recognised deferred tax assets on provisions.

(iii) Estimation of useful lives of assets

The company has estimated the useful lives and related depreciation for property, plant and equipment. The useful lives could change significantly due to technical advances or other events. This could have a material impact on the operating performance and financial position of the company.

(iv) Valuation of bed licences

The company has 141 bed licences which are all classified as active licences as at balance date. These licences have been valued at \$70K per licence in the previous financial year. This value was reviewed at balance date by an independent external valuer.

(v) Impairment of non-financial assets

The company assesses impairment of non-financial assets at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. Impairment being that book value recorded by the company is more than the fair value. The directors have reviewed the value of non-financial assets and have determined that there is no impairment to the book value.

p. Resident Loans from Aged Care Residents

These loans, which are repayable on the departure of the resident, are interest free and classified as financial liabilities at fair value through profit or loss. The fair value of the obligation is measured as the ingoing contribution, less any legally accrued retention at reporting date. Although these loans are not expected to be repaid within twelve months these obligations are classified as current liabilities, as required by accounting standards, because the group does not have an unconditional right to defer settlement to more than twelve months after reporting date.

q. Fair Value of Assets and Liabilities

The company measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard. Fair value is the price the company would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date. As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use. The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

RICHMOND CLUB LIMITED & CONTROLLED ENTITY

ABN 14 001 034 911

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019 Continued**

	2019	2018
	\$	\$
2. PARENT ENTITY		
The following information has been extracted from the books and records of the parent entity & has been prepared in accordance with the accounting standards.		
STATEMENT OF FINANCIAL POSITION		
ASSETS		
Current Assets	985,915	1,380,628
Non Current Assets	<u>36,019,702</u>	<u>36,956,463</u>
TOTAL ASSETS	<u>37,005,617</u>	<u>38,337,091</u>
LIABILITIES		
Current Liabilities	4,407,421	4,787,133
Non Current Liabilities	<u>16,522,122</u>	<u>16,480,400</u>
TOTAL LIABILITIES	<u>20,929,543</u>	<u>21,267,533</u>
EQUITY		
Revaluation Surplus	5,685,808	5,685,808
Retained Earnings	<u>10,390,266</u>	<u>11,383,750</u>
TOTAL EQUITY	<u>16,076,074</u>	<u>17,069,558</u>
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		
Total Profit (Loss)	<u>(993,484)</u>	<u>(1,312,224)</u>
Total Comprehensive Income (Loss)	<u>(993,484)</u>	<u>(1,312,483)</u>
3. REVENUE AND EXPENSES		
Consolidated Group		
REVENUE		
Sale of Goods		
Beverage	1,446,018	1,445,708
Catering	1,186,845	1,174,354
Gymnasium	20,065	23,493
Hair Salon	1,729	7,668
Total - Sale of Goods	<u>2,654,657</u>	<u>2,651,223</u>
Provision of Services		
Gaming Machine Revenue	7,589,021	8,387,826
Gymnasium	397,176	436,792
Hair Salon	203,983	213,627
Golf	1,518,632	1,054,856
External Catering	774,827	193,313
Other Services	352,457	269,892
Aged Care Facility	10,498,156	10,296,299
Total - Provision of Services	<u>21,334,252</u>	<u>20,852,604</u>
Total Operating Revenue	<u>23,988,909</u>	<u>23,503,829</u>
Non-Operating Revenue		
Other Non-Operating Revenue	384,349	425,430
Total Non-Operating Revenue	<u>384,349</u>	<u>425,430</u>
	<u>24,373,258</u>	<u>23,929,259</u>

RICHMOND CLUB LIMITED & CONTROLLED ENTITY
ABN 14 001 034 911

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019 Continued**

	Consolidated Group	
	2019 \$	2018 \$
3. REVENUE AND EXPENSES continued		
EXPENSES		
Cost of Goods Sold		
Beverage Trading	586,996	618,931
Catering	478,826	487,243
Gymnasium	2,270	569
Hair Salon	48,589	20,851
Total - Cost of Goods Sold	<u>1,116,681</u>	<u>1,127,594</u>
Employee Remuneration & Benefits		
Wages and Salaries	9,251,483	8,942,657
Superannuation Expense	896,568	856,975
Annual & Long Service Leave	902,265	828,004
Fringe Benefits Tax	43,895	43,883
Other Employee Benefits Expense	108,321	85,526
Total Employee Remuneration and Benefits	<u>11,202,532</u>	<u>10,757,045</u>
Other Expenses		
Catering Expenses	115,321	103,858
External Catering Expenses	35,370	27,419
Beverage Trading Expenses	46,299	36,536
Gaming Machine Expenses & Taxes	2,067,989	2,302,930
Gymnasium Expenses	61,501	83,726
Hair Salon Expenses	12,787	12,836
Golf Expenses	985,602	442,569
Membership Expenses	17,383	18,790
Aged Care Facility Expenses	2,412,571	2,373,170
Entertainment & Promotion	1,024,138	1,187,563
Occupancy Costs	995,039	1,050,890
Repairs & Maintenance (excluding Gaming)	354,552	290,147
Consultancy Fees	28,551	86,560
Insurance	379,291	303,641
Miscellaneous	782,255	966,504
Total - Other Expenses	<u>9,318,651</u>	<u>9,287,137</u>

Significant revenue and expenses are disclosed above.

4. SUPPORT PAYMENTS TO THE COMMUNITY

Club Donations and Sporting Club payments	236,693	219,109
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The club applies to specific community welfare and social services under the ClubGRANTS scheme in accordance with the Gaming Machine Tax Act 2001.

This scheme runs from 1 September 2017 to the 31 August 2018 and expenditure for this period are as follows:

	31 Aug 2019	31 Aug 2018
Cash Donations - Category 1 and 2	837,470	833,335
In-Kind Donations - Category 1 and 2	59,000	67,949
	<u>896,470</u>	<u>901,284</u>

RICHMOND CLUB LIMITED & CONTROLLED ENTITY
ABN 14 001 034 911

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019 Continued**

	Consolidated Group	
	2019	2018
	\$	\$
5. INCOME TAX		
The prima facie income tax on profit from ordinary activities before income tax is reconciled to income tax expenses as follows:		
The prima facie income tax on net profit before income tax at 27.5% (last year 30%)	(31,083)	(14,147)
Tax Effect of		
- Non assessable & non deductible items relating to mutuality	366,086	433,880
- Other permanent differences	(97,402)	(82,348)
- Prior Year Tax Losses	-	-
- Current Year Tax Losses	-	-
- Non assessable & non deductible items due to tax exempt status of subsidiary	<u>(241,149)</u>	<u>(350,253)</u>
Prima facie tax after permanent differences	<u>(3,549)</u>	<u>(12,869)</u>
Tax Effect of Timing Differences		
- Movement in provisions	3,549	(12,869)
- Change in Effective tax rate	-	-
Increase in deferred tax assets	<u>3,549</u>	<u>(12,869)</u>
The components of tax expense comprise		
Current Tax	-	-
Deferred Tax	<u>3,549</u>	<u>(12,869)</u>
	<u><u>3,549</u></u>	<u><u>(12,869)</u></u>

6. CASH & CASH EQUIVALENTS

Cash on Hand	149,100	210,100
Cash at Bank	3,757,482	3,027,892
	<u>3,906,582</u>	<u>3,237,992</u>

Reconciliation of cash and cash equivalents

Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows are reconciled to items in the statement of financial position as follows:

Cash and cash equivalents	3,906,582	3,237,992
	<u>3,906,582</u>	<u>3,237,992</u>

7. TRADE & OTHER RECEIVABLES

CURRENT

Trade Receivables	37,917	31,648
Less: Provision for Impairment of Receivables	(9,783)	(9,783)
	<u>28,134</u>	<u>21,865</u>
Receivables - Residents	358,188	369,753
Other Receivables	268,486	302,059
	<u>654,808</u>	<u>693,677</u>

8. INVENTORIES

CURRENT

At cost	81,062	84,097
	<u>81,062</u>	<u>84,097</u>

RICHMOND CLUB LIMITED & CONTROLLED ENTITY

ABN 14 001 034 911

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019 Continued**

	Consolidated Group	
	2018 \$	2017 \$
9. OTHER ASSETS		
CURRENT		
Prepayments	<u>128,792</u>	<u>190,786</u>
	<u>128,792</u>	<u>190,786</u>
NON CURRENT		
Business Development Expenditure carried forward	<u>177</u>	<u>177</u>
	<u>177</u>	<u>177</u>
10. FINANCIAL ASSETS		
NON CURRENT		
Available for sale financial assets	<u>10,450</u>	<u>10,995</u>
Total financial assets	<u>10,450</u>	<u>10,995</u>
Available For Sale Financial Assets Comprise:		
- Shares in listed company	<u>10,450</u>	<u>10,995</u>
Total available for sale financial assets	<u>10,450</u>	<u>10,995</u>
11. PROPERTY, PLANT & EQUIPMENT		
Freehold Land, Buildings and Improvements - at valuation	45,709,489	36,446,917
Less: Accumulated Depreciation	(5,607,309)	(5,008,283)
Less: Accumulated Impairment	(40,000)	(40,000)
	<u>40,602,180</u>	<u>31,398,634</u>
Building Project in Progress	628,722	2,561,529
Total Land & Buildings	<u>40,690,902</u>	<u>33,960,163</u>
Leasehold Improvements	895,708	863,368
Less: Accumulated Amortisation	(448,461)	(400,734)
Total Leasehold Improvements	<u>447,247</u>	<u>462,634</u>
Plant and Equipment, Bowling Greens and Poker Machines - at cost	23,322,033	20,009,663
Less: Accumulated Depreciation	(16,307,712)	(15,268,162)
Total Plant and Equipment, Bowling Greens and Poker Machines - at cost	<u>7,014,321</u>	<u>4,741,501</u>
Leased Assets - at cost	3,191,377	2,703,761
Less: Accumulated Depreciation	(947,220)	(576,836)
Total Leased Assets - at cost	<u>2,244,157</u>	<u>2,126,925</u>
Total Property, Plant & Equipment	<u>50,396,627</u>	<u>41,291,224</u>
(a) Movements in Carrying Amounts		
BUILDINGS AND IMPROVEMENTS		
Balance at the beginning of the year	33,960,163	32,622,157
Additions	7,329,765	248,104
Additions-building in progress	-	1,689,302
Revaluation Increment	-	-
Disposals/Transfers	-	21,636
Impairment	-	-
Depreciation	(599,026)	(621,036)
TOTAL LAND AND BUILDINGS	<u>40,690,902</u>	<u>33,960,163</u>

RICHMOND CLUB LIMITED & CONTROLLED ENTITY
ABN 14 001 034 911

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019 Continued**

	Consolidated Group	
	2019 \$	2018 \$
11. PROPERTY, PLANT & EQUIPMENT continued		
LEASEHOLD IMPROVEMENTS		
Balance at the beginning of the year	462,634	457,554
Additions	32,340	64,951
Disposals/Transfers		
Depreciation and Amortisation	(47,727)	(59,870)
Carrying amount at the end of the year	<u>447,247</u>	<u>462,634</u>
PLANT, EQUIPMENT & GAMING MACHINES		
Balance at the beginning of the year	4,741,500	4,884,312
Additions	3,312,368	511,194
Disposals/Transfers	(56,676)	214,348
Depreciation	(982,870)	(868,354)
Carrying amount at the end of the year	<u>7,014,321</u>	<u>4,741,501</u>
LEASED ASSETS		
Balance at the beginning of the year	2,126,925	2,243,099
Additions	487,618	652,296
Disposals/Transfers		
Depreciation	(370,386)	(431,574)
Carrying amount at the end of the year	<u>2,244,156</u>	<u>2,126,925</u>
TOTAL		
Balance at the beginning of the year	41,291,222	40,207,122
Additions	11,162,091	1,476,545
Additions-building in progress		
Revaluation Increment		
Disposals/Transfers	(56,676)	(100,913)
Impairment		
Depreciation	(2,000,009)	(1,980,833)
Carrying amount at the end of the year	<u>50,396,628</u>	<u>41,291,224</u>
12. INTANGIBLE ASSETS		
Corporate Branding	384,226	369,226
Less: accumulated amortisation	(195,931)	(157,508)
Less: accumulated impairment losses	-	-
Net carrying value	<u>188,295</u>	<u>211,718</u>
Bed Licences at valuation	9,870,000	9,870,000
Less: accumulated impairment losses	-	-
Net carrying value	<u>9,870,000</u>	<u>9,870,000</u>
Gaming Licences at Fair Value - Richmond Golf Club Division	160,000	160,000
Gaming Licences at Cost	63,636	63,637
Less: accumulated impairment losses	(16,970)	(16,970)
Net carrying value	<u>206,667</u>	<u>206,667</u>
Total Intangibles	<u>10,264,962</u>	<u>10,288,384</u>
Reconciliation of Corporate Branding		
Balance at the beginning of the year	211,718	40,907
Additions	15,000	188,849
Amortisation	(38,423)	(18,038)
Carrying value at the end of year	<u>188,295</u>	<u>211,718</u>
Reconciliation of Bed Licences		
Balance at the beginning of the year	9,870,000	9,870,000
Revaluation	-	-
Balance at the end of the year	<u>9,870,000</u>	<u>9,870,000</u>

RICHMOND CLUB LIMITED & CONTROLLED ENTITY
ABN 14 001 034 911

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019 Continued**

12. INTANGIBLE ASSETS continued

Reconciliation of Gaming Licences

	Consolidated Group	
	2019 \$	2018 \$
Balance at the beginning of the year	206,666	346,667
Additions	-	-
Impairment	-	-
Disposals	(140,000)	
Balance at the end of the year	<u>206,666</u>	<u>206,666</u>

Gaming Licences were recognised at fair value as part of the acquisition of the net assets of Richmond Golf Club Ltd (in liquidation). Additional gaming licences purchased by the company are also recognised. Existing Gaming Licences held by the company do not meet the recognition criteria under Accounting Standards and have therefore not been recognised in the consolidated Statement of Financial Position. Corporate Branding & Bed Licences have been capitalised. Gaming and Bed Licences are considered to have an indefinite life. Although there is no requirement to amortise intangible Gaming and Bed Licence assets with indefinite lives, the carrying value has been reviewed for impairment. Corporate Branding is amortised over its useful life. The aged care facility is licensed for 141 beds.

The company has 141 bed licences which are all classified as active licences as at balance date. These licences have been valued at \$70K per licence in the previous financial year. This value was reviewed at balance date by an independent external valuer.

13. TRADE & OTHER PAYABLES

CURRENT

Unsecured Liabilities	1,394,535	1,376,678
Trade Payables	1,807,332	1,104,052
Sundry Payables & Accrued Expenses	370,207	419,759
Gaming Machine Tax	275,141	378,009
Income in Advance	<u>3,847,215</u>	<u>3,278,499</u>

NON CURRENT

Income in Advance	-	652,796
	<u>-</u>	<u>652,796</u>

Financial Liabilities at amortised cost classified as trade and Other Payables

Trade & Other Payables	3,847,215	3,278,499
Current	-	652,796
Non Current	3,847,215	3,931,295
Less: Deferred Income	(275,141)	(1,030,805)
Less: Other Payables	(1,807,332)	(1,104,052)
Financial Liabilities as Trade and Other Payables	<u>1,764,742</u>	<u>1,796,438</u>

14. BORROWINGS

CURRENT

Bank Loans & Bills - secured	8,803,006	722,600
Lease Liabilities	766,727	846,536
Interest Free Loans - Aged Care Residents	10,586,557	8,061,557
	<u>20,156,290</u>	<u>9,630,693</u>

NON CURRENT

Bank Bills - secured	5,501,231	6,023,631
Lease Liabilities	749,633	1,034,501
	<u>6,250,864</u>	<u>7,058,132</u>

(a) Total current and non-current liabilities

Secured Liabilities	14,304,237	6,746,231
Bank Loans & Bills - Secured	1,516,360	1,881,037
Lease Liabilities	10,586,557	8,061,557
Interest Free Loans - Aged Care Residents	26,407,154	16,688,825

RICHMOND CLUB LIMITED & CONTROLLED ENTITY
ABN 14 001 034 911

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019 Continued**

	Consolidated Group	
	2019 \$	2018 \$
14. BORROWINGS continued		
(b) The carrying amounts of assets pledged as security are:		
Mortgages		
- Freehold Land & Buildings	40,690,902	33,960,163
Fixed & Floating Charge		
- All Other Assets	<u>24,919,415</u>	<u>22,007,411</u>
Total	<u><u>65,610,317</u></u>	<u><u>55,967,574</u></u>
(c) The bank debt is secured by a first registered mortgage over certain freehold properties owned by the company. The bank also has a fixed and floating charge over all present and future assets and undertakings of the company and its subsidiary Hawkesbury Living Pty Ltd		
(d) Interest free loans comprise accommodation bonds held from aged care residents.		
(e) Lease liabilities are secured by underlying assets		
15. TAX		
(a) Liabilities		
CURRENT		
Income Tax	<u><u>-</u></u>	<u><u>-</u></u>
NON CURRENT		
Deferred Tax Liability on:		
TANGIBLE ASSET REVALUATION		
Balance at the beginning of the year	202,398	202,139
Charged to income	<u>163</u>	<u>259</u>
Charged directly to equity		
Balance at the end of the year	<u><u>202,561</u></u>	<u><u>202,398</u></u>
Deferred Tax Asset on:		
PROVISIONS		
Balance at the beginning of the year	170,243	157,374
Charged to income	<u>(3,386)</u>	<u>12,869</u>
Charged directly to equity		
Balance at the end of the year	<u><u>166,857</u></u>	<u><u>170,243</u></u>
16. PROVISIONS		
CURRENT		
Provision for Employee Benefits: Annual Leave	739,938	614,434
Provision for Employee Benefits: Long Service Leave	<u>320,554</u>	<u>302,393</u>
	<u><u>1,060,492</u></u>	<u><u>916,827</u></u>
NON CURRENT		
Provision for Employee Benefits: Long Service Leave	<u>167,827</u>	<u>186,584</u>
	<u><u>167,827</u></u>	<u><u>186,584</u></u>
EMPLOYEE BENEFITS		
Balance at beginning of the year	1,103,411	1,082,636
Additional provisions less amount used	<u>214,638</u>	<u>20,775</u>
Balance at the end of the year	<u><u>1,318,048</u></u>	<u><u>1,103,411</u></u>

RICHMOND CLUB LIMITED & CONTROLLED ENTITY
ABN 14 001 034 911

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019 Continued**

	Consolidated Group	
	2019 \$	2018 \$
16. PROVISIONS continued		
Provision for Employee Benefits		
Provision for employee benefits represents amounts accrued for annual leave and long service leave. The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.		
In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data and judgement. The measurement and recognition criteria for employee benefits has been discussed at note 1(g).		
17. CAPITAL AND LEASING COMMITMENTS		
(a) Finance Lease Commitments payable not later than one year	756,564	854,283
Later than one year but not later than five years	474,485	1,126,735
Later than five years	-	-
	<u>1,231,049</u>	<u>1,585,500</u>
(b) Operating Lease Commitments payable not later than one year	44,658	46,285
Later than one year but not later than five years	100,481	145,139
Later than five years	-	-
	<u>145,139</u>	<u>191,424</u>
(c) Capital Expenditure		
There are no capital expenditure commitments that require disclosure.		

18. EVENTS AFTER THE REPORTING PERIOD

The directors are not aware of any significant events since the end of the reporting period other than the following:

The company has reached a settlement with its former external caterer regarding the early termination of its lease agreement. The company has agreed to pay out a sum of \$150,000. This amount has been recorded as an accrual in trade and other payables.

19. CONTINGENT LIABILITIES & CONTINGENT ASSETS

Estimates of the potential financial effect of contingent liabilities that may become payable:

The company has an obligation to pay outstanding lease payments to the federal government for the use of the Richmond Golf Course land. The matter is under negotiation and therefore the amount payable is unknown at balance date.

20. CONTROLLED ENTITIES

Controlled Entities Consolidated

Subsidiary of Richmond Club Limited:
Hawkesbury Living Pty Ltd

RICHMOND CLUB LIMITED & CONTROLLED ENTITY
ABN 14 001 034 911

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019 Continued**

Consolidated Group		
2019	2018	
\$	\$	

21. RELATED PARTY DISCLOSURES

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

Ethan Talbot, the son of Group CEO Kimberley Talbot is employed by subsidiary company Hawkesbury Living Pty Limited on an arms length basis.

Lauren Stanley, the daughter of director Peter Chidgey is employed by subsidiary Hawkesbury Living Pty Limited on an arms length basis.

The parent company Richmond Club Limited has an unsecured loan with subsidiary company, Hawkesbury Living Pty Ltd. Interest is calculated as a minimum of the higher of the interest rate charged by the Bank Loans used by the Richmond Club to finance the Hawkesbury Living facilities and the 30 day term deposit rate. The interest charged during the reporting period and the amount of the loan at balance date are as follows:

Interest Charged by Hawkesbury Living Pty Ltd to Richmond Club Limited	325,667	246,501
Amount owing to Hawkesbury Living Pty Ltd by Richmond Club Limited	10,155,226	8,651,248

The names of each person holding the position of director of Richmond Club Limited during the financial year are:

G Luscombe, G Watterson, P Chidgey, G Thompson, J Bullock, D Finch, J Kane, K Spindler, S Reilly

The Directors did not receive any remuneration. No director has entered into a material contract with the company since the end of the previous financial year and there were no material contracts involving Directors interests during the financial year. Any purchase of beverages or use of company facilities are on the same terms and conditions as members, non-members and employees.

22. COMPANY DETAILS

The registered office and principal place of business is 6 East Market Street, Richmond, NSW.

23. KEY MANAGEMENT PERSONNEL COMPENSATION

Key Management Personnel Compensation	<u>972,345</u>	<u>1,015,059</u>
---------------------------------------	----------------	------------------

24. FINANCIAL RISK MANAGEMENT

The company's financial instruments consist mainly of deposits with banks, short term investments, accounts receivable and payable, and leases. The carrying amounts for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements are as follows:

Financial Assets		
Cash & Cash Equivalents	3,906,582	3,237,992
Loans and Receivables	654,808	693,677
Available for Sale financial assets		
- Shares in unlisted corporations	<u>10,450</u>	<u>10,995</u>
	<u>4,571,840</u>	<u>3,942,663</u>
Financial Liabilities		
Financial Liabilities at amortised cost		
- Trade & Other Payables	1,764,742	1,796,438
- Borrowings	<u>26,407,154</u>	<u>16,688,825</u>
	<u>28,171,896</u>	<u>18,485,263</u>

RICHMOND CLUB LIMITED & CONTROLLED ENTITY
ABN 14 001 034 911

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019 Continued**

Consolidated Group

2019	2018
\$	\$

25. RESERVES

REVALUATION SURPLUS

The revaluation surplus records the revaluations of non-current assets

26. CORE & NON CORE PROPERTY

The details of the core and non-core property at the end of the financial year is as follows:

Core Property

5 Toxana Road, Richmond, NSW 2753, also known as 6 East Market Street Richmond, NSW 2753

8 East Market Street, Richmond, NSW 2753

9 Toxana Road, Richmond, NSW 2753

34 Bourke Street, Richmond, NSW 2753

Non-Core Property

71 Francis Street, Richmond, NSW 2753 - this property is non-core for the purpose of the Club leasing the land to Learning Links

116 March Street, Richmond NSW 2753

122 March Street, Richmond NSW 2753

87 Francis Street, Richmond, NSW 2753

The land on the corner of Francis Street and East Market Street

DK AUDIT ACCOUNTANTS PTY LTD

Chartered Accountants

Telephone: (02) 4578 1164
 Facsimile: (02) 4578 3082
 Email: dlk@dunnkean.com.au

Liability limited by a scheme approved
 under Professional Standards Legislation

ABN: 29 163 007 903
 D Kean
 PO Box 152
 Richmond NSW 2753

RICHMOND CLUB LIMITED & CONTROLLED ENTITY
 ABN 14 001 034 911
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF RICHMOND CLUB LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Richmond Club Limited and Controlled Entity (the Group), which comprises the Consolidated Statement of Financial Position as at 30 June 2019, the Consolidated Statement of Profit or Loss and Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated 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.

In our opinion, the accompanying financial report of Richmond Club Limited is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the Group's financial position as at 30 June 2019 and of its financial performance for the year then ended ; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Regulations 2001.

Basis of Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Richmond Club Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Emphasis of Matter

We refer to note 1(o)(v) impairment of non-financial assets. The directors have valued property plant and equipment and reviewed for impairment. They have determined there is no impairment. Should an independent expert valuation be performed, the fair value determined may be lower than the book value recorded.

We refer to note 1(o)(iv) valuation of bed licenses. An independent valuer reviewed the book value of bed licenses recorded by the company. The valuer stated "There was very limited market evidence for allocated places" which can affect the valuation. However he also stated "there does not appear to be any increase or decrease in fair value at balance date."

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2019, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors 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 – Reduced Disclosure Requirements 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 preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

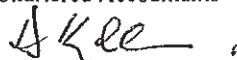
As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

DK AUDIT ACCOUNTANTS PTY LTD

Chartered Accountants



Director: David Kean

Registered Company Auditor

Signed at 97 Francis Street, Richmond, NSW

Dated this 24 September 2019

CHAIRMAN'S REPORT



Dear Stakeholders,

As the Chairperson of the Hawkesbury Living Cancer Trust, I am pleased to present to you the audited financial report for the Trust, for the Year ended 30 June 2019.

The Hawkesbury Living Cancer Trust Chemotherapy and Infusion Unit at Hawkesbury Hospital has now been treating patients since March 2017.

Through our partnership with Nepean Blue Mountains Local Health District (NBMLHD) patients are being referred to Hawkesbury Hospital for treatment, where they are taken care of by highly qualified oncology and chemotherapy professionals in a comfortable and familiar location that is close to home.

The number of patients being treated locally continues to increase thanks to the excellent work of Nepean Cancer Centre and Hawkesbury Hospital.

The Trust, as part of our agreement with Nepean Cancer Centre, is covering any shortfall between the funding provided by the State Government and the cost of providing the service locally. During the financial year the Trust contributed over \$80,000 to Nepean Cancer Centre to ensure the service in the Hawkesbury Hospital remains viable. The Trust are also investigating other ways we can assist patients having cancer treatments from the Hawkesbury and are planning some extra initiatives in this current financial year.

The Hawkesbury Living Cancer Trust is still actively fundraising. Trustee Graeme Colless held a fundraising race day at Randwick this year and from the proceeds made a large donation to the Trust.

I would like to thank my fellow Trustees, Vivienne Leggett, Graeme Colless, John O'Brien and Kimberley Talbot for their ongoing work and contributions, the Richmond Club Board of Directors, St John of God Hospital and Nepean Blue Mountains Local Health District.

Kind Regards,

Dr Duncan Guy
Chairperson
Hawkesbury Living Cancer Trust



**D. GUY, P. CHIDGEY, V. LEGGETT, G. COLLESS, J. O'BRIEN AND K. TALBOT
AS TRUSTEES FOR
HAWKESBURY LIVING CANCER TRUST**

**STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2019**

	NOTE	2019 \$	2018 \$
INCOME			
Donations Received			
Inner Wheel Club of the Hawkesbury Inc	-	10,000	
HC & MC Williams	100	-	
Pitt Town Sports Mens Bowling Club	92	-	
In Memory of Erica Cragg	1,121	-	
Hawkesbury District Concert Band	-	908	
SAG Fundraising Group	-	736	
Hawkesbury Gazette	-	878	
Hawkesbury Race Club Limited	-	10,200	
Hawkesbury Living Pty Ltd - NSW Government Grant	-	100,000	
Other Donations	-	2,289	
Total	1,313	125,011	
Fund Raising - Race Days			
Mark Hughes Foundation/Dad and Dave's Race Day Fundraising Event		81,324	-
Interest Received		12,073	13,563
TOTAL INCOME		94,710	138,574
EXPENDITURE			
Bank Charges	180	180	
Sundry Expenses	566	450	
Website Expenses	570	-	
TOTAL EXPENDITURE	1,316	630	
NET PROFIT		93,394	137,944
INCOME TAX EXPENSE		-	-
NET PROFIT	93,394	137,944	

The accompanying notes form part of the financial statements

**D. GUY, P. CHIDGEY, V. LEGGETT, G. COLLESS, J. O'BRIEN AND K. TALBOT
AS TRUSTEES FOR
HAWKESBURY LIVING CANCER TRUST**

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019**

	NOTE	2019	2018
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	2	1,305,743	1,285,672
TOTAL CURRENT ASSETS		1,305,743	1,285,672
NON-CURRENT ASSETS			
Property, Plant & Equipment	3	-	-
TOTAL NON-CURRENT ASSETS		-	-
TOTAL ASSETS		1,305,743	1,285,672
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	4	10,000	10,007
TOTAL CURRENT LIABILITIES		10,000	10,007
NON-CURRENT LIABILITIES			
TOTAL NON-CURRENT LIABILITIES		-	-
TOTAL LIABILITIES		10,000	10,007
NET ASSETS		1,295,743	1,275,665
EQUITY			
Settlement Sum		100	100
Retained Earnings		1,285,643	1,275,565
TOTAL EQUITY		1,285,743	1,275,665

The accompanying notes form part of the financial statements

**D. GUY, P. CHIDGEY, V. LEGGETT, G. COLLESS, J. O'BRIEN AND K. TALBOT
AS TRUSTEES FOR
HAWKESBURY LIVING CANCER TRUST**

**STATEMENT OF DISTRIBUTION
FOR THE YEAR ENDED 30 JUNE 2019**

Accumulated Earnings at 1 July 2017	1,137,621
Net Profit for the year ended 30 June 2018	<u>137,944</u>
Accumulated Earnings before Distributions	1,275,565
Less: Distributions made during the year ended 30 June 2018	-
Accumulated Earnings at 30 June 2018	1,275,565
Net Profit for the year ended 30 June 2018	<u>93,394</u>
Accumulated Earnings Before Distributions	1,368,959
Less: Distributions made during the year ended 30 June 2019	
Beneficiary	
Nepean Blue Mountains Local Health District	<u>(83,316)</u>
Accumulated Earnings at 30 June 2019	<u>1,285,643</u>

**D. GUY, P. CHIDGEY, V. LEGGETT, G. COLLESS, J. O'BRIEN AND K. TALBOT
AS TRUSTEES FOR
HAWKESBURY LIVING CANCER TRUST**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The trustees of the trust have prepared the financial statements of the trust on the basis that the trust is a non-reporting entity because there are no users dependant on general purpose financial statements. The financial statements are therefore special purpose financial statements and have been prepared in accordance with the trust deed.

No Accounting Standards have been followed in the preparation of this financial report.

The financial statements have been prepared on a cash basis and are based on historical costs unless stated otherwise in the notes.

The following material accounting policies have been adopted in the preparation of this report.

Property, Plant & Equipment

Each class of plant and equipment is carried at cost or fair value less, where applicable any accumulated depreciation. The depreciable amount of all fixed assets including buildings are depreciated on a straight line basis over their useful lives commencing from the time the asset is held ready for use.

2. CASH AND CASH EQUIVALENTS

ANZ Premium Cash Account	651,848	642,782
ANZ Term Deposit	653,895	642,890
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>

3. PROPERTY PLANT & EQUIPMENT - AT COST

Property

Plant & Equipment		
Plant & Equipment at Cost	1,480	1,480
Less: Accumulated Depreciation	-1,480	-1,480
	<hr/>	<hr/>
	<hr/>	<hr/>
Total Property Plant & Equipment	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>

**D. GUY, P. CHIDGEY, V. LEGGETT, G. COLLESS, J. O'BRIEN AND K. TALBOT
AS TRUSTEES FOR
HAWKESBURY LIVING CANCER TRUST**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
4. TRADE AND OTHER PAYABLES		
CURRENT		
Other Payables	<u>10,000</u>	<u>10,007</u>
	<u>10,000</u>	<u>10,007</u>

5. MINIMUM DISTRIBUTION

Under the Public Ancillary Fund Guidelines 2011 each year the trust is required to distribute 4% of the funds net assets as at the previous balance. The fund did not make a distribution in the financial year ended 30 June 2018 and may be liable for financial penalties in the future.

HAWKESBURY LIVING CANCER TRUST

STATEMENT BY TRUSTEES

The trustees have determined that the trust is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the trustees the financial report comprising the Statement of Financial Position as at 30 June 2019, the Statement of Income & Expenditure for the year then ended and the Notes of significant accounting policies:

1. Presents a true and fair view of the financial position of Hawkesbury Living Cancer Trust as at 30 June 2019 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Hawkesbury Living Cancer Trust will be able to pay its debts as and when they fall due.

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

Trustee:.....

Trustee:.....

Dated: 17 October 2019

DK AUDIT ACCOUNTANTS PTY LTD

Chartered Accountants

Telephone: (02) 4578 1164

Facsimile: (02) 4578 3082

Email: dlk@dunnkean.com.au

Liability limited by a scheme approved
under Professional Standards Legislation

ABN: 29 163 007 903

D Kean

PO Box 152

Richmond NSW 2753

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HAWKESBURY LIVING CANCER TRUST

Report on the Audit of the Financial Report

We have audited the financial report of Hawkesbury Living Cancer Trust, which comprises the, Statement of Financial Position as at 30 June 2019, the Statement of Income & Expenditure for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Statement by Trustees.

In our opinion the financial report of Hawkesbury Living Cancer Trust has been prepared in accordance with Division 60 of the Australian Charities and Not-for-Profits Commission Act 2012, including:

- (a) giving a true and fair view of the registered entity's financial position as at 30 June 2019 and of its financial performance for the year then ended; and
- (b) Complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 the Australian Charities and Not-for-profits Commission Regulation 2013.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the registered entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the registered entity's financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the Trustees for the Financial Report

The trustees of the registered entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the ACNC Act and the needs of the trustees. The trustees' responsibility also includes such internal control as the trustees determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the trustees are responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the registered entity or to cease operations, or have no realistic alternative but to do so.

The trustees are responsible for overseeing the registered entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

DK AUDIT ACCOUNTANTS PTY LTD

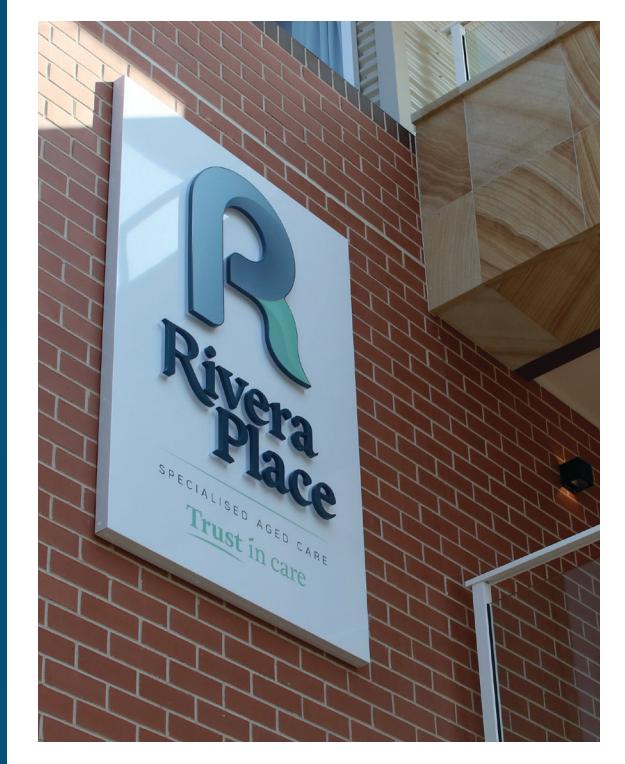
Chartered Accountants



Director: David Kean

Dated: 17 October 2019

Signed at 97 Francis Street, Richmond, NSW 2753





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creating communities

Richmond community heart
CLUB
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